



# First Bankers Trustshares, Inc.

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

April 26, 2013

## First Quarter 2013 Financial Highlights

Dear Shareholders,

On the back page of this newsletter are numerous financial statistics related to our first quarter, 2013 performance. For the quarter ended 3/31/13, the Company earned \$1,194,000 in net income or \$.57 per share. This compares to net income of \$2,006,000 earned last year or \$.97 per share.

Our earnings did not match last year nor our expectations for the first quarter. They can be explained by four factors:

- 1) Last year's results included approximately \$500,000 in extraordinary gains and resulted in the Company's best quarter in its history.
- 2) Our net interest margin continues to narrow in this low interest rate environment. This is a common refrain with almost all financial intermediaries.
- 3) Our fee income, due to residential mortgage lending, slowed from last year's blistering pace.
- 4) Our expenses related to our Trust Company subsidiary were substantially

higher due to the major investment we made last year in expanding our staff of Trust professionals to grow this part of our business for the future.

As I write this newsletter to you in the middle of April, I think all four of these trends are moving in the right direction and, hopefully, portends better quarters ahead for your Company. Asset quality remains good; net interest margins have started to widen; The new Trust Company personnel have significantly added to revenue through new customers; residential lending has begun to pick up as the spring buying season kicks into gear. Lastly, low interest rates cannot stay this low forever?

Enclosed is your dividend for the first quarter; or it has been deposited into your account as previously instructed. I look forward to seeing some of you at our annual stockholders meeting on May 14, 2013 at 9:00 a.m. in our main Bank building at 12th and Broadway, Quincy, Illinois.

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  
433 S. Carlton Ave  
Wheaton, IL 60187  
(800.757.5755)

#### Raymond James

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:

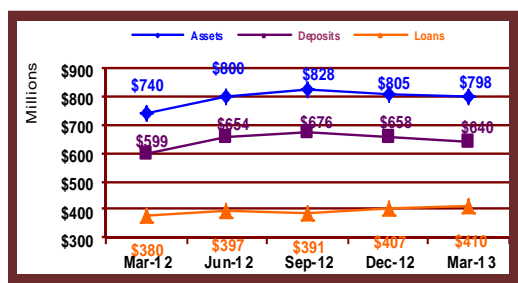
First Bankers Trustshares, Inc.  
Phone: (217.228.8000)  
Fax: (217.228.8091)  
Email: fbti@firstbankers.com

### 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  
Merle Tiekens  
Jack Laverdiere  
Scott Cisel  
Chairman Emeritus  
David E. Connor



## 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,		
	2013	2012	% Chg	2012	2011	2010
Net interest income	\$ 4,683	\$ 4,984	(6.04)%	\$ 19,556	\$ 19,267	\$ 16,998
Provision for loan losses	360	360	0.00 %	1,440	1,640	1,080
Noninterest income	3,257	3,520	(7.47)%	13,808	10,643	11,164
Noninterest expense	6,031	5,245	14.99 %	22,064	19,889	17,899
Income taxes	355	893	(60.25)%	3,020	2,324	2,743
Net Income	\$ 1,194	\$ 2,006	(40.48)%	\$ 6,840	\$ 6,057	\$ 6,440

Ratios	For The Three Months Period Ended March 31,			For the Years Ended December 31,		
	2013	2012	% Chg	2012	2011	2010
Return on average assets (Excludes preferred stock dividends/accretion.)	0.60%	1.10%	(45.45)%	0.87%	0.75%	0.88%
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 and accumulated other comprehensive income or loss.)</small>	8.55%	15.83%	(45.99)%	12.84%	11.26%	13.54%
Net interest margin	2.57%	2.99%	(14.05)%	2.71%	2.91%	2.78%
Allowance as a percent of total loans	1.59%	1.46%	8.90 %	1.54%	1.38%	1.49%
Dividends per common share paid	\$ 0.16	\$ 0.15	6.67 %	\$ 0.60	\$ 0.46	\$ 0.46
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>	\$ 0.57	\$ 0.97	(41.24)%	\$ 3.28	\$ 2.60	\$ 2.83
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>	\$ 27.17	\$ 24.90	9.12 %	\$ 26.76	\$ 24.08	\$ 21.98

Balance Sheet	At March 31,			At December 31,		
	2013	2012	% Chg	2012	2011	2010
Assets	\$ 797,987	\$ 739,537	7.90 %	\$ 804,568	\$ 721,854	\$ 690,644
Investment securities	\$ 309,166	\$ 276,589	11.78 %	\$ 327,325	\$ 281,635	\$ 278,729
Loans, net of unearned income	\$ 409,659	\$ 380,312	7.72 %	\$ 406,803	\$ 375,390	\$ 337,558
Deposits	\$ 640,077	\$ 598,949	6.87 %	\$ 658,498	\$ 584,499	\$ 570,436
Short-term and other borrowings	\$ 64,023	\$ 51,571	24.15 %	\$ 51,985	\$ 48,769	\$ 43,104
Junior subordinated debentures	\$ 15,465	\$ 15,465	0.00 %	\$ 15,465	\$ 15,465	\$ 15,465
Preferred stock equity	\$ 10,000	\$ 10,000	0.00 %	\$ 10,000	\$ 10,000	\$ 10,200
Stockholders' equity <small>(Includes preferred stock and excludes accumulated other comprehensive income or loss.)</small>	\$ 65,772	\$ 61,118	7.61 %	\$ 64,933	\$ 59,466	\$ 55,286

Stock Value Per Common Share Information	For The Three Months Period Ended March 31,			For The Years Ended December 31,		
	2013	2012	% Chg	2012	2011	2010
Price/earnings ratio	12.6	6.4	96.88 %	8.0	8.1	7.1
Stock price—High	\$ 29.00	\$ 24.95		\$ 26.50	\$ 21.50	\$ 22.01
Low	\$ 26.15	\$ 21.04		\$ 21.04	\$ 18.00	\$ 16.10
Ending	\$ 29.00	\$ 24.95	16.23 %	\$ 26.15	\$ 21.04	\$ 20.10
Book value per common share	\$ 27.17	\$ 24.90	9.12 %	\$ 26.76	\$ 24.08	\$ 21.98
Price/book value per common share	1.07	1.00	7.00 %	0.98	0.87	0.91
Common shares outstanding	2,053,026	2,053,026		2,053,026	2,053,026	2,051,476