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): July 23, 2024

First Busey Corporation
(Exact name of Registrant as specified in its charter)

Nevada	**0-15950**	**37-1078406**
(State of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

100 W. University Ave.
Champaign, Illinois 61820
(Address of Principal Executive Offices)

(217) 365-4544
(Registrant's telephone number, including area code)

N/A
(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 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.001 par value	BUSE	Nasdaq Stock Market LLC

Indicate by check mark whