

BT Holdings

Quitman, Texas April 30, 2008 – BT Holdings, Inc. (the “Company”) today reported its financial results for the three months ended March 31, 2008 for the Company and its subsidiary, BankTexas, N.A. (the “Bank”).

Earnings per share for BT Holdings, Inc. ended the quarter at 12.73 cents per share for the three months ended March 31, 2008. The annualized return on average shareholders’ equity for the three months ended March 31, 2008 was 4.74 percent.

At the Bank, net income before taxes increased 55 percent or \$173.2 thousand, for the three months ended March 31, 2008, to \$486.7 thousand from \$313.5 thousand for the same period in 2007. Annualized return on average assets was 1.12% for the three months ended March 31, 2008.

The Bank reported net income of \$416 thousand for the three months ended March 31, 2008, an increase of \$102 thousand, or 33%, when compared to the same period in 2007.

Troy M Robinson, President and Chief Executive Officer, commented on the excellent results, highlighting the increases in loan volume and related increases in net interest income, as major factors contributing to the first quarter success. With the increased volatility in the industry, our emphasis will continue to be on sound decisions, making loans to individuals who exhibit very good credit, multiple sources of repayment and market based rates.

Loan and Deposit Growth

The Bank experienced dramatic loan growth during the three months ended March 31, 2008, as loans increased \$5 million, or 6%, to \$91.6 million from \$86.6 million at December 31, 2007. The increases were due to commercial, real estate and land loan categories. Some of the increase is due to the new LPOs in both Tyler and Longview and an early start in our Lindale office pre-opening results.

During the three months ended March 31, 2008, deposits increased \$880 thousand, or 1%, to \$133.5 million from \$132.7 million at December 31, 2007. Our new product offering, Prosperity Checking, has experienced exponential growth since launching the product in early January, ending the quarter at \$5.9 million.

Net Interest Income

Net interest income increased \$176,000, or 14%, to \$1,466.4 million for the three months ended March 31, 2008, when compared to \$1,289.7 million for the same period in 2007. As mentioned in earlier comments, a major contributor toward this achievement is our increase in loan volume which has occurred in a sharply competitive rate environment.

Careful management of rates and maturities for loan growth, rates and maturities on investment securities, and rates for deposit accounts enabled this increase in net interest income.

The Bank's net interest margin at 4.35 percent for the three months ended March 31, 2008, has declined slightly when compared to 4.42 percent for the same period in 2007.

Net Income Before Taxes for the Three Months

The increase in net income before taxes for the three months ended March 31, 2008, of \$173 thousand, or 55%, to \$486.7 thousand from \$313.5 thousand for the same period in 2007 was twofold: 1) the increase in net interest income previously addressed, and 2) the decrease in the provision for loan losses. Additionally, Bank Texas NSF fees increased \$24 thousand, or 19%, to \$150.9 thousand for the quarter ended March 31, 2008, from \$126.9 reported for the same period in 2007. Noninterest income for the first quarter of 2008 at \$353.8, was up 11% from the \$319.5 reported in first quarter of 2007. Noninterest expense for the first quarter of 2008 at \$1,280.0 was up 9% from the \$1,177.1 reported in the first quarter of 2007. The increase in noninterest expense for the three months ended March 31, 2008 was primarily a result of an increase in salaries/benefits of \$110 thousand, or 17%, to support three start-up operations initiated in late 2007: The Tyler Loan Production Office, the Longview Loan Production Office, and the Lindale Pre-Opening operations.

About BT Holdings, Inc.

BT Holdings, Inc. is a bank holding company with approximately \$171 million in assets that owns BankTexas. BankTexas has four offices in Wood County and two loan production offices. It offers a range of financial services to individuals and commercial customers in Wood, Smith and Gregg counties. These services include deposit accounts, consumer, real estate and commercial loans in each of its offices, and electronic banking services thru www.banktexas.org. BankTexas has Saturday banking available until 5 p.m. at the Mineola Wal-Mart office.

