

# First Bankers Trustshares, Inc.

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

April 18, 2003

## Investor Information

### Stock Transfer Agent:

First Bankers Trust Company, N.A.  
1201 Broadway—P.O. Box 3566  
Quincy, IL 62305-3566  
(217.228.8000)

### Market Makers:

**Howe Barnes Investment, Inc.**  
135 South La Salle Street  
Chicago, IL 60603  
(800.800.4693)

**Wachovia Securities**  
Maine Center, 535 Maine  
Quincy, IL 62301  
(800.223.1037)

**Monroe Securities, Inc.**  
47 State Street  
Rochester, NY 14614  
(585.546.5560)

**Stifel Nicolas & Co., Inc.**  
Sears Tower  
233 Wacker Drive, Suite 850  
Chicago, IL 60606-6300  
(800.745.7110)

**Baird, Patrick & Co.**  
20 Exchange Place  
New York, NY 10005  
(800.421.0123)

### Corporate Information:

First Bankers Trustshares, Inc.  
Phone: (217.228.8000)  
Fax: (217.228.8091)  
Email: [fbti@firstbankers.com](mailto:fbti@firstbankers.com)

### Corporate Officers:

Chairman of the Board of Directors  
William D. Daniels  
President/Chief Executive Officer  
Donald K. Gnuse  
Senior Vice President/Treasurer  
Joe J. Leenerts  
Secretary  
Steven E. Siebers

### Directors:

Carl Adams Jr.  
William D. Daniels  
Mark E. Freiburg  
Donald K. Gnuse  
Phyllis J. Hofmeister  
Steven E. Siebers  
Dennis R. Williams  
Chairman Emeritus  
David E. Connor

## First Quarter 2003 Financial Highlights

Dear Shareholders,

I am pleased to report that Earnings Per Share (EPS) of \$.37 for the three months period ended March 31, 2003 exceeded the EPS reported for the same period in 2002 by 19%. The Return on Average Equity of 16.90% for the period continues to surpass management's long term goal of 15.00% and remains above that earned by our peers\*.

Recurring noninterest income totaled \$855,000 for the period ended March 31, 2003, a 22% increase from that earned during the same period in 2002. Fees associated with the origination of real estate loans help offset a decrease in brokerage service revenue. An improvement to the structure of the investment portfolio provided a \$192,000 gain on the sale of securities for the period.

Operating expenses for the three months period ended March 31, 2003 increased 5% when compared to the first quarter of 2002. The largest contributor to this increase was an investment in equipment and services that was made to improve the efficiency of the Company's mortgage origination department.

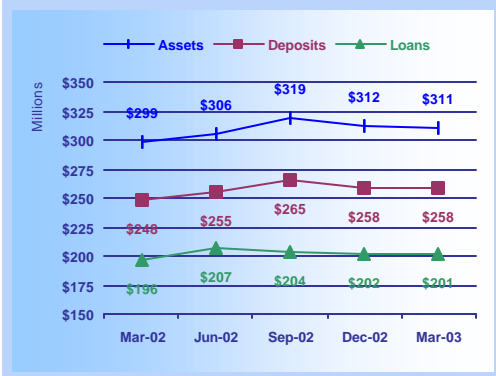
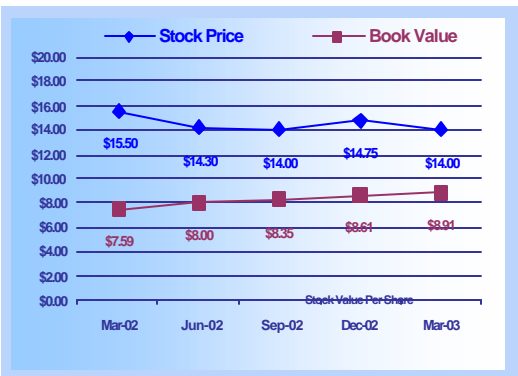
The unsure economic environment has impacted the net interest margin of many financial institutions. First Bankers Trustshares is one of those institutions. Net interest margin for the first three months of 2003 stood at 3.38%, a 4% decrease when compared to the first three months of 2002 and a one basis point decline from that earned during the fourth quarter of 2002. Management has elected to manage net interest margin using a long term perspective, staying away from the temptation to use the higher yields associated with long term fixed rate assets, that also contain the probability of increasing interest rate risk in future periods, to booster short term earnings.

