



# First Bankers Trustshares, Inc.

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

April 26, 2019

## 1st Quarter 2019 Financial Highlights

Dear Shareholders,

First Bankers Trustshares, Inc. (the Company) produced a solid first quarter in 2019. Net income totaled \$2,460,000 or \$0.80 per share in the first quarter of 2019. Net income was down 9.29% for the first quarter compared to the first quarter of 2018. Provision for loan losses was the primary driver for the decrease in earnings as provision was \$625,000 higher in the first quarter of 2019 compared to the same period in 2018. The Allowance as a percent of total loans stands at 2.91%.

Driven by strong trust fees, non-interest income was up 10.98% for the first quarter of 2019 compared to the same period in 2018. Non-interest expense continued to be well controlled rising only 1.61% while net interest income declined by 1.62% in the first quarter of 2019 over the same period in 2018.

The balance sheet was largely unchanged compared to a year earlier. Total assets and deposits were up slightly with loans down 3.05%. The decline in loans is in part by design as the Company works through existing stressed loans while also reducing our risk appetite for new requests.

Return on average assets and return on average equity were 1.07% and 10.69% respectively.

The Board approved a dividend of \$0.16 per share which has been directly deposited into your account or a dividend check is enclosed. If you are receiving a check, we strongly encourage you to consider direct deposit for the speed and safety of receiving your funds. Enclosed with this dividend check is direct deposit

information. You can also contact Julie Kenning at 217-228-8060 for assistance with this matter.

Our annual meeting will be held Tuesday, May 14, 2019 at our 12<sup>th</sup> and Broadway headquarters in Quincy, Illinois. The meeting will begin at 9:00 a.m. I hope you can attend.

Thank you for your ongoing support.

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

#### Market Makers:

Raymond James  
Chicago, IL 60606  
(800.800.4693)

#### Wells Fargo Advisors

Quincy, IL 62306  
(800.223.1037)

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

Chicago, IL 60606  
(800.745.7110)

#### Monroe Securities, Inc.

Chicago, IL 60606  
(312.327.2530)

#### FIG Partners, LLC

Chicago, IL 60606  
(312.242.0433)

### Corporate Information:

First Bankers Trustshares, Inc.

Phone: (217.228.8000)

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### Corporate Officers:

Chairman of the Board of Directors

William D. Daniels

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

Charles M. 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

Board Emeritus

Donald K. Gnuse

## 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,		
	2019	2018	% Chg	2018	2017	2016
Net interest income	\$ 6,504	\$ 6,611	(1.62) %	\$ 26,741	\$ 26,000	\$ 25,220
Provision for loan losses	1,000	375	166.67 %	6,550	2,250	600
Noninterest income	4,851	4,371	10.98 %	17,524	17,179	17,747
Noninterest expense	7,185	7,071	1.61 %	27,349	29,790	28,485
Income taxes	710	824	(13.83) %	1,984	3,747	4,737
Net Income	\$ 2,460	\$ 2,712	(9.29) %	\$ 8,382	\$ 7,392	\$ 9,145

Ratios	For The Three Months Period Ended March 31,			For the Years Ended December 31,		
	2019	2018	% Chg	2018	2017	2016
Return on average assets (Excludes preferred stock dividends/accretion.)	1.07 %	1.19 %	(10.08) %	0.89 %	0.80 %	1.01 %
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.)	10.69 %	12.69 %	(15.76) %	9.40 %	8.88 %	11.95 %
Net interest margin	2.94 %	3.05 %	(3.61) %	2.98 %	2.98 %	2.95 %
Allowance as a percent of total loans	2.91 %	1.91 %	52.36 %	2.66 %	1.80 %	1.63 %
Dividends per common share paid	\$ 0.16	\$ 0.15	6.67 %	\$ 0.60	\$ 0.56	\$ 0.52
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.)	\$ 0.80	\$ 0.88	(9.09) %	\$ 2.72	\$ 2.40	\$ 2.96
Book value per common share (Calculated by dividing stockholders' equity, excluding preferred stock and accumulated other comprehensive income or loss, by outstanding common shares.)	\$ 30.43	\$ 28.40	7.15 %	\$ 29.79	\$ 27.67	\$ 25.87

Balance Sheet	At March 31,			At December 31,		
	2019	2018	% Chg	2018	2017	2016
Assets	\$ 921,021	\$ 917,118	0.43 %	\$ 930,044	\$ 942,949	\$ 930,935
Investment securities	\$ 359,460	\$ 353,179	1.78 %	\$ 357,311	\$ 371,168	\$ 329,796
Loans, net of unearned income	\$ 476,724	\$ 491,707	(3.05) %	\$ 480,792	\$ 506,341	\$ 513,798
Deposits	\$ 732,226	\$ 730,076	0.29 %	\$ 733,435	\$ 756,833	\$ 727,445
Short-term and other borrowings	\$ 75,661	\$ 82,690	(8.50) %	\$ 88,559	\$ 80,394	\$ 104,407
Junior subordinated debentures	\$ 10,310	\$ 10,310	0.00 %	\$ 10,310	\$ 10,310	\$ 10,310
Stockholders' equity (Includes preferred stock and excludes accumulated other comprehensive income or loss.)	\$ 94,013	\$ 87,695	7.20 %	\$ 91,968	\$ 85,438	\$ 79,839

Stock Value Per Common Share Information	For The Three Months Period Ended March 31,			For The Years Ended December 31,		
	2018	2017	% Chg	2018	2017	2016
Price/earnings ratio	10.8	9.9	9.09 %	11.8	12.8	10.1
Stock price—High	\$ 36.00	\$ 36.00		\$ 37.95	\$ 31.00	\$ 30.00
Low	\$ 30.96	\$ 31.25		\$ 30.01	\$ 28.00	\$ 23.00
Ending	\$ 35.00	\$ 35.50	(1.41) %	\$ 32.00	\$ 30.75	\$ 30.00
Book value per common share	\$ 30.43	\$ 28.40	7.15 %	\$ 29.79	\$ 27.67	\$ 25.87
Price/book value per common share	1.15	1.25	(8.00) %	1.07	1.11	1.16
Common shares outstanding	3,089,773	3,087,488		3,087,488	3,087,488	3,085,986