

First BancTrust Corporation
Condensed Consolidated Statements of Income
(unaudited)

Three months Ended March 31	2016	2015
Interest and Dividend Income		
Loans		
Taxable	\$ 4,069,170	\$ 3,868,958
Tax exempt	7,863	8,713
Securities		
Taxable	223,450	209,845
Tax exempt	106,845	93,315
Deposits with financial institutions and other	26,187	18,312
Total interest and dividend income	<u>4,433,515</u>	<u>4,199,143</u>
Interest Expense		
Deposits	502,399	420,153
Federal Home Loan Bank advances and other debt	371,925	362,794
Total interest expense	<u>874,324</u>	<u>782,947</u>
Net Interest Income	3,559,191	3,416,196
Provision for loan losses	<u>120,000</u>	<u>120,000</u>
Net Interest Income After Provision for Loan Losses	<u>3,439,191</u>	<u>3,296,196</u>
Noninterest Income		
Customer service fees	111,715	138,160
Other service charges and fees	315,894	338,082
Net gains on loan sales	156,324	164,687
Net loan servicing fees	116,955	98,655
Brokerage fees	4,739	7,163
Abstract and title fees	114,929	98,644
Increase in cash surrender value of life insurance	67,831	65,934
Other	73,854	88,545
Total noninterest income	<u>962,241</u>	<u>999,870</u>
Noninterest Expense		
Salaries and employee benefits	1,823,447	1,755,124
Net occupancy expense	259,474	257,767
Equipment expense	251,352	241,753
Data processing fees	318,437	278,921
Professional fees	97,742	89,983
Foreclosed assets expense, net	1,882	14,680
Marketing expense	99,065	121,316
Printing and office supplies	28,654	36,094
Amortization of loan servicing rights	50,546	53,118
FDIC Insurance	64,774	62,866
Other expenses	345,000	327,214
Total noninterest expense	<u>3,340,373</u>	<u>3,238,836</u>
Income Before Income Tax	\$ 1,061,059	\$ 1,057,230
Income tax expense	<u>369,770</u>	<u>360,804</u>
Net Income	<u>\$ 691,289</u>	<u>\$ 696,426</u>
Basic Earnings Per Share	<u>\$ 0.34</u>	<u>\$ 0.33</u>
Diluted Earnings Per Share	<u>\$ 0.34</u>	<u>\$ 0.33</u>

First BancTrust Corporation
Condensed Consolidated Balance Sheets

	March 31, 2016 (unaudited)	December 31, 2015
Assets		
Cash and due from banks	\$ 3,874,878	\$ 3,952,823
Interest-bearing deposits	10,398,188	8,090,590
Federal Funds Sold	381,288	381,033
Cash and cash equivalents	14,654,354	12,424,446
Interest-bearing time deposits in banks	1,245,000	1,245,000
Available-for-sale securities	60,720,073	58,621,816
Held-to-maturity securities (fair value of \$200,139 and \$242,028)	195,155	235,038
Loans held for sale	499,885	463,445
Loans, net of allowance for loan losses of \$4,589,946 and \$4,549,590	342,189,449	348,567,981
Premises and equipment	11,623,094	11,210,998
Federal Home Loan Bank stock	2,610,490	2,610,490
Foreclosed assets held for sale, net	321,205	232,730
Interest receivable	2,342,898	2,526,318
Deferred income taxes	2,006,467	2,186,321
Loan servicing rights	371,945	382,139
Cash surrender value of life insurance	8,080,391	8,012,560
Goodwill	541,474	541,474
Core deposit intangibles	23,262	31,985
Other assets	695,925	1,006,088
	<u>448,121,067</u>	<u>450,298,829</u>
Total assets	\$ <u>448,121,067</u>	\$ <u>450,298,829</u>
Liabilities and Stockholders' Equity		
Deposits		
Demand	\$ 37,621,069	\$ 35,421,888
Savings, NOW and money market	140,752,146	140,478,375
Time	172,172,488	175,194,148
Brokered time	8,403,954	8,370,735
Total deposits	358,949,657	359,465,146
Short-term borrowings	-	2,000,000
Federal Home Loan Bank advances	36,000,000	36,000,000
Junior subordinated debentures	6,186,000	6,186,000
Advances from borrowers for taxes and insurance	614,483	386,166
Interest payable	345,394	350,335
Other liabilities	3,124,728	3,154,035
Total liabilities	405,220,262	407,541,682
Stockholders' Equity		
Common stock, \$.01 par value; authorized 5,000,000 shares; 2,114,761 shares Issued; 2,040,116 and 2,085,116 shares outstanding	21,664	21,664
Additional paid-in capital	6,282,944	6,282,944
Retained earnings	37,517,732	36,974,268
Accumulated other comprehensive income (loss)	321,022	(34,726)
Treasury stock, at cost - 74,645 and 29,645 shares	(1,242,557)	(487,003)
Total stockholders' equity	42,900,805	42,757,147
	<u>448,121,067</u>	<u>450,298,829</u>
Total liabilities and stockholders' equity	\$ <u>448,121,067</u>	\$ <u>450,298,829</u>