Your Board of Directors declared a \$.065 per share cash dividend for stockholders of record on March 21, 2003. We thank you for your continued investment in First Bankers Trustshares, Inc.

Yours sincerely,

Donald K. Gnuse  
President/Chief Executive Officer

\*December 31, 2002 Bank Holding Company Performance Report





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

Income Statement Data	For The Three Months Period Ended March 31,			For The Years Ended December 31,		
	2003	2002	% Chg	2002	2001	2000
Net interest income	\$ 2,462	\$ 2,539	(3.03)%	\$ 10,042	\$ 9,288	\$ 8,780
Provision for loan losses	190	135	40.74 %	990	660	240
Noninterest income	1,047	702	49.15 %	3,449	3,897	2,700
Noninterest expense	2,085	1,986	4.98 %	8,130	7,562	6,951
Income taxes	346	334	3.59 %	1,129	1,506	1,282
Minority interest in net income of subsidiary	133	-	100.00 %	-	-	-
Net Income	\$ 755	\$ 786	(3.94)%	\$ 3,242	\$ 3,457	\$ 3,007

Ratios	For The Three Months Period Ended March 31,			For The Years Ended December 31,		
	2003	2002	% Chg	2002	2001	2000
Return on average assets	.99 %	1.05 %	(5.71)%	1.06 %	1.15 %	1.11 %
Return on average stockholders' equity (Calculated by subtracting preferred stock dividends from net income and dividing by average common stockholders' equity. Common stockholders' equity is defined as equity minus preferred stock equity and plus or minus accumulated other comprehensive income (loss))	16.90 %	14.18 %	19.18 %	17.81 %	16.40 %	16.43 %
Net interest margin	3.38 %	3.57 %	(5.32)%	3.47 %	3.26 %	3.40 %
Allowance as a percent of total loans	1.08 %	1.12 %	(3.57)%	1.14 %	1.22 %	1.11 %
Dividends per share	\$ .065	\$ .055	18.18 %	\$ .22	\$ .18	\$ .14
Earnings per share	\$ .37	\$ .31	19.35 %	\$ 1.49	\$ 1.34	\$ 1.17
Book value per share (Calculated by dividing stockholders' equity excluding accumulated other comprehensive income (loss), by outstanding shares).	\$ 8.91	\$ 7.59	17.39 %	\$ 8.61	\$ 8.66	\$ 7.51

Balance Sheet	At March 31,			At December 31,		
	2003	2002	% Chg	2002	2001	2000
Assets	\$ 311,387	\$ 298,938	4.16 %	\$ 311,920	\$ 310,668	\$ 298,497
Investment securities	58,044	71,664	(19.01)%	54,567	76,062	71,897
Loans, net of unearned income	200,887	196,315	2.33 %	201,931	189,531	176,455
Deposits	258,247	248,220	4.04 %	258,170	256,609	244,362
Short-term and other borrowings	26,669	27,397	(2.66)%	23,200	23,473	26,828
Note payable	4,500	6,000	(25.00)%	4,500	-	-
Company obligated mandatorily redeemable preferred securities of subsidiary trust holding solely subordinated debentures	5,000	5,000	-	5,000	5,000	5,000
Stockholders' equity (Does not include accumulated other comprehensive income (loss)).	\$ 18,258	\$ 15,539	17.50 %	\$ 17,636	\$ 22,324	\$ 19,357

Stock Value Per Share Information	For The Three Months Period Ended March 31,			For The Years Ended December 31,		
	2003	2002	% Chg	2002	2001	2000
Price/earnings ratio	9.4	12.5	(24.80)%	9.9	10.6	16.2
Stock price—High	\$ 16.00	\$ 15.50		\$ 16.50	\$ 20.00	\$ 19.00
Low	\$ 14.00	\$ 14.25		\$ 14.00	\$ 14.00	\$ 13.13
Ending	\$ 14.00	\$ 15.50	(9.68)%	\$ 14.75	\$ 14.25	\$ 19.00
Book value	\$ 8.91	\$ 7.59	17.39 %	\$ 8.61	\$ 8.66	\$ 7.51
Price/book value	1.57	2.04	(23.04)%	1.71	1.65	2.53
Shares outstanding	2,048,574	2,048,574		2,048,574	2,579,230	2,579,230