



First Bankers Trustshares, Inc.

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

April 24, 2020

1st Quarter 2020 Financial Highlights

Dear Shareholders,

As we all know, the world has changed since our last shareholders' letter. The impact of the coronavirus started late in the first quarter. Fortunately, our communities have had relatively few cases and deaths from the virus. The full economic impact to our communities and customers is yet to be determined and had relatively little financial impact on the Company in the first quarter.

In response to the pandemic we have had three priorities:

1. Keep our employees and their families safe
2. Keep our customers safe
3. Meet the banking needs of our customers

I am extremely pleased by how quickly and well our team has responded to this historic challenge. A few of our key actions included:

- * Successfully implemented our disaster recovery/pandemic plan
- * Bank operational functions effectively converted to operate in a remote work environment
- * Implementation of digital signing capabilities
- * Closing branch lobbies and conducting business through our drive-ups to support social distancing

We have been working with our customers to address cash flow issues as a result of the pandemic. We have been an active participant in the Small Business Administration's Paycheck Protection Program to help bridge businesses' cash flow gap and retain their employees. Also, with guidance from our regulators, we have been providing payment relief to some of our previously performing borrowers who have been impacted. At this time, it is difficult to determine the overall impact of the pandemic to our loan portfolio. We will continue to monitor loan loss reserves as the situation develops.

The rapid 150 basis point drop in interest rates by the Federal Reserve will compress the net interest margin as loan refinances and renegotiations are happening more rapidly than deposit rate reductions.

First Bankers Trustshares, Inc. (the Company) produced solid results from ongoing operations for the first quarter of 2020. Net income was \$2,075,000 or \$0.67 per share. Return on average assets and return on average common equity were 0.91% and 9.01%, respectively. As previously reported, on July 1, 2019, First Bankers Trust Services, Inc. (the Trust Subsidiary) was spun off into a separate company named TI-Trust, Inc. The Company's 2019 consolidated results include

the Trust Subsidiary's results through June 30, 2019.

As highlighted on page 3 of our report, net income was up 40.77% for the first quarter of 2020 compared to the first quarter of 2019 if the Trust Subsidiary's results are excluded from the consolidated numbers.

First quarter 2020 net income was down 15.65% compared to the first quarter of 2019. The decrease in net income was primarily driven by the reduction in non-interest income due to the separation from the Trust Subsidiary. Non-interest income and non-interest expense were also both down due to the spinoff of the Trust Subsidiary. The improvement in loan quality allowed for a 60% reduction in provision for loan losses. The allowance as a percentage of total loans stands at 2.43%.

Net interest income was largely unchanged in the first quarter of 2020 over the same period in 2019. Net interest margin improved to 3.05% for the first quarter of 2020 compared to 2.94% in the first quarter of 2019.

Assets in the first quarter of 2020 were largely unchanged compared to the first quarter of 2019. Loans increased 2.99% and deposits declined 1% in the first quarter of 2020 compared to the first quarter of 2019.

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

Please note the attached document regarding our annual meeting. Due to the pandemic and for your safety, we are moving the meeting to a virtual environment. The instructions for accessing the virtual shareholder meeting are enclosed. No in-person meeting will be held.

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 Financial Partners

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)
Fax: (217.228.8091)
Email: fbt@firstbankers.com

Corporate Officers:

Chairman of the Board of Directors
William D. Daniels
President/Chief Executive Officer
Allen W. Shafer
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
Richard W. Schulte
Allen W. Shafer
Steven E. Siebers
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,		
	2020	2019	% Chg	2019	2018	2017
Net interest income	\$ 6,560	\$ 6,504	0.86 %	\$ 26,329	\$ 26,741	\$ 26,000
Provision for loan losses	400	1,000	(60.00) %	2,400	6,550	2,250
Noninterest income	1,639	4,851	(66.21) %	13,153	17,524	17,179
Noninterest expense	5,394	7,185	(24.93) %	26,538	27,349	29,790
Income taxes	330	710	(53.52) %	2,225	1,984	3,747
Net Income	\$ 2,075	\$ 2,460	(15.65) %	\$ 8,319	\$ 8,382	\$ 7,392

Ratios	For The Three Months Period Ended March 31,			For the Years Ended December 31,		
	2020	2019	% Chg	2019	2018	2017
Return on average assets (Excludes preferred stock dividends/accretion.)	0.91 %	1.07 %	(14.95) %	0.90 %	0.89 %	0.80 %
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.)	9.01 %	10.69 %	(15.72) %	8.99 %	9.40 %	8.88 %
Net interest margin	3.05 %	2.94 %	3.74 %	3.01 %	2.98 %	2.98 %
Allowance as a percent of total loans	2.43 %	2.91 %	(16.49) %	2.35 %	2.66 %	1.80 %
Dividends per common share paid	\$ 0.17	\$ 0.16	6.25 %	\$ 0.64	\$ 0.60	\$ 0.56
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.)	\$ 0.67	\$ 0.80	(16.25) %	\$ 2.69	\$ 2.72	\$ 2.40
Book value per common share (Calculated by dividing stockholders' equity, excluding preferred stock and accumulated other comprehensive income or loss, by outstanding common shares.)	\$ 30.19	\$ 30.43	(0.79) %	\$ 29.68	\$ 29.79	\$ 27.67