First BancTrust Corporation
Condensed Consolidated Statements of Cash Flows
(unaudited)

Three months ended March 31	2016	2015
Operating Activities		
Net income	\$ 691,289	\$ 696,426
Items not requiring (providing) cash		
Depreciation and amortization	245,264	241,509
Provision for loan losses	120,000	120,000
Loss (gain) on foreclosed assets, net	1,270	(2,457)
Other than temporary impairment on foreclosed assets	3,200	-
Amortization of premiums and discounts on securities, net	94,567	109,535
Amortization of loan servicing rights	50,546	53,657
Deferred income taxes	(48,692)	(20,783)
Amortization of intangible assets	8,723	12,149
Net gain on loan sales	(156,325)	(165,225)
Loans originated for sale	(5,603,257)	(5,860,945)
Proceeds from sales of loans originated for sale	5,682,790	5,620,233
Changes in		
Interest receivable	183,420	244,463
Cash surrender value of life insurance	(67,831)	(65,934)
Other assets	310,163	(78,412)
Interest payable	(4,941)	(27,045)
Other liabilities	(29,307)	45,833
Net cash provided by operating activities	<u>1,480,879</u>	<u>923,004</u>
Investing Activities		
Purchases of available-for-sale securities	(3,127,767)	(10,059,536)
Proceeds from maturities of available-for-sale securities	1,519,233	5,602,451
Proceeds from maturities of held-to-maturity securities	39,887	36,743
Net change in loans	6,155,857	1,627,332
Proceeds from sales of foreclosed assets	9,730	74,993
Purchases of premises and equipment	(657,360)	(206,464)
Net cash provided (used) by investing activities	<u>3,939,580</u>	<u>(2,924,481)</u>

Financing Activities

Net increase in demand deposits, money market, NOW and savings accounts	\$ 2,472,952	\$ 11,356,206
Net decrease in time and brokered time deposits	(2,988,441)	(5,753,907)
Net change in federal funds purchased	(2,000,000)	-
Net change in pass through payments received on loans sold	-	4,893
Net change in advances from borrowers for taxes and insurance	228,317	218,187
Dividends paid on common stock	(147,825)	(107,636)
Purchase of treasury stock	<u>(755,554)</u>	<u>(223,481)</u>
Net cash provided (used) by financing activities	<u>(3,190,551)</u>	<u>5,494,262</u>
Increase in Cash and Cash Equivalents	2,229,908	3,492,785
Cash and Cash Equivalents, Beginning of Period	<u>12,424,446</u>	<u>21,152,186</u>
Cash and Cash Equivalents, End of Period	<u>\$ 14,654,354</u>	<u>\$ 24,644,971</u>

Supplemental Cash Flows Information

Interest paid	\$ 879,265	\$ 809,992
Income taxes paid (net of refunds)	\$ 98,166	\$ 525,000
Real estate and other property acquired in settlement of loans	\$ 102,675	\$ 30,685