ISSUE 1 VOLUME 8 JANUARY 2014

ICONBANK banknotes

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Founders' Message

Dear Shareholders,

2014 is already in full swing and by the time you read this newsletter, your Icon Bank will be celebrating its seventh year in business!

Last year serves as a reminder of how we have strived since day one to steadily grow in strength, size and capability. Did you know that in 2013 your Icon Bank:

- Grew by over 25% and is now a $540+ million institution;
- Recorded earnings of almost $4.3 million - a 37% growth;
- Successfully transitioned the Galleria and Augusta Pines offices to their permanent homes and launched a Sugar Land branch (with a permanent location scheduled for completion this spring);
- Created a permanent SBA Division, headed by Nathan Kerr, with additional staffing underway;
- Formed a Retail Banking group, with Mark Wagert at the helm, to assist our offices with deposit growth; and
- Expanded our product offerings to include Mobile Banking, Mobile Deposits and E-Statements

2013 was a busy and exciting year for Icon Bank, and we are working to make 2014 just as remarkable.

Thanks again for all of your support!

Warmest Regards,

CEO and Chairman

President and Vice Chairman

Bank at Work

Do you or someone you know own a company? Bank at Work is a value added benefit you can provide to all of your employees! Not only will your employees receive the advantages of a convenient Icon checking account, you as the employer will be able to reduce the time spent completing the payroll process, reduce costs of issuing checks and eliminate lost or stolen payroll checks (thus reducing possible fraud). By utilizing direct deposit, your employees can take advantage of all of the following benefits:

* Positively **FREE** Checking with no monthly service charge
* Unlimited transactions
* **FREE** Online Bill Pay
* **FREE** Visa Check Card
* **FREE** Telebanking
* **FREE** First Box of Wallet Style Checks
* No minimum balance requirement
* **FREE** I-Banking
* **FREE** Mobile Banking with mobile deposits
* **FREE** E-statements
* Totally **FREE** ATM Withdrawals, at ***ANY*** ATM, worldwide!

Employee Spotlight

Welcome to the following new members of the Icon family!

At the Augusta Pines office, *David Skala* joins as Senior Vice President, Lender and *Carrie Bruno* joins as Assistant Vice President, Branch Manager.

Kendra Bershee Targac joins the Cinco Ranch Office as Assistant Vice President, Credit Analyst and *Chrystal Fassett* joins as Teller.

Congratulations are in order for the following promotions and transitions:

Matt Broughton, from the Bay Area office and *Ryan Watson,* from the Cinco Ranch office have both been promoted to Senior Vice President, Lender. *Adam Pike* has been promoted to Vice President, Lender and will be transitioning from the Cinco Ranch office to the Corporate office. *Laura Riley* is now Assistant Vice President, Lending Assistant at the Cinco Ranch office and *Angie Villa* has been promoted to Assistant Branch Manager at the Katy office.

Lee Weaver, Vice President, Lender is making a move from the Corporate office to the Augusta Pines office and *Shauna Vazquez,* Personal Banker, joins the Sam Houston office from the Cinco Ranch office.

If you would prefer to receive your newsletter by email, please contact: thale@iconbanktx.com.

Real Estate Updates

Sugar Land

The permanent location for the Sugar Land office, located at 16744 Southwest Freeway; Sugar Land, TX 77479, is nearing completion and should be open for business by April 2014.

Bay Area Office Expansion

We are currently in the process of adding 2,800 sq.ft. to accommodate our growth in the Operations center at the Bay Area office. Completion of the expansion is targeted for March 2014.

Focus On: SBA Loans

Did you know that Icon Bank has an SBA (Small Business Administration) Department? Most business loans qualify and the loan terms are often more flexible than conventional commercial loans. SBA lending is a great way to support our community, while allowing Icon Bank to use minimal capital in the process. If you have a referral or any questions, please contact our SBA Manager, Nathan Kerr at 281-944-2053 or nkerr@iconbanktx.com.

