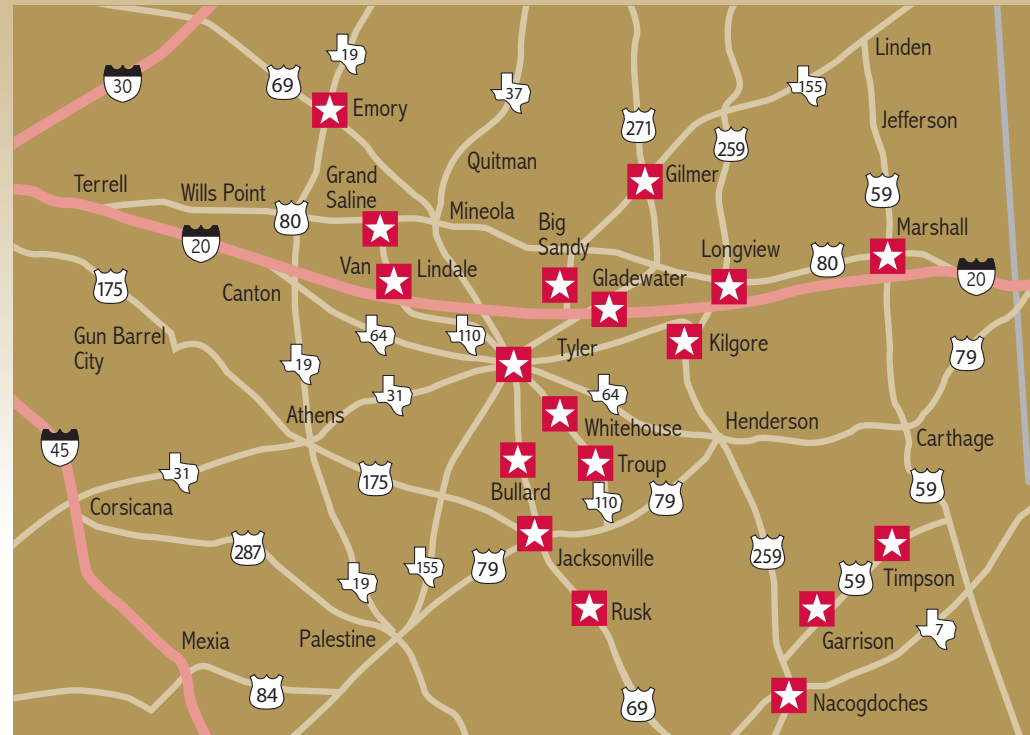




Commitment to Convenience

From the play grounds of Garrison to Longview's Pine Tree school district to the 25-year time capsule sealed in Austin Bank's Bullard location to bass fishing in Emory, on to Marshall's Wonderland of Lights, Tex Ritter's Timpson, Tyler's medical hub and the growing Whitehouse community—Austin Bank is committed to service through 28 convenient locations in 18 cities and 9 counties.



- Big Sandy
- Bullard
- Emory
- Garrison
- Gilmer
- Gladewater (2)*
- Grand Saline
- Jacksonville (2)*
- Kilgore
- Longview (5)*
- Marshall
- Nacogdoches
- Rusk
- Timpson
- Troup
- Tyler (5)*
- Van
- Whitehouse

*Multiple banking locations



Winner of 2006
Torch Award for
Marketplace Ethics



Better Business Bureau of Central East Texas

Member FDIC

Member of
TexasBankersAssociation
One Industry. One Vision. One Voice.

Website: www.austinbank.com

Headquarters: 200 East Commerce Street
Jacksonville, TX 75766
800-644-9275
903-541-2086 (fax)

