

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) October 18, 2004

FIRST BUSEY CORPORATION

(Exact name of registrant as specified in its charter)

Nevada

0-15959

37-1078406

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

201 W. Main Street, Urbana, Illinois

61801

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code (217) 365-4513

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13a-4(c))

ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On Monday, October 18, 2004, the Registrant issued a press release disclosing financial results for the quarter ended September 30, 2004. The press release is made part of this Form and is attached as Exhibit 99.1.

The press release made a part of this Form includes forward looking statements that are intended to be covered by the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward looking statements include but are not limited to comments with respect to the objectives and strategies, financial condition, results of operations and business of the Registrant.

These forward looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, and the risk that predictions and other forward looking statements will not be achieved. The Registrant cautions you not to place undue reliance on these forward looking statements as a number of important factors could cause actual future results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward looking statements.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 18, 2004

FIRST BUSEY CORPORATION

By: /s/ Barbara J. Harrington

Name: Barbara J. Harrington

Title: Chief Financial Officer

EXHIBIT INDEX

99.1

Press Release, dated October 18, 2004.

First Busey Corporation Third Quarter Earnings Release

URBANA, Ill., Oct. 18 /PRNewswire-FirstCall/ --

FINANCIAL HIGHLIGHTS

- Net income increased \$474,000 or 8.9% to \$5,784,000 for the quarter ending September 30, 2004, as compared to \$5,310,000 for the comparable period in 2003. For the quarter ending September 30, 2004, earnings per share on a fully-diluted bases were \$0.28, an increase of \$0.02 or 7.7% from \$0.26 for the comparable period in 2003. On a year-to-date basis, net income increased \$1,177,000 or 7.6% to \$16,685,000 as compared to \$15,508,000 for the comparable period in 2003. For the nine-month period ending September 30, 2004, earnings per share on a fully-diluted basis were \$0.81, an increase of \$0.05 or 6.6% from \$0.76 for the comparable period in 2003.
- Net interest income increased \$2,545,000 or 20.7% to \$14,844,000 in the third quarter of 2004 compared to \$12,299,000 during the third quarter of 2003. Interest income increased \$4,864,000 or 26.4% during the third quarter of 2004 compared to the same period in 2003 due primarily to loan growth. Interest expense increased \$2,319,000 or 37.9% due to increases in deposits and long-term debt. On June 1, 2004, First Busey completed the acquisition of First Capital Bank in Peoria, IL. Most of the growth in First Busey's net interest income for the third quarter of 2004 as compared to the same period in 2003 is related to the addition of First Capital Bank.
- Non-interest income increased \$303,000 or 5.3% during the third quarter of 2004 compared to the same period in 2003. Increased service charge income, security gains, and other operating income offset a decline in mortgage banking income during the third quarter of 2004 as compared to the same period in 2003.
- Non-interest expense increased \$1,127,000 or 11.2% to \$11,150,000 during the quarter ended September 30, 2004, as compared to \$10,023,000 during the comparable prior-year period due primarily to growth in salary and benefits, occupancy, and amortization expenses associated with the addition of First Capital Bank.
- It's our pleasure to announce that Douglas C. Mills has been named 2004 Illinois Banker of the Year. Doug was recognized by his fellow Bankers at the Illinois Bankers Association Annual Meeting held in June. Congratulations, Doug!

FINANCIAL SUMMARY

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--------------------------------------|---------------------------------------|-------------|------------------------------------|-------------|
| | 2004 | 2003 | 2004 | 2003 |
| | (in thousands, except per share data) | | | |
| Earnings & Per Share Data | | | | |
| Net Income | \$5,784 | \$5,310 | \$16,685 | \$15,508 |
| Basic earnings per share | 0.28 | 0.26 | 0.82 | 0.76 |
| Fully-diluted earnings per share | 0.28 | 0.26 | 0.81 | 0.76 |
| Dividends per share | 0.13 | 0.11 | 0.38 | 0.34 |
| Average Balances | | | | |
| Assets | \$1,913,380 | \$1,488,759 | \$1,685,603 | \$1,454,058 |
| Investment securities | 286,687 | 251,248 | 243,273 | 244,538 |
| Loans | 1,473,532 | 1,130,799 | 1,322,833 | 1,104,637 |
| Earning assets | 1,777,575 | 1,397,700 | 1,574,597 | 1,363,369 |
| Deposits | 1,510,088 | 1,236,251 | 1,350,329 | 1,209,860 |
| Stockholders' equity | 131,085 | 123,385 | 128,501 | 120,544 |
| Performance Ratios | | | | |
| Return on average assets | 1.20% | 1.42% | 1.32% | 1.43% |
| Return on average equity | 17.51% | 17.07% | 17.34% | 17.20% |
| Net interest margin | 3.39% | 3.58% | 3.52% | 3.62% |
| Efficiency ratio | 52.61% | 54.19% | 52.27% | 54.03% |
| Loan Performance | | | | |
| Net credit losses | \$850 | \$44 | \$1,915 | \$107 |
| Accruing loans 90+ days past due | | | 1,215 | 2,817 |
| Non-accrual loans | | | 947 | 2,607 |
| Foreclosed assets | | | 4,930 | 5,461 |

