



# First Bankers Trustshares, Inc.

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

January 26, 2007

## Fourth Quarter 2006 Financial Highlights

### Investor Information

#### Stock Transfer Agent:

Illinois Stock Transfer Company  
209 West Jackson Blvd, Ste 903  
Chicago, IL 60606-6905  
(800.757.5755)

#### Market Makers:

Howe Barnes Hoefler & Arnett, Inc.

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

#### Wachovia Securities

510 Maine 9th Floor  
Quincy, IL 62301  
(800.223.1037)

#### Stifel Nicolas & Co., Inc.

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

#### Corporate Information:

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

#### Corporate Officers:

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

#### Directors:

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

### Dear Shareholders,

Success can be measured in a multitude of ways. As bankers, we most often equate success in terms of financial measures, most notably dollars. You will find many of these listed on the back of this letter and in our upcoming annual report. By these measures, First Bankers Trustshares, Inc. had another good year.

Both your Bank and Trust Company had record years. This was accomplished, in a very difficult interest rate environment, through tight expense controls and increasing fee income. Your company reported record earnings of \$1.84 per share for year end 2006. Total assets were also a record at \$424 million.

Over the last few years, our strategic decision to spin the Trust Company into its own corporation within our holding company, First Bankers Trustshares, Inc., and our decision to expand the Bank into new markets, appears to be working as planned. Last year, First Bankers Trust Services, Inc. completed a number of financial goals while enhancing its national presence for employee benefit, personal trust, IRA and health savings account administration. First Bankers Trust Company, N.A., continues to increase its footprint in West Central Illinois in our new markets of Macomb, Carthage, Rushville and Paloma while continuing to grow our business in the Quincy marketplace. Nationwide and in West Central Illinois, our customers are prospering which has benefited your company.

While I hope you are pleased with the success demonstrated by our financial measures, our em-

ployees continue to experience success taking care of our thousands of customers. You should be very proud of our employee's efforts to continuously provide superior customer support and service to banking, trust and investment clients. Their devotion to our customers and attention to detail are the principal reasons we continue to experience our financial success.

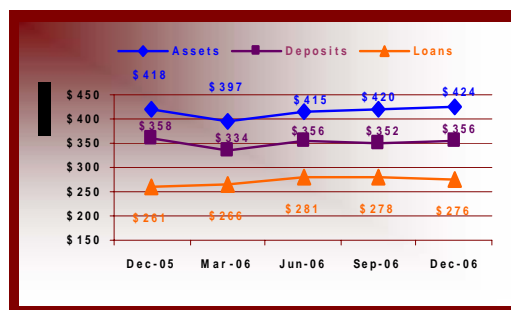
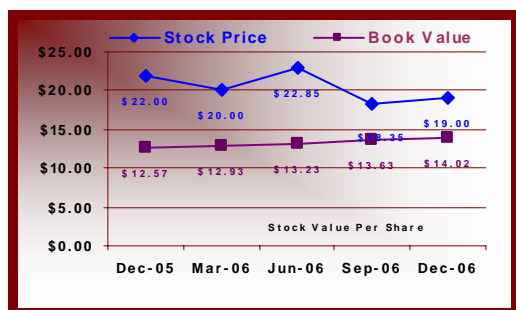
Enclosed, please find our dividend which was declared on 12/15/06 to shareholders of record that date. This represents the 13th consecutive year of a dividend increase to \$10.5 cents per share, almost 11% higher than last year.

More detailed information will be provided to you in our annual report due to be published in April of this year.

Yours sincerely,

Arthur E. Greenbank  
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.



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

Income Statement Data	For The Three Months Period Ended December 31			For the Twelve Months Period Ended December 31,		
	2006	2005	% Chg	2006	2005	% Chg
Net interest income	\$ 3,119	\$ 3,371	-7.48%	\$ 12,674	\$ 12,925	-1.94%
Provision for loan losses	270	625	-56.80%	1,080	2,250	-52.00%
Noninterest income	2,044	1,805	13.24%	6,977	7,058	-1.15%
Noninterest expense	3,804	3,591	5.93%	13,503	13,036	3.58%
Income taxes	79	283	-72.08%	1,305	1,062	22.88%
Net Income	\$ 1,010	\$ 677	49.19%	\$ 3,763	\$ 3,635	3.52%

Ratios	For The Three Months Period Ended December 31,			For the Twelve Months Period Ended December 31,		
	2006	2005	% Chg	2006	2005	% Chg
Return on average assets	0.95%	0.64%	48.44%	0.91%	0.89%	2.25%
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))	14.09%	10.43%	35.09%	13.68%	14.86%	-7.94%
Net interest margin	3.18%	3.46%	-8.09%	3.32%	3.41%	-2.64%
Allowance as a percent of total loans	1.14%	1.21%	-5.79%	1.14%	1.21%	-5.79%
Dividends per share paid	\$ 0.095	\$ 0.085	11.76%	\$ 0.38	\$ 0.34	11.76%
Earnings per share	\$ 0.49	\$ 0.33	48.48%	\$ 1.84	\$ 1.77	3.95%
Book value per share (Calculated by dividing stockholders' equity excluding accumulated other comprehensive income (loss), by outstanding shares).	\$ 14.02	\$ 12.57	11.54%	\$ 14.02	\$ 12.57	11.54%

Balance Sheet	At December 31,			At December 31,		
	2006	2005	% Chg	2004	2003	2002
Assets	\$ 423,674	\$ 418,248	1.30%	\$ 407,367	\$ 315,670	\$ 311,920
Investment securities	\$ 95,773	\$ 96,981	-1.25%	\$ 83,942	\$ 53,582	\$ 54,567
Loans, net of unearned income	\$ 275,974	\$ 260,682	5.87%	\$ 268,192	\$ 221,808	\$ 201,931
Deposits	\$ 355,955	\$ 357,876	-0.54%	\$ 340,555	\$ 258,413	\$ 258,170
Short-term and other borrowings	\$ 19,562	\$ 13,626	43.56%	\$ 20,762	\$ 24,114	\$ 23,200
Note payable	\$ 0	\$ 2,667	-100.00%	\$ 4,000	\$ 0	\$ 4,500
Junior subordinated debentures	\$ 15,465	\$ 15,465	0.00%	\$ 15,465	\$ 10,000	\$ 5,000
Stockholders' equity (Does not include accumulated other comprehensive income (loss)).	\$ 28,717	\$ 25,752	11.51%	\$ 22,835	\$ 20,206	\$ 17,636

Stock Value Per Share Information	For The Twelve Months Period Ended December 31,			For The Years Ended December 31,		
	2006	2005	% Change	2004	2003	2002
Price/earnings ratio	10.3	12.4	-16.94%	15.1	10.1	9.9
Stock price—High	\$ 23.25	\$ 24.00		\$ 24.10	\$ 17.00	\$ 16.50
Low	\$ 18.05	\$ 18.00		\$ 15.40	\$ 14.00	\$ 14.00
Ending	\$ 19.00	\$ 22.00	-13.64%	\$ 24.00	\$ 15.40	\$ 14.75
Book value	\$ 14.02	\$ 12.57	11.54%	\$ 11.15	\$ 9.86	\$ 8.61
Price/book value	1.36	1.75	-22.29%	2.15	1.56	1.71
Shares outstanding	2,048,574	2,048,574		2,048,574	2,048,574	2,175,059