

Dear Fellow Shareholders,

BankTexas earned \$490,000 in the first quarter of this year, up nearly 18% from a year ago. In absolute terms, this was our most profitable quarter ever. Moreover, our total loans and deposits are also up.

At the holding company level, your equity is now worth \$11.57, up 17.6% since our inception twenty-one months ago in June 2007.

We continue to monitor the overall quality of our loan portfolio, and to look carefully for credits that may risk losses in the future. At present, our ratio of non-performing loans to total loans remains very low, though we expect it to rise back to its historical level this year.

On the whole, I am pleased with these results, and I hope you are too. During this present economic downturn, BankTexas is financially stable and strong.

Best regards,



Troy M. Robinson
President & Chief Executive Officer

quarterly shareholder update

BT Holdings, Inc. • First Quarter 2009


ABOUT BT HOLDINGS & BANKTEXAS

BT Holdings, Inc. is the parent company of BankTexas, an East Texas community bank with assets of \$208 million and local roots that date back to the 1890s. BT Holdings and BankTexas focus on steady asset and earnings growth reinforced by quality customer service, conservative lending principles, and community support.

www.btholdings.org • www.banktexas.org
903-763-2264

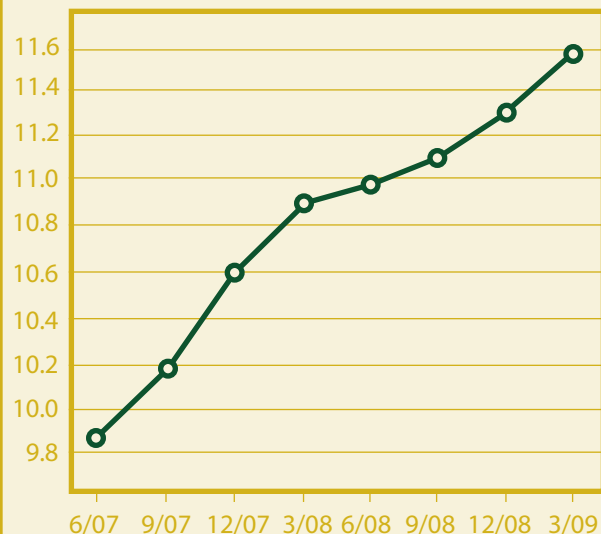
BT Holdings

BankTexas

Member FDIC  Equal Housing Lender

Book Value Per Share

BT Holdings, Inc. (Since Inception)



First-Quarter Financial Highlights

BankTexas

	2009	2008
Assets	\$208,548	\$171,307
Loans	111,038	91,558
Investment Securities	76,070	66,937
Deposits	165,807	133,540
Shareholder Equity	18,409	16,803
Net Income	490	416

(Dollars in thousands)

What's New This Quarter

Financial Facts, by Location

As the following numbers demonstrate, most of our assets are still derived from our home markets, but we are doing a good job of expanding, especially with our new bank stores.

Location	Estd.	Loans	Deposits
Quitman	1890	50,839	101,292
Mineola (Wal-Mart)	1996	33	6,571
Holly Lake Ranch	2000	11,231	15,179
Mineola (Pacific St.)	2001	26,316	24,192
Tyler L.P.O.	2007	3,433	212
Longview L.P.O.	2007	9,498	1,404
Kilgore	2008	761	14,666
Lindale	2009	9,075	2,216

(Dollars in Thousands)

'Prosperity Checking' Update

This quarter last year, we introduced 'Prosperity Checking,' our unique free checking account which pays CD-like interest and refunds ATM withdrawal fees. This product has brought in 977 new customers with an average balance of approximately \$9,500. These customers are earning more than \$100 per year, on average – and our earnings are up considerably, as well.

To learn more, or find out if this account is right for you, visit www.banktexas.org/prosperity

BT Holdings, Inc.

PARENT-ONLY FINANCIAL STATEMENT

March 31, 2009 (Unaudited)

ASSETS

Cash	\$24,382
Investment in Subsidiary	18,415,567
Goodwill	13,863,415
Other assets	327,952

Total Assets \$32,631,316

LIABILITIES & EQUITY

Current Liabilities	\$51,883
Debentures Payable	217,000
Trust Preferred Security	7,000,000

Total Liabilities 7,268,883

Capital Stock	2,191,672
Paid-in-Capital & Retained Earnings	21,944,226
Net Income	346,021
Unrealized Gain on Securities	862,514

Total Equity 25,362,433

Total Liabilities & Equity \$32,631,316

INCOME STATEMENT (Year-to-Date)

March 31, 2009

Dividend Income	\$296,875
Interest Income	3,778
Undistributed Income	192,955

Total Income 493,608

Interest Expense	(125,648)
Operating Expense	(3,939)

Total Expense (129,587)

Net Ordinary Income \$364,021

Earnings Per Share 17¢