BUSE
Stock Performance

First Busey Corporation has been trading for six years on The Nasdaq Stock Market. Below is the total return for BUSE in comparison to some other indices for the six-year period ending September 30, 2004.

| | Cumulative Total Return | Annualized Total Return |
|-------------------|----------------------------|----------------------------|
| BUSE | 77.40% | 10.03% |
| NASDAQ Bank Index | 71.83% | 9.44% |
| S&P 500 Index | 29.13% | 4.35% |
| NASDAQ Composite | 11.98% | 1.90% |

CONSOLIDATED BALANCE SHEETS
(unaudited)

| | September 30, | |
|---|--------------------------------------|-------------|
| | 2004 | 2003 |
| | (in thousands except per share data) | |
| Assets | | |
| Cash and due from banks | \$61,917 | \$44,024 |
| Federal funds sold | 50,650 | - |
| Investment securities | 298,362 | 251,369 |
| Loans | 1,468,259 | 1,144,846 |
| Less allowance for loan losses | (18,703) | (16,731) |
| Net loans | 1,449,556 | 1,128,115 |
| Premises and equipment, net | 26,179 | 22,163 |
| Goodwill and other intangibles | 35,895 | 9,535 |
| Other assets | 42,939 | 38,979 |
| Total assets | \$1,965,498 | \$1,494,185 |
| Liabilities & Stockholders' Equity | | |
| Non-interest bearing deposits | \$185,723 | \$162,616 |
| Interest-bearing deposits | 1,372,923 | 1,050,063 |
| Total deposits | \$1,558,646 | \$1,212,679 |
| Federal funds purchased & securities sold under agreements to repurchase | 39,025 | 34,500 |
| Short-term borrowings | 11,250 | - |
| Long-term debt | 171,796 | 87,759 |
| Junior subordinated debt owed to unconsolidated trust | 40,000 | 25,000 |
| Other liabilities | 10,147 | 9,010 |
| Total liabilities | \$1,830,864 | \$1,368,948 |
| Common stock | \$6,291 | \$6,291 |
| Surplus | 21,447 | 20,932 |
| Retained earnings | 111,244 | 100,237 |
| Other comprehensive income | 9,056 | 10,322 |
| Treasury stock | (10,529) | (10,731) |
| Unearned ESOP shares | (2,853) | (1,759) |
| Deferred compensation for stock grants | (22) | (55) |
| Total stockholders' equity | \$134,634 | \$125,237 |
| Total liabilities & stockholders' equity | \$1,965,498 | \$1,494,185 |
| Per Share Data | | |
| Book value per share | \$6.54 | \$6.12 |
| Tangible book value per share | \$4.80 | \$5.65 |
| Ending number of shares outstanding | 20,577,751 | 20,474,280 |

CONSOLIDATED STATEMENTS
OF INCOME (unaudited)

| | Three Months Ended | | Nine Months Ended | |
|--------------------------------------|---------------------------------------|----------|-------------------|----------|
| | September 30, | | September 30, | |
| | 2004 | 2003 | 2004 | 2003 |
| | (in thousands, except per share data) | | | |
| Interest and fees on loans | \$21,088 | \$16,386 | \$55,804 | \$49,225 |
| Interest on investment securities | 2,128 | 1,994 | 5,552 | 6,250 |
| Other interest income | 65 | 37 | 93 | 114 |
| Total interest income | \$23,281 | \$18,417 | \$61,449 | \$55,589 |
| Interest on deposits | \$5,961 | \$4,592 | \$14,858 | \$15,192 |
| Interest on short-term | | | | |

| | | | | |
|---|------------|------------|------------|------------|
| borrowings | 189 | 30 | 352 | 127 |
| Interest on long-term debt | 1,572 | 933 | 3,803 | 2,604 |
| Junior subordinated debt owed to unconsolidated trust | 715 | 563 | 1,936 | 1,688 |
| Total interest expense | \$8,437 | \$6,118 | \$20,949 | \$19,611 |
| Net interest income | \$14,844 | \$12,299 | \$40,500 | \$35,978 |
| Provision for loans losses | 1,240 | 448 | 2,320 | 1,378 |
| Net interest income after provision | \$13,604 | \$11,851 | \$38,180 | \$34,600 |
| Trust fees | \$1,211 | \$1,176 | \$4,002 | \$3,467 |
| Commissions and brokers' fees | 578 | 565 | 1,774 | 1,541 |
| Fees for customer services | 2,632 | 2,376 | 7,353 | 6,860 |
| Gain on sale of loans | 703 | 1,359 | 1,984 | 5,833 |
| Security gains, net | 402 | 23 | 1,090 | 322 |
| Other | 495 | 219 | 1,546 | 1,041 |
| Total non-interest income | \$6,021 | \$5,718 | \$17,749 | \$19,064 |
| Salaries and employee benefits | \$6,153 | \$5,883 | \$17,513 | \$17,403 |
| Net occupancy expense | 1,081 | 797 | 2,898 | 2,326 |
| Furniture and equipment expenses | 649 | 589 | 1,772 | 1,899 |
| Other operating expenses | 3,267 | 2,754 | 8,630 | 8,761 |
| Total non-interest expense | \$11,150 | \$10,023 | \$30,813 | \$30,389 |
| Income before income taxes | \$8,475 | \$7,546 | \$25,116 | \$23,275 |
| Income taxes | 2,691 | 2,236 | 8,431 | 7,767 |
| Net Income | \$5,784 | \$5,310 | \$16,685 | \$15,508 |
| Common Share Data* | | | | |
| Basic earnings per share | \$0.28 | \$0.26 | \$0.82 | \$0.76 |
| Fully-diluted earnings per share | \$0.28 | \$0.26 | \$0.81 | \$0.76 |
| Average number of shares outstanding | 20,500,424 | 20,550,576 | 20,493,753 | 20,529,095 |

* Share and per share data have been adjusted to effect a three-for-two common stock split effective August 3, 2004, as if it had occurred on January 1, 2003.

CORPORATE PROFILE

First Busey Corporation is a financial holding company headquartered in Urbana, Illinois. First Busey Corporation has three wholly-owned banking subsidiaries with locations in three states. Busey Bank is headquartered in Urbana, Illinois and has seventeen banking centers serving Champaign, McLean and Ford Counties in Illinois. Busey Bank also has a banking center in Indianapolis, Indiana and loan production offices in Ft. Myers and Naples, Florida. Total assets of Busey Bank were \$1.5 billion as of September 30, 2004. Busey Bank Florida is a federal thrift headquartered in Ft. Myers, Florida with two banking centers located in Cape Coral, Florida. Total assets of Busey Bank Florida were \$162 million as of September 30, 2004. On June 1, 2004, First Busey Corporation completed its acquisition of First Capital Bank in Peoria, Illinois. First Capital Bank has three banking centers in Peoria and one in Pekin, Illinois. Total assets of First Capital Bank as of September 30, 2004 were \$260 million. Busey provides electronic delivery of financial services through Busey e-bank, <http://www.busey.com>.

Busey Investment Group is a wholly-owned subsidiary of First Busey Corporation and owns three subsidiaries. First Busey Trust & Investment Co. specializes in asset management and trust services with approximately \$1.26 billion in assets under care. First Busey Securities, Inc. (member NASD/SIPC) is a full-service broker/dealer subsidiary with approximately \$669 million in assets under care. Busey Insurance Services, Inc. provides personal insurance products and specializes in long-term healthcare insurance.

First Busey Corporation Common Stock is traded on the Nasdaq National Market under the symbol "BUSE." First Busey Corporation has a Repurchase Program in effect under which it is authorized to purchase up to 750,000 shares of stock. BUSE closed on September 30, 2004 at \$19.11, an increase of 6.2% from the adjusted closing price of \$18.00* on December 31, 2003.

/CONTACT: Barbara J. Kuhl, President & COO of First Busey Corporation,
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/Web site: <http://www.busey.com> /
(BUSE)

CO: First Busey Corporation
ST: Illinois
IN: FIN
SU: ERN