BT Holdings, Inc.
PARENT ONLY FINANCIAL STATEMENT
(Unaudited)

	March 31, 2008	December 31, 2007
ASSETS		
Cash	111,507	86,062
Accounts Receivable QBI	0	84,446
Investment in Subsidiaries	18,032,681	17,177,795
Goodwill	12,311,715	12,261,034
Other assets	<u>242,815</u>	<u>242,815</u>
Total Assets	\$ <u><u>30,698,718</u></u>	<u><u>29,852,152</u></u>
LIABILITIES & EQUITY		
Current Liabilities	\$ 53,279	53,279
Debentures Payable	217,000	217,000
Trust Preferred Security	7,000,000	7,000,000
Total Liabilities	\$ <u>7,270,279</u>	<u>7,270,279</u>
Capital Stock	2,155,090	2,130,304
Paid-in Capital	19,427,923	19,204,849
Retained Earnings	1,057,517	-72,756
Net Income	274,343	1,236,788
Unrealized Gain/(Loss) on Securities	<u>513,566</u>	<u>82,689</u>
Total Equity	\$ <u><u>23,428,439</u></u>	<u><u>22,581,874</u></u>
Total Liabilities and Equity	\$ <u><u>30,698,718</u></u>	<u><u>29,852,152</u></u>

BT Holdings, Inc.
Profit and Loss Statement
Unaudited

**1st Quarter
2008**

Ordinary Income/Expense	
Income	
Dividend Income	181,943.52
Interest Income - Common Stk Debenture	3,777.97
Undistributed Current Earnings	<u>226,830.00</u>
Total Income	412,551.49
Expense:	
Interest Expense	
Trust Preferred Interest Expense	<u>125,647.97</u>
Total Interest Expense	125,647.97
Professional Fees	
Legal Fees	9,560.85
Professional Fees - Other	<u>0.00</u>
Total Professional Fees	9,560.85
Software Expense, Maintenance & Support	0.00
Income Tax Expense (Benefit)	0.00
Supplies & Printing	2,999.61
Total Expense	<u>138,208.43</u>
Net Income	<u><u>274,343.06</u></u>

BankTexas
COMPARATIVE STATEMENTS OF CONDITION
(Dollars in Thousands)