Balance Sheet	At March 31,			At December 31,		
	2020	2019	% Chg	2019	2018	2017
Assets	\$ 919,405	\$ 921,021	(0.18) %	\$ 922,579	\$ 930,044	\$ 942,949
Investment securities	\$ 360,794	\$ 359,460	0.37 %	\$ 345,140	\$ 357,311	\$ 371,168
Loans, net of unearned income	\$ 490,974	\$ 476,724	2.99 %	\$ 500,599	\$ 480,792	\$ 506,341
Deposits	\$ 724,901	\$ 732,226	(1.00) %	\$ 727,656	\$ 733,435	\$ 756,833
Short-term and other borrowings	\$ 78,769	\$ 75,661	4.11 %	\$ 81,572	\$ 88,559	\$ 80,394
Junior subordinated debentures	\$ 10,310	\$ 10,310	0.00 %	\$ 10,310	\$ 10,310	\$ 10,310
Stockholders' equity (excludes accumulated other comprehensive income or loss.)	\$ 93,422	\$ 94,013	(0.63) %	\$ 91,711	\$ 79,839	\$ 85,438

Stock Value Per Common Share Information	For The Three Months Period Ended March 31,			For The Years Ended December 31,		
	2020	2019	% Chg	2019	2018	2017
Price/earnings ratio	10.4	10.8	(3.70) %	11.6	11.8	12.8
Stock price—High	\$ 33.00	\$ 36.00		\$ 36.00	\$ 37.95	\$ 31.00
Low	\$ 27.99	\$ 30.96		\$ 30.25	\$ 30.01	\$ 28.00
Ending	\$ 27.99	\$ 35.00	(20.03) %	\$ 31.20	\$ 32.00	\$ 30.75
Book value per common share	\$ 30.19	\$ 30.43	(0.79) %	\$ 29.68	\$ 29.79	\$ 27.67
Price/book value per common share	0.93	1.15	(19.13) %	1.05	1.07	1.11
Common shares outstanding	3,094,598	3,089,773		3,089,773	3,087,488	3,087,488



Income Statement Data	For The Three Months Period Ended March 31,			For the Years Ended December 31,		
	2020	2019	% Chg	2019	2018	% Chg
Net interest income	\$ 6,560	\$ 6,445	1.78 %	\$ 26,206	\$ 26,540	(1.26) %
Provision for loan losses	400	1,000	(60.00) %	2,400	6,550	(63.36) %
Noninterest income	1,639	1,562	4.93 %	6,799	6,454	5.35 %
Noninterest expense	5,394	5,221	3.31 %	22,397	20,285	10.41 %
Income taxes	330	312	5.77 %	1,562	1,045	49.47 %
Net Income	\$ 2,075	\$ 1,474	40.77 %	\$ 6,646	\$ 5,114	29.96 %

Balance Sheet	At March 31,		
	2020	2019	% Chg
Assets	\$ 919,405	\$ 909,008	1.14 %
Investment securities	\$ 360,794	\$ 353,745	1.99 %
Loans, net of unearned income	\$ 490,974	\$ 476,724	2.99 %
Deposits	\$ 724,901	\$ 732,226	(1.00) %
Short-term and other borrowings	\$ 78,769	\$ 75,661	4.11 %
Junior subordinated debentures	\$ 10,310	\$ 10,310	0.00 %
Stockholders' equity (excludes accumulated other comprehensive income or loss)	\$ 93,422	\$ 85,833	8.84 %

NOTICE OF INTENT TO CONVENE IN VIRTUAL MEETING FORMAT THE ANNUAL
MEETING OF STOCKHOLDERS TO BE HELD MAY 12, 2020

Dear Stockholders:

On or about April 3, 2020, First Bankers Trustshares, Inc. mailed to its stockholders Proxy Materials and the Notice of Annual Meeting of Stockholders scheduled to be held May 12, 2020 at 9:00 a.m., Central time. At the annual meeting, stockholders will be asked to elect twelve (12) members of the Board of Directors, and to ratify the Audit Committee's appointment of RSM US LLP, as the independent auditors of the corporation for the year ended December 31, 2020.

Due to the rapidly evolving public health concerns relating to the coronavirus pandemic, related governmental actions closing non-essential businesses and encouraging individuals to stay home, and our concerns about protecting the health and well-being of our stockholders and employees, the Board of Directors has determined to convene and conduct the Annual Meeting on May 12, 2020 at 9:00 a.m., Central time, *in a virtual meeting format* at <https://web.lumiagm.com/240421305>. Stockholders will NOT be able to attend the annual meeting in-person.

