



First Bankers Trustshares, Inc.

1201 Broadway
P.O. Box 3566
Quincy, IL 62305-3566

July 29, 2016

2nd Quarter 2016 Financial Highlights

Dear Shareholders,

It is indeed my pleasure and honor to write to you as the new President and CEO of First Bankers Trustshares. I have thoroughly enjoyed getting to know our bankers, customers and communities during my first 2 months on the job. This company is blessed with many dedicated, long-term employees who have a passion for providing outstanding service to our customers. Our Board is knowledgeable and engaged. Their governance and oversight of the Company are outstanding. Also, we are fortunate to service communities that have great civic pride. These factors when combined make for a bright future for First Bankers Trustshares.

I would like to thank Art Greenbank for his leadership and service to the company. When Art joined the Company in 1992, the Company had under \$150 million in assets and about \$7 million of stockholders' equity. Today our Company has assets of over \$885 million and stockholders' equity exceeds \$76 million. Art has assembled a great team of bankers who I look forward to working with in the years to come.

Both the Bank (First Bankers Trust Company, N.A.) and the Trust Company (First Bankers Trust Services, Inc.) had a strong second quarter and first half year results. Earnings for the quarter ending June 30, 2016 totaled \$2,394,000 or \$0.78 per share. This is equal to the same period in 2015. Net Income for the first half of the year totaled \$4,748,000 which was a 5.5% increase over the first half of last year. Return on average assets for the quarter remained good at 1.08% as did return on

average common stockholders' equity at 12.82%. Loans grew 6.6% from a year earlier and net interest margin continued to improve and was 3.02% for the quarter. Asset quality remains good and allowance for loan loss was at 1.73% of loans. The Trust Company continues to experience strong results. Assets under management now exceed \$8.7 billion.

Thank you again for entrusting your capital with us. We look forward to continuing to safely grow your Company. To our shareholders who are also customers, thank you for your business. We very much appreciate the opportunity to meet your banking, trust and investment needs.

Enclosed please find your regular dividend check; or the funds have been deposited to your account as previously directed.

Yours sincerely,

Allen W. Shafer
President/CEO

This release contains information and "forward-looking statements" that relate to matters that are not historical facts and which are usually preceded by words "may," "will," "should," "could," "would," "plan," "potential," "estimate," "project," "believe," "intend," "anticipate," "expect," "target" and similar expressions. These forward-looking statements are subject to significant risks, assumptions and uncertainties. Because of these and other uncertainties, our actual results may be materially different from those described in these forward-looking statements. The forward-looking statements in this release speak only as of the date of the release, and we do not assume any obligation to update the forward-looking statements or to update the reasons why actual results could differ from those contained in the forward-looking statements.

Investor Information

Stock Transfer Agent:

American Stock Transfer & Trust Company, LLC
Operations Center
6201 15th Avenue
Brooklyn, NY 11219
(800) 937-5449

Raymond James

222 S. Riverside Plaza 7th Flr.
Chicago, IL 60606
(800.800.4693)

Wells Fargo Advisors

510 Maine 9th Floor
PO Box 140
Quincy, IL 62306
(800.223.1037)

Stifel Nicolas & Co., Inc.

227 W. Monroe, Suite 1850
Chicago, IL 60606
(800.745.7110)

Monroe Securities, Inc.

100 North Riverside Plaza,
Ste. 1620
Chicago, IL 60606
(312.327.2530)

Corporate Information:

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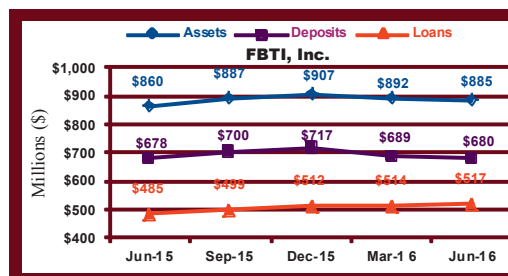
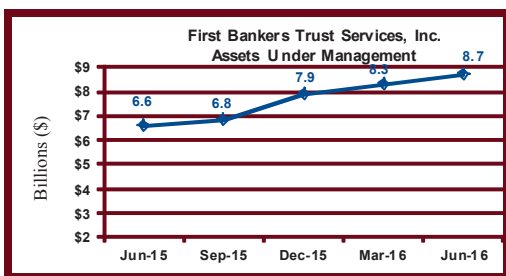
Corporate Officers:

Chairman of the Board of Directors
Donald K. Gnuse
President/Chief Executive Officer
Allen W. Shafer
Treasurer
Brian Ippensen
Secretary
Steven E. Siebers

Directors:

Carl W. Adams Jr.
Scott A. Cisel
William D. Daniels
Mark E. Freiburg
Donald K. Gnuse
Arthur E. Greenbank
Phyllis J. Hofmeister
John E. Laverdiere
Kemia M. Sarraf, M.D., MPH
Allen W. Shafer
Steven E. Siebers
Dennis R. Williams

Chairman Emeritus
David E. Connor



Financial Highlights (Dollars in thousands, except per share data) (Unaudited)

Income Statement Data	For The Three Months Period Ended June 30,			For the Six Months Period Ended June 30,		
	2016	2015	% Chg	2016	2015	2014
Net interest income	\$ 6,260	\$ 5,849	7.03 %	\$ 12,477	\$ 11,676	\$ 10,937
Provision for loan losses	150	150	0.00 %	300	375	630
Noninterest income	4,362	4,452	(2.02) %	8,454	8,382	6,828
Noninterest expense	6,948	6,762	2.75 %	13,674	13,307	12,102
Income taxes	1,130	959	17.83 %	2,209	1,876	1,414
Net Income	\$ 2,394	\$ 2,430	(1.48) %	\$ 4,748	\$ 4,500	\$ 3,619

Ratios	For The Three Months Period Ended June 30,			For the Six Months Period Ended June 30,		
	2016	2015	% Chg	2016	2015	2014
Return on average assets (Excludes preferred stock dividends/accretion.)	1.08 %	1.10 %	(1.82) %	1.08 %	1.04 %	0.91 %
Return on average common stockholders' equity (Calculated by dividing net income, excluding preferred stock dividends/accretion, by average common stockholders' equity. Common stockholders' equity is defined as equity less preferred stock and accumulated other comprehensive income or loss.)	12.82 %	14.29 %	(10.29) %	12.85 %	13.44 %	11.86 %
Net interest margin	3.02 %	2.83 %	6.71 %	3.01 %	2.91 %	2.96 %
Allowance as a percent of total loans	1.73 %	1.75 %	(1.14) %	1.73 %	1.75 %	1.75 %
Dividends per common share paid	\$ 0.13	\$ 0.12	8.33 %	\$ 0.26	\$ 0.24	\$ 0.22
Earnings per common share (Calculated by dividing net income less dividends and accretion on preferred stock by the weighted average number of common stock shares outstanding.)	\$ 0.78	\$ 0.78	0.00 %	\$ 1.54	\$ 1.45	\$ 1.16
Book value per common share (Calculated by dividing stockholders' equity, excluding preferred stock and accumulated other comprehensive income or loss, by outstanding common shares.)	\$ 24.76	\$ 22.30	11.03 %	\$ 24.76	\$ 22.30	\$ 20.16

Balance Sheet	At June 30,			At December 31,		
	2016	2015	% Chg	2015	2014	2013
Assets	\$ 885,048	\$ 859,981	2.91 %	\$ 906,672	\$ 842,305	\$ 775,640
Investment securities	\$ 299,757	\$ 298,190	0.53 %	\$ 301,795	\$ 298,042	\$ 274,227
Loans, net of unearned income	\$ 516,910	\$ 484,895	6.60 %	\$ 511,932	\$ 475,534	\$ 442,498
Deposits	\$ 680,256	\$ 677,879	0.35 %	\$ 717,464	\$ 667,668	\$ 627,789
Short-term and other borrowings	\$ 100,067	\$ 80,776	23.88 %	\$ 83,278	\$ 77,048	\$ 60,934
Junior subordinated debentures	\$ 10,310	\$ 10,310	0.00 %	\$ 10,310	\$ 10,310	\$ 10,310
Preferred stock equity	\$ 0	\$ 10,000	(100.00) %	\$ 10,000	\$ 10,000	\$ 10,000
Stockholders' equity (Includes preferred stock and excludes accumulated other comprehensive income or loss.)	\$ 76,256	\$ 78,662	(3.06) %	\$ 82,326	\$ 74,952	\$ 69,193

Stock Value Per Common Share Information	For The Six Months Period Ended June 30,			For The Years Ended December 31,		
	2016	2015	% Chg	2015	2014	2013
Price/earnings ratio	7.9	8.1	(2.47) %	8.2	9.8	10.4
Stock price—High	\$ 27.00	\$ 23.40		\$ 24.60	\$ 24.00	\$ 23.33
Low	\$ 23.00	\$ 22.75		\$ 22.61	\$ 21.00	\$ 17.43
Ending	\$ 26.25	\$ 23.70	10.76 %	\$ 23.65	\$ 22.76	\$ 19.00
Book value per common share	\$ 24.76	\$ 22.30	11.03 %	\$ 23.49	\$ 21.09	\$ 19.22
Price/book value per common share	0.99	1.06	(6.60) %	1.01	1.08	0.99
Common shares outstanding	3,079,521	3,079,521		3,079,521	3,079,521	3,079,521