Unaudited

	<u>3/31/2008</u>	<u>12/31/2007</u>	<u>3/31/2007</u>	<u>12/31/2006</u>	1Q % change from '07
<u>ASSETS</u>					
INT-BEARING BANK BALANCES	1,316	215	78	294	1587%
FED FUNDS SOLD	2,250	4,550	2,475	3,850	-9%
INVESTMENTS	<u>66,937</u>	<u>61,821</u>	<u>63,839</u>	<u>58,731</u>	5%
INVESTED FUNDS	70,503	66,586	66,392	62,875	6%
R/E - CONSTRUCTION	9,786	9,416	7,897	6,264	24%
R/E - FARMLAND	8,364	6,385	6,491	5,221	29%
R/E - 1-4 FAMILY	33,564	32,402	31,442	31,282	7%
R/E - MULTIFAMILY	62	66	-	-	
R/E - COMMERCIAL	18,910	18,000	15,041	16,292	26%
AGRICULTURE	2,654	2,725	3,167	2,674	-16%
COMMERCIAL	8,494	7,818	6,423	6,318	32%
CONSUMER LOANS	6,751	6,719	6,762	7,046	0%
MUNICIPAL LOANS	2,809	2,934	3,013	3,064	-7%
OTHER LOANS	42	52	34	256	25%
FAIR VALUE ADJUSTMENT	122	138	189	205	-35%
GROSS LOANS	<u>91,558</u>	<u>86,654</u>	<u>80,458</u>	<u>78,620</u>	14%
LESS: RES FOR LOAN LOSSES	<u>(1,368)</u>	<u>(1,362)</u>	<u>(1,327)</u>	<u>(1,265)</u>	3%
NET LOANS	90,190	85,291	79,131	77,355	14%
TOTAL EARNING ASSETS	<u>160,693</u>	<u>151,877</u>	<u>145,523</u>	<u>140,230</u>	10%
CASH & DUE FROM BANKS	4,823	3,742	4,409	5,263	9%
FIXED ASSETS	3,526	3,022	3,166	3,238	11%
GOODWILL	328	328	328	328	0%
INTANGIBLE ASSETS	0	37	147	184	-100%
DEFERRED INCOME TAX BENEFIT	555	555			
DEFERRED TAX GAIN/LOSS AFS	(269)	(44)			
OTHER ASSETS	1,652	3,014	1,625	1,688	2%
TOTAL ASSETS	<u>171,307</u>	<u>162,530</u>	<u>155,199</u>	<u>150,931</u>	10%
<u>LIABILITIES & CAPITAL</u>					
DEMAND DEPOSITS	30,773	33,339	29,269	27,900	5%
NOW ACCOUNTS	27,140	23,150	23,788	24,206	14%
MONEY MARKET ACCOUNTS	8,702	8,100	10,081	9,463	-14%
SAVINGS ACCOUNTS	7,884	7,860	8,256	8,407	-5%
CD'S UNDER \$100M	30,629	30,872	31,637	30,793	-3%
CD'S OVER \$100M	16,753	17,594	13,083	13,253	28%
IRA'S	11,659	11,744	12,489	10,746	-7%
TOTAL DEPOSITS	<u>133,540</u>	<u>132,660</u>	<u>128,603</u>	<u>124,767</u>	4%
REPURCHASE AGREEMENTS	11,322	13,098	11,405	10,697	-1%
FED FUNDS PURCHASED	0	-		-	
OTHER BORROWINGS	9,000	-		418	
FIT PAYABLE	71	85			
OTHER LIABILITIES	571	550	692	668	-17%
EQUITY CAPITAL	16,281	16,052	15,003	14,931	9%
UNREALIZED GAIN(LOSS)	522	85	(504)	(550)	-204%
TOTAL LIAB & CAPITAL	<u>171,307</u>	<u>162,530</u>	<u>155,199</u>	<u>150,931</u>	10%

BankTexas

QUARTERLY INCOME STATEMENT

(Dollars in Thousands)

Unaudited

	1st Quarter 2008	1st Quarter 2007
INTEREST INCOME		
LOAN INTEREST	1,684.0	1,493.0
INVESTMENT INTEREST	665.5	645.2
TOTAL INT INCOME	2,349.5	2,138.2
INTEREST EXPENSE		
DEPOSITS	883.1	845.5
NET INTEREST INCOME	1,466.4	1,289.7
PROVISION FOR LOAN LOSSES	-	(65.0)
NON-INT INCOME		
LOAN FEES	30.2	38.0
SOLD LOANS	10.6	20.4
CREDIT LIFE	3.0	1.0
SERVICE CHARGES	102.1	94.0
NSF FEES	150.9	126.9
OTHER INCOME	57.0	39.1
TOTAL NON-INT INCOME	353.8	319.5
NON-INTEREST EXPENSES		
SALARY & BENEFITS	757.5	647.8
OCCUPANCY EXPENSE	186.7	171.2
OTHER OPERATING EXPENSES	335.8	358.1
TOTAL NON-INT EXPENSE	1,280.0	1,177.1
NET OPERATING INCOME	540.2	367.0
FAIR VALUE AMORT - LOANS	(16.8)	(16.8)
FAIR VALUE AMORT - CDS	0.0	0.0
CORE DEPOSIT AMORTIZATION	(36.7)	(36.7)
NET INCOME BEFORE TAX	486.7	313.5
DEFERRED INCOME TAX EXP (BENEFIT)		
FEDERAL INCOME TAX PROVISION	71.0	
NET INCOME	415.7	