THIS NOTICE PROVIDES IMPORTANT INFORMATION ABOUT HOW YOU MAY
OBTAIN VIRTUAL ACCESS TO THE ANNUAL MEETING AND VOTE YOUR SHARES.

This Notice should be read in conjunction with the Proxy Statement.

Q. How may I participate in the virtual annual meeting?

A. To participate in the virtual annual meeting, go to <https://web.lumiagm.com/240421305>.

If you are a stockholder of record as of March 13, 2020, the record date for the annual meeting, you should click on "I have a login," enter the 11 digit number beginning with 19115 and found on your proxy card. This number is below the Company Number and Account number. Then enter the password "**fbt2020**" (the password is case sensitive).

If your shares are held in "street name" through a broker, bank or other nominee, in order to participate in the virtual annual meeting you must first obtain a legal proxy from your broker, bank or other nominee reflecting the number of shares of First Banker Trustshares, Inc. common stock you held as of the record date, your name and email address. You then must submit a request for registration to American Stock Transfer & Trust Company, LLC: (1) by email to proxy@astfinancial.com; (2) by facsimile to 718-765-8730 or (3) by mail to American Stock Transfer & Trust Company, LLC, Attn: Proxy Tabulation Department, 6201 15th Avenue, Brooklyn, NY 11219. Requests for registration must be labeled as "Legal Proxy" and be received by American Stock Transfer & Trust Company, LLC no later than 5:00 p.m. Eastern time on May 5, 2020.

Q. How do I join the meeting as a guest?

A. You would go to <https://web.lumiagm.com/240421305> and log into as a Guest by entering your name and email address.

Q. If I am having problems accessing the meeting who can I talk to?

A. You can contact First Bankers Trustshares, Inc. at 1-877-587-8018.

Q. If I already submitted a proxy; do I have to vote again?

A. No. If you already submitted a proxy, your vote will be counted and you do not need to submit a new proxy or vote at the virtual annual meeting.

Q. If I have not yet submitted a proxy, may I still do so?

A. Yes. If you have not yet submitted a proxy, you may do so by (a) visiting www.voteproxy.com and following the on screen instructions (have your proxy card when you access the webpage), or (b) submitting your proxy card by mail by using the previously provided self-addressed, stamped envelope.

Q. May I revoke a previously submitted proxy or otherwise change my vote at the virtual annual meeting?

A. Yes. You may change or revoke your vote by writing to us, by submitting another properly signed proxy card with a more recent date, or by voting again by Internet voting options described below. If your shares are held in “street name” through a bank, broker or other nominee, any changes need to be made through them. Your last vote will be the vote that is counted.

Unless revoked, a proxy will be voted at the virtual meeting in accordance with the stockholder’s indicated instructions. In the absence of instructions, proxies will be voted FOR the election of the twelve nominees identified in the Proxy Statement as directors and FOR the ratification of the Audit Committee’s appointment of RSM US LLP, as the independent auditors for the corporation for the year ending December 31, 2020.

Q. How do I vote at the virtual annual meeting?

A. If you are a stockholder of record as of March 13, 2020, the record date for the annual meeting, you may vote during the virtual annual meeting by (a) visiting www.voteproxy.com and following the on screen instructions (have your proxy card available when you access the webpage).

If your shares are held in “street name” through a bank, broker or other nominee, in order to vote during the virtual annual meeting you must first obtain a “legal proxy” from your bank, broker or other nominee and register with American Stock Transfer & Trust Company, LLC as described above. You then may vote by following the instructions provided to you by American Stock Transfer & Trust Company.

Whether or not you expect to participate in the virtual annual meeting, the Board of Directors urges stockholders to submit a proxy to vote your shares in advance of the meeting by (a) visiting **www.voteproxy.com** and following the on screen instructions (have your proxy card available when you access the webpage), or (b) submitting your proxy card by mail by using the previously provided self-addressed, stamped envelope. Submitting a proxy will not prevent you from revoking a previously submitted proxy or changing your vote as described above, but it will help to secure a quorum and avoid added solicitation costs.

Q. What if I have questions I would like answered during the annual meeting?

A. Questions must be submitted in advance by email to **investors@firstbankers.com** by close of business May 5, 2020. Questions will not be accepted during the annual meeting.

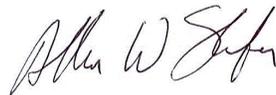
Q. Will the shareholder list be available at the annual meeting?

A. If you would like to review the shareholder list at the annual meeting, submit a requests to **investors@firstbankers.com** and arrangements will be made.

The Notice of Annual Meeting, Annual Report, Proxy Statement and Proxy Card are available at:

[http:// fbti.firstbankers.com](http://fbti.firstbankers.com)

BY ORDER OF THE BOARD OF DIRECTORS



Allen W. Shafer

President and Chief Executive Officer