2014 *Shareholders Meeting*

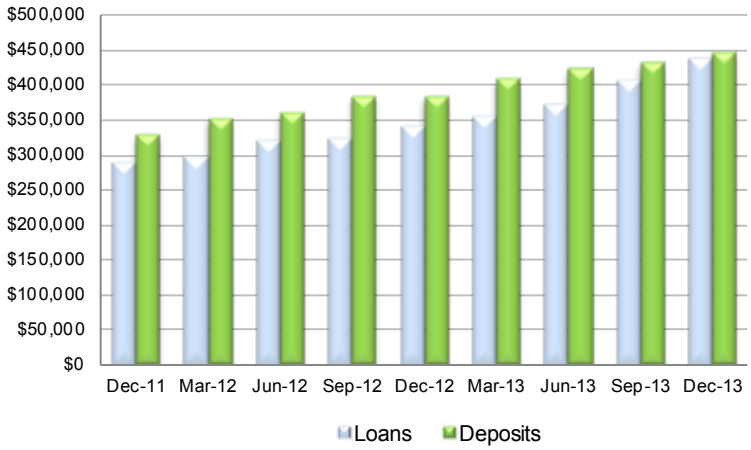
February 19

Start checking your mailbox for your Icon shareholder proxy. The annual meeting will be held on Wednesday, February 19, at 9:30 am in the Kensington Ballroom at Willow Fork Country Club (21055 Westheimer Parkway; Katy, TX 77450). Even if you are unable to attend, we encourage each shareholder to cast your vote ahead of time by mailing in your proxy prior to the meeting.

Loans and Deposits by Office

as of 12/31/13 (000's)

	Loans	%	Deposits	%
Sam Houston	97,010	22%	119,536	27%
Bay Area	59,805	14%	63,192	14%
Katy	39,980	9%	121,761	27%
Cinco Ranch	96,866	22%	38,193	9%
Galleria	69,302	16%	45,252	10%
Augusta Pines	36,794	8%	32,457	7%
Sugar Land	38,066	9%	26,166	6%
	437,824	**100%**	**446,557**	**100%**



Icon Financial Highlights: Bankwide

2010 - 2013 Year End Financials (000's)

Balance Sheet Data:

	2010	2011	2012	2013
Cash & Due from Banks	43,209	71,687	59,329	58,991
Fixed Assets	8,639	9,010	21,807	31,704
Loans	225,055	285,112	340,606	437,824
Allowance for Loan Losses	(2,782)	(3,181)	(4,051)	(4,801)
Investment Securities	18,000	1,544	1,396	3,086
Other	5,580	7,389	10,213	11,856
Total Assets	**297,701**	**371,561**	**429,300**	**538,660**
Interest Bearing Deposits	183,669	247,684	272,192	322,463
Non-Interest Bearing Deposits	74,377	82,417	108,620	124,094
Borrowed Funds	9,855	7,859	5,828	36,703
Other Liabilities	647	726	1,130	2,506
Total Liabilities	268,548	338,686	387,770	485,766
Shareholder's Equity	29,153	32,875	41,530	52,894
Total Liabilities & Shareholder's Equity	**297,701**	**371,561**	**429,300**	**538,660**

Income Statement Data:

	2010	2011	2012	2013
Interest Income	16,805	19,727	23,783	27,370
Interest Expense	(3,547)	(2,991)	(2,904)	(2,727)
Net Interest Income	**13,258**	**16,736**	**20,879**	**24,643**
Provision for loan losses	(538)	(975)	(1,778)	(1,080)
Net Interest Income after Provision	**12,720**	**15,761**	**19,101**	**23,563**
Non Interest income	793	1,136	1,615	1,603
Non Interest expense	(10,317)	(13,224)	(15,844)	(18,524)
Income before taxes	**3,196**	**3,673**	**4,872**	**6,642**
Provision for Federal Income Taxes	(265)	(1,271)	(1,745)	(2,358)
Net Income	**2,931**	**2,402**	**3,127**	**4,284**

7908 North Sam Houston Parkway West
Suite 100
Houston, TX 77064
www.iconbanktx.com

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Locations

Augusta Pines
25303 Kuykendahl Rd.
Tomball, TX 77375
281-517-2470

Bay Area
16610 Highway 3
Webster, TX 77598
281-517-2420

Cinco Ranch
23123 Cinco Ranch Boulevard
Katy, TX 77494
281-517-2450

Katy
18111 Katy Freeway
Houston, TX 77094
281-517-2430

Galleria
4920-A San Felipe
Houston, TX 77056
281-517-2440

Sugar Land
4675 Sweetwater Blvd.
Sugar Land, TX 77459
281-517-2490

Sam Houston/Executive Center
7908 N. Sam Houston Pkwy W.
Houston, TX 77064
281-517-2400

Member FDIC

EQUAL HOUSING LENDER

Board of Directors

Mark S. Reiley, CEO & Chairman, Icon Bank of Texas, N.A.

Walter Beard, Galleria Market President, Icon Bank of Texas, N.A.

Mark R. Evans, O'Connor, Craig, Gould & Evans

Archie A. (Trey) Henderson, III, A.A. (Trey) Henderson, III, P.C.

Joseph Rosa, Broker, ReMax Heritage; Partner, Avalanche Food Group

Bernard E. Warriner, Jr., Warriner & Associates Ins., Inc.

John D. Green, President & Vice Chairman, Icon Bank of Texas, N.A.

Richard N. Coffman, Consultant/CPA

Janet T. Friedman, J. Friedman Mortgage

Michael S. Richard, Consultant/CPA

David E. Roth, Roth Financial