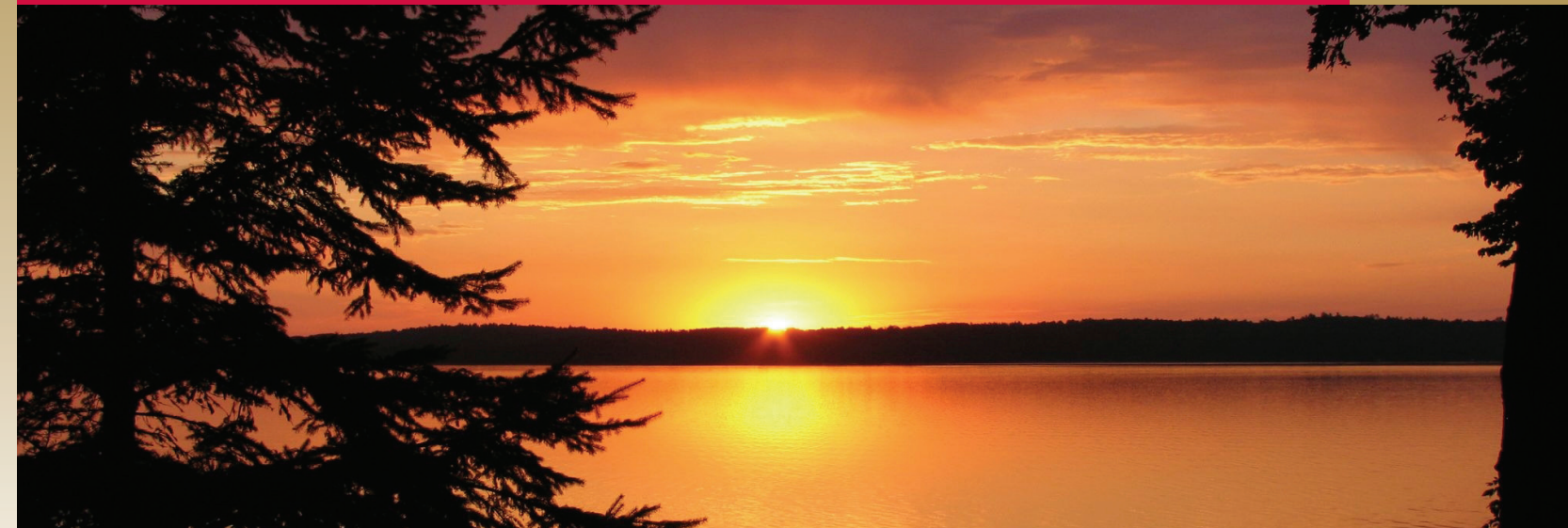
Parent Company: Austin Bancorp, Inc.

Date founded: 1900

For information contact: Patty Steelman; AVP, Director of Marketing
903-871-2519



East Texas Owned • East Texas Based
www.austinbank.com



Commitment to being The Bank of Choice

It is a challenging goal—being “The Bank of Choice”—but it’s a goal that our employees, officers and directors are dedicated to fulfilling. You will find a bank founded on professional commitment, with a personal touch. A bank built upon stability and experience, dedicated to meeting the needs of families and businesses. A bank totally committed to East Texas.

In 2007 we deepened our commitment to East Texas through the upcoming acquisition of City National Bank, Kilgore. The merger, scheduled for completion February 19, 2008, will bring Austin Bank’s total assets to approximately \$1 billion with 28 banking locations in nine counties.

Commitment to values

Honesty
Relationships
Pride
Confidentiality
Integrity
Service

2007 Highlights

“2007 was an exciting year of expansion and innovation. Early in the year, we opened Cumberland Park, our fifth Tyler location and by mid-year opened Longview Pine Tree, our third Longview location at 2609 Gilmer Road,” said Jeff Austin, III, Vice Chairman of the Board. “In July, we unveiled an exclusive new product, Free Checking PLUS to reward our customers with interest and free ATM access nationwide. Later we enhanced our Treasury Management Services to include Remote Merchant Capture and upgraded our eStatement program to include notices. To end the year, we entered into an agreement to purchase City National Bank, Kilgore, thereby adding five more locations and \$170 million in assets.”



East Texas Owned • East Texas Based
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Commitment to service

Delivering service excellence and building lasting relationships

Offering financial diversity through checking and savings plans and personal and commercial lending programs, your interests are always "top of mind". And because we believe small business is the driving force in our communities, we offer customized services just for small businesses. Services like Small Business Free Checking, Business Debit Card, Flexible Lines of Credit, Equipment Financing and Treasury Management

Services. Service plus local decisions result in loan flexibility that helps your business succeed.

For us, it is all about service excellence and our commitment to a lifelong banking relationship with Austin Bank. Service means more than an account or a loan, it means building relationships based on mutual respect and understanding for relationships that last.

Commitment to Community

In 2007, Austin Bank demonstrated commitment to East Texas communities, where our customers and employees live, work, and serve.

- \$34,500 in scholarships were awarded to 25 high school seniors, with \$59,500 in scholarships awarded since 2005 based on scholastic achievement, extracurricular involvement, leadership qualities and essay content.
- 202 elementary students in 71 school districts received \$50 savings bonds as part of Austin Bank's "Teach Children to Save" Program, a financial literacy program that included a coloring contest and instructional materials for teachers.
- Austin Bank Community Involvement Awards in the amount of \$5,000 honored bank employees for volunteer work and their community service organization.
- In addition, more than \$324,893 in contributions were made, both monetary and in-kind-sponsorships, to numerous civic and non-profit organizations.
- \$540,791 was paid in state and local taxes and employment was provided to 326 people.



2007 Commitment to Community Scholarship winners, 10 of 25 shown in picture

Commitment to you

First in the market to offer Free Checking PLUS interest, Austin Bank provides all the financial products and services you deserve. From free eStatements, combined statements and free Bill Pay to customized mortgage and commercial loans, every product is delivered with exceptional customer service—our commitment to you.



Austin Bank Directors

- | | |
|----------------------------------|----------------------------|
| Jeff Austin, Jr. - Chairman | J. E. Brown* |
| Jeff Austin, III - Vice Chairman | Todd Burton* |
| John P. Williams - President/CEO | Charles Creed* |
| Sissy Austin - Sr. EVP | Bob Cippelle, Sr.* |
| Larry Bolton - Sr. EVP | Don Dacus* |
| Keith Chambers - Sr. EVP - CFO | Marion Dingler* |
| Billy Mullins - Sr. EVP | J. N. Grimes* |
| Gene Brumbelow | C. S. (Buddy) Hinton, Jr.* |
| Jane Austin Chapman | William M. Holland* |
| Glen Hamilton | Lowell Holloway* |
| C. L. Hopson II | Bryant Langford* |
| Barry Hughes | Bill McRae* |
| Ron Jurenka | Jason Petersen* |
| Ronny E. Lee | Herbert Riley* |
| Michael Austin Neill | Brenda Sharp* |
| Robert Nichols | Joe Terrell* |
| Joe H. Sharp, Jr. | Harry Tilley* |
| Eddie Smith | Rick Waldrop* |
| J. W. Sparkman | |

*Advisory Directors



Commitment to Leadership

Austin Bank Leadership Team



Left to right: Keith Chambers – Senior Executive Vice President/CFO, Jacksonville; Billy Mullins – Senior Executive Vice President, Longview; Jeff Austin, III – Vice Chairman of the Board, Tyler/Jacksonville; Sissy Austin – Senior Executive Vice President, Jacksonville; Jeff Austin, Jr. – Chairman of the Board, Jacksonville; Larry Bolton – Senior Executive Vice President, Tyler; John Williams – President/CEO, Jacksonville/Whitehouse

Commitment to Growth & Stability

Austin BanCorp, Inc. Consolidated Balance Sheets December 31, 2007 and 2006

	2007	2006
ASSETS		
Cash and balances due from banks	30,978,000	24,595,000
Securities available for sale	110,444,000	122,370,000
Federal funds sold	17,600,000	33,800,000
Net loans	600,491,000	566,943,000
Other assets	52,422,000	50,495,000
TOTAL ASSETS	811,935,000	798,203,000
LIABILITIES AND STOCKHOLDERS' EQUITY		
Non-interest bearing deposits	175,067,000	182,703,000
Interest bearing deposits	509,728,000	510,763,000
Total deposits	684,795,000	693,466,000
Securities sold under agreements to repurchase	22,609,000	13,166,000
Other liabilities	17,451,000	14,354,000
Total liabilities	724,855,000	720,986,000
Total stockholders equity	87,080,000	77,217,000
TOTAL LIABILITIES AND EQUITY	811,935,000	798,203,000

