



# First Bankers Trustshares, Inc.

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

July 30, 2010

## Second Quarter 2010 Financial Highlights

Dear Shareholders,

The first half of the year ending 6/30/10, was very good for First Bankers Trustshares, Inc. Our net income was up almost 5% to \$1.32 per share versus \$1.26 for the same period last year. Even more encouraging, the net income for the second quarter was up 14% on a per share basis compared to the same time period last year.

Our results continue to be driven by the growth in the bank (First Bankers Trust Company, N.A.) with assets exceeding \$674 million versus \$597 million on June 30, 2009, a growth rate of almost 13 percent. Our fee income, in particular, at our Trust Company (First Bankers Trust Services, Inc.) was outstanding for the quarter and first six months of this year.

The Trust Company continues to compete nationwide for larger trust opportunities which results in larger fees for our company. Their nationwide reputation for service and expertise in this business continues to grow.

Our good results the last few years are being driven by the strategies developed for our company, by our Board and management over the last decade. A conservative business plan carefully executed by the employees of your company has allowed us to continue this growth in almost every category during a most difficult time in our economy. We truly have a great work force focused on a tremendous customer base. When we speak of "relationship" banking, we mean it!

I recently had an opportunity to visit with another banker (a competitor). This person paid our employees a very great compliment when I was told "our organization just can't seem to pry your customers loose. Your customers are very dedicated to you!" What a wonderful testimonial to both our employees and our customers!

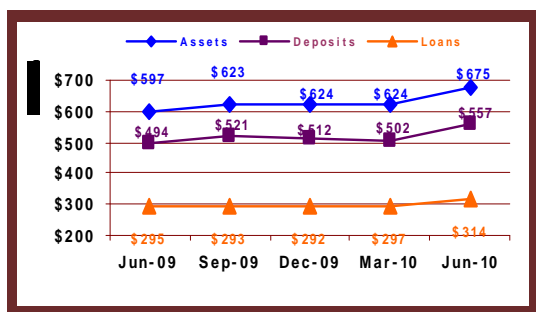
In the June 2010 edition of U.S. Banker magazine, First Bankers Trustshares, Inc. was again named one of the top 200 banks in the country as determined by a three year average return on equity. Our 13.4% return specifically ranked us as the 34th best bank in the country for all banks less than \$2 billion in assets. That is a lot of banks and a real honor to be noted in this national publication.

Again, thank you for your investment in our company. Enclosed, please find your dividend check, or as instructed, it has been direct deposited into your account.

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.



### 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 Hofer & Arnett  
222 S. Riverside Plaza 7th Flr  
Chicago, IL 60606  
(800.800.4693)

#### Wells Fargo Advisors

510 Maine 9th Floor  
PO Box 140  
Quincy, IL 62306  
(800.223.1037)

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

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

#### Monroe Securities, Inc

100 North Riverside Plaza,  
Ste 1620  
Chicago, IL 60606  
(312.327.2530)

#### 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

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

Income Statement Data	For The Three Months Period Ended June 30,			For the Six Months Period Ended June 30,		
	2010	2009	% Chg	2010	2009	2008
Net interest income	\$ 4,094	\$ 4,123	-0.70%	\$ 8,171	\$ 8,015	\$ 7,038
Provision for loan losses	270	270	0.00%	540	540	540
Noninterest income	2,401	2,217	8.30%	5,175	4,390	3,803
Noninterest expense	4,163	4,237	-1.75%	8,467	7,760	6,826
Income taxes	591	526	12.36%	1,301	1,236	1,015
Net Income	\$ 1,471	\$ 1,307	12.55%	\$ 3,038	\$ 2,869	\$ 2,460

Ratios	For The Three Months Period Ended June 30,			For the Six Months Period Ended June 30,		
	2010	2009	% Chg	2010	2009	2008
Return on average assets (Excludes preferred stock dividends/accretions.)	0.82%	0.79%	3.80%	0.87%	0.93%	1.10%
Return on average common stockholders' equity <small>(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 but including accumulated other comprehensive income or loss.)</small>	12.48%	12.18%	2.46%	13.19%	13.95%	14.86%
Net interest margin	2.76%	3.04%	-9.21%	2.81%	3.10%	3.37%
Allowance as a percent of total loans	1.50%	1.53%	-1.96%	1.50%	1.53%	1.39%
Dividends per common share paid	\$ 0.115	\$ 0.115	0.00%	\$ 0.23	\$ 0.23	\$ 0.23
Earnings per common share <small>(Calculated by dividing net income less dividends and accretion on preferred stock by the weighted average number of common stock shares outstanding.)</small>	\$ 0.64	\$ 0.56	14.29%	\$ 1.32	\$ 1.26	\$ 1.20
Book value per common share <small>(Calculated by dividing stockholders' equity, excluding preferred stock and accumulated other comprehensive income or loss, by outstanding common shares.)</small>	\$ 20.71	\$ 18.53	11.76%	\$ 20.71	\$ 18.53	\$ 16.63

Balance Sheet	At June 30,			At December 31,		
	2010	2009	% Chg	2009	2008	2007
Assets	\$ 674,848	\$ 597,477	12.95%	\$ 623,896	\$ 498,028	\$ 438,878
Investment securities	\$ 290,031	\$ 237,489	22.12%	\$ 282,135	\$ 146,908	\$ 114,616
Loans, net of unearned income	\$ 313,572	\$ 294,669	6.41%	\$ 292,344	\$ 288,412	\$ 279,915
Deposits	\$ 557,181	\$ 494,304	12.72%	\$ 511,769	\$ 400,844	\$ 359,345
Short-term and other borrowings	\$ 40,506	\$ 35,056	15.55%	\$ 38,717	\$ 40,545	\$ 27,088
Junior subordinated debentures	\$ 15,465	\$ 15,465	0.00%	\$ 15,465	\$ 15,465	\$ 15,465
Preferred stock equity	\$ 10,150	\$ 10,050	1.00%	\$ 10,100	\$ 0	\$ 0
Stockholders' equity <small>(Includes preferred stock and excludes accumulated other comprehensive income or loss.)</small>	\$ 52,628	\$ 48,015	9.61%	\$ 50,287	\$ 35,866	\$ 32,079

Stock Value Per Common Share Information	For The Six Months Period Ended June 30,			For The Years Ended December 31,		
	2010	2009	% Change	2009	2008	2007
Price/earnings ratio	7.1	6.2	14.52%	6.3	7.8	9.5
Stock price—High	\$ 19.25	\$ 18.25		\$ 17.10	\$ 21.75	\$ 20.00
Low	\$ 16.10	\$ 12.00		\$ 15.41	\$ 15.60	\$ 18.00
Ending	\$ 19.00	\$ 15.70	21.02%	\$ 16.10	\$ 18.00	\$ 19.70
Book value per common share	\$ 20.71	\$ 18.53	11.76%	\$ 19.62	\$ 17.51	\$ 15.66
Price/book value per common share	0.92	0.85	8.24%	0.82	1.03	1.26
Common shares outstanding	2,051,476	2,048,574		2,048,574	2,048,574	2,048,574