



First Bankers Trustshares, Inc.

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

October 27, 2017

3rd Quarter 2017 Financial Highlights

Dear Shareholders,

First Bankers Trustshares, Inc. produced third quarter 2017 earnings of \$1,489,000 or \$0.48 per share.

Net interest income increased 4.55% for the third quarter of 2017 compared to the third quarter of 2016 and total assets remained largely unchanged from a year earlier.

Provision for loan losses increased \$250,000 in the third quarter of 2017 over the same period in 2016. The Allowance as a percent of total loans stands at 1.85%.

Non-interest income was up 5.58% in the third quarter of 2017 over the same period in 2016.

The third quarter 2017 non-interest expense was up 22.43% and earnings were down 34.86% compared to the third quarter of 2016. These results were impacted by the settlement of three Department of Labor cases by First Bankers Trust Services, Inc. The settlement by the Trust subsidiary was previously reported September 22, 2017.

Return on average assets and return on average equity were 0.64% and 7.01% respectively for the third quarter of 2017.

Loan demand remained soft for the quarter with balances down 1.08% and deposits remained largely unchanged. The net interest margin for the third

quarter of 2017 improved to 2.98%.

Harvest is progressing but at a slightly slower pace as the crops have been slow to mature. Our farm customers have been pleasantly surprised as they are reporting higher than expected yields.

Thank you to our Shareholders for your support. Enclosed, please find your regular dividend check; or the funds have been deposited to your account as previously directed. The Board approved a continuation of the quarterly dividend of \$0.14 per share.

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:

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Operations Center
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Brooklyn, NY 11219
(800) 937-5449

Market Makers:

Raymond James
Chicago, IL 60606
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Wells Fargo Advisors
Quincy, IL 62306
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Stifel Nicolas & Co., Inc.
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Monroe Securities, Inc.
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FIG Partners, LLC
Chicago, IL 60606
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Corporate Information:

First Bankers Trustshares, Inc.
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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 September 30,			For the Nine Months Period Ended September 30,		
	2017	2016	% Chg	2017	2016	2015
Net interest income	\$ 6,593	\$ 6,306	4.55 %	\$ 19,369	\$ 18,784	\$ 17,814
Provision for loan losses	400	150	166.67 %	1,100	450	525
Noninterest income	4,312	4,084	5.58 %	13,003	12,537	12,357
Noninterest expense	8,377	6,842	22.43 %	22,908	20,516	19,971
Income taxes	639	1,112	(42.54) %	2,691	3,321	2,866
Net Income	\$ 1,489	\$ 2,286	(34.86) %	\$ 5,673	\$ 7,034	\$ 6,809

Ratios	For The Three Months Period Ended September 30,			For the Nine Months Period Ended September 30,		
	2017	2016	% Chg	2017	2016	2015
Return on average assets (Excludes preferred stock dividends/accretion.)	0.64 %	0.99 %	(35.35) %	0.83 %	1.05 %	1.04 %
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.)	7.01 %	11.73 %	(40.24) %	9.19 %	12.47 %	13.30 %
Net interest margin	2.98 %	2.90 %	2.76 %	2.98 %	2.97 %	2.92 %
Allowance as a percent of total loans	1.85 %	1.70 %	8.82 %	1.85 %	1.70 %	1.72 %
Dividends per common share paid	\$ 0.14	\$ 0.13	7.69 %	\$ 0.42	\$ 0.39	\$ 0.36
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.)	\$ 0.48	\$ 0.74	(35.14) %	\$ 1.84	\$ 2.28	\$ 2.19
Book value per common share (Calculated by dividing stockholders' equity, excluding preferred stock and accumulated other comprehensive income or loss, by outstanding common shares.)	\$ 27.30	\$ 25.50	7.06 %	\$ 27.30	\$ 25.50	\$ 22.92

Balance Sheet	At September 30,			At December 31,		
	2017	2016	% Chg	2016	2015	2014
Assets	\$ 944,766	\$ 952,608	(0.82) %	\$ 930,935	\$ 906,672	\$ 842,305
Investment securities	\$ 360,354	\$ 349,113	3.22 %	\$ 329,796	\$ 301,795	\$ 298,042
Loans, net of unearned income	\$ 501,740	\$ 507,196	(1.08) %	\$ 513,798	\$ 511,932	\$ 475,534
Deposits	\$ 748,566	\$ 745,963	0.35 %	\$ 727,445	\$ 717,464	\$ 667,668
Short-term and other borrowings	\$ 74,090	\$ 100,477	(26.26) %	\$ 104,407	\$ 83,278	\$ 77,048
Junior subordinated debentures	\$ 10,310	\$ 10,310	0.00 %	\$ 10,310	\$ 10,310	\$ 10,310
Preferred stock equity	\$ 0	\$ 0	0.00 %	\$ 0	\$ 10,000	\$ 10,000
Stockholders' equity (Includes preferred stock and excludes accumulated other comprehensive income or loss.)	\$ 84,284	\$ 78,541	7.31 %	\$ 79,839	\$ 82,326	\$ 74,952

Stock Value Per Common Share Information	For The Nine Months Period Ended September 30,			For The Years Ended December 31,		
	2017	2016	% Chg	2016	2015	2014
Price/earnings ratio	11.4	8.7	31.03 %	10.1	8.2	9.8
Stock price—High	\$ 30.75	\$ 28.00		\$ 30.00	\$ 24.60	\$ 24.00
Low	\$ 26.75	\$ 23.00		\$ 23.00	\$ 22.61	\$ 21.00
Ending	\$ 28.00	\$ 26.65	5.07 %	\$ 30.00	\$ 23.65	\$ 22.76
Book value per common share	\$ 27.30	\$ 25.50	7.06 %	\$ 25.87	\$ 23.49	\$ 21.09
Price/book value per common share	1.03	1.05	(1.90) %	1.16	1.01	1.08
Common shares outstanding	3,087,488	3,085,986		3,085,986	3,079,521	3,079,521