



ICONBANK

banknotes

A QUARTERLY PUBLICATION OF ICON BANK OF TEXAS, N.A.

A Message From Our Founders

Dear Shareholders,

We are pleased to announce that IconBank is off to a great start, attributable to the diligent prep work of our staff and the strong support of our fellow shareholders in both deposits and loan opportunities. As of 5/31/07 Icon surpassed the \$25 million mark in total assets, and the rest of the year continues to look just as bright. Our Grand Opening was a huge success and proved to be a great opportunity to celebrate our current accomplishments and show potential investors what IconBank is all about. We opened 57 new deposit accounts that day and received numerous referrals for more

business. Special thanks to our friends and fellow shareholders Moe Nasr, Joe Rosa and Jennifer Warriner for their help with many aspects of the event. In light of our current successes, let's look to the future with the same enthusiasm and determination that have brought us this far. Please continue to support your individual investment in IconBank with your own deposits as well as other deposit business you can refer to our staff. Remember that you are always welcome to call or come by and see how our team of banking professionals is working to make the most of your investment.

Our warmest regards,

Mark S. Reiley
IconBank CEO

John D. Green
IconBank President



Visit our Headquarters and Banking Center
at 7908 N. Sam Houston Tollway West.



Second Offering Announced

Icon's \$4.5 million second offering has been approved by the OCC (Office of the Comptroller of the Currency), and we plan to give priority to existing shareholders for a few weeks before accepting purchases from other individuals. By request, we are continuing to add names of potential new shareholders should any shares remain available.



Product Spotlight

Icon's I-Scan Ushers in a New Era in Check Processing

Latest innovations in banking technology benefit business owners

Imagine you're at the office. On your desk is a small device that allows you to convert paper checks to electronic images. Then imagine that these "electronic checks" are deposited automatically to your business banking account, any time of day, any day of the week. No more making photocopies of checks. No more time wasted driving to and from the bank. No more deposit slips to fill out. This is not a futuristic scenario. With its I-Scan system, IconBank offers you the most significant business banking innovation in decades, making your deposit transactions faster, safer and more efficient than ever thought possible. "The impact of this technology for business is incredible," explains IconBank president John D. Green. "With I-Scan, we can offer a new level of value and efficiency to our business clients." The process is amazingly simple.

With I-Scan, we can offer a new level of value and efficiency to our business clients.

JOHN D. GREEN, ICON-BANK PRESIDENT

A desktop scanner converts paper remittance checks to electronic images, or "e-checks," which are deposited via the Internet. The system works with any type of check drawn on a U.S. bank (personal, business, government, money order, etc.), and if you need to see a copy of your deposited checks, images can be viewed online. E-checks clear faster, improving funds availability. The growing momentum of electronic check processing technology has prompted the Federal Reserve to predict that systems like I-Scan will soon become a primary method for clearing checks in the U.S.

Contact IconBank to find out more about the ease, efficiency and value of using I-Scan technology for your business banking.

(sources: Houston Business Journal, Federal Reserve, work.com)

IconBank Board of Directors

Ameen Ali , CPA

Jairo (Jay) Cadena , Senior Vice President, IconBank of Texas, N.A.

Richard N. Coffman , Consultant/CPA

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

Janet T. Friedman , J. Friedman Mortgage

John D. Green , President, IconBank of Texas, N.A.

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

Vipul Patel, M.D. , Southmore Medical Clinic, P.A.

Mark S. Reiley , CEO/Cashier, IconBank of Texas, N.A.

Michael S. Richard , South Texas Medical Clinics, P.A.

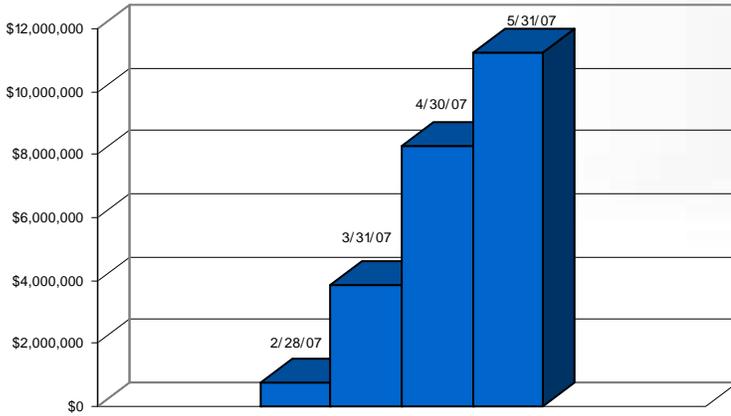
Joseph Rosa , ReMax Heritage

David E. Roth , Roth Financial

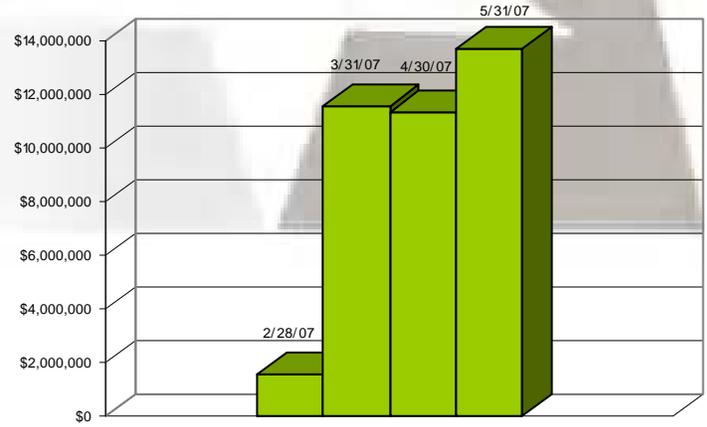
Bernard E. Warriner, Jr. , Warriner & Associates Insurance, Inc.

Financial Highlights

TOTAL LOANS 2/28/07 - 5/31/07



TOTAL DEPOSITS 2/28/07 - 5/31/07



Bay Area Update

The permanent location for IconBank's Bay Area Office is nearing the end of the planning stage, and we expect to break ground in the coming months. In the meantime, the Bay Area Office is already up and running in its temporary facilities located at 1020 Bay Area Boulevard, Suite 218, Houston, Texas, 77058. Our Bay Area location is a full-service banking center, able to open accounts, take deposits, cash checks, make loans, and meet all your banking needs. Please stop by and visit our team of top-notch professionals. Be sure to bring a friend who needs the services of a great bank!



Dates to Remember

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|------------------------------|------|
| First Day of Summer | 6/21 |
| Board of Directors Meeting | 7/20 |
| Bay Area Appreciation Dinner | 7/25 |



Business Brief

Houston Economy Accelerates

The Houston economy experienced a sharp pickup in March, accelerating at an annualized rate of 5.2 percent. This followed growth of 2.4 percent and 2.7 percent respectively in the first two months of the year. The rise in the business cycle index was driven in part by monthly job gains of 6,000. Seven of 10 major industry sectors posted increases of 400 jobs or more. The strongest growth came from the service sector, which contributed 1,000. Service sector growth was spurred by the pass-through effect of the recent energy boom, as energy companies brought more employees to the Houston metro area, increasing the metro population and driving the need for more service sector employees.

(source: Federal Reserve Bank of Dallas)

10 Texas Bank Acquisitions Announced in 2007

So far this year, ten Texas financial institutions are targeted for acquisition, with deal prices averaging 3.32x price to tangible book, slightly ahead of the U.S. average of 2.29x. In the Houston area, Sterling Bancshares announced early this year its plans to acquire Partners Bank, with target assets of \$184 million, and Prosperity Bancshares announced in May it signed an agreement to purchase Bank of Navasota, with reported total assets of \$74 million.

(source: The Carson Medlin Company)

Who do I call?

IconBank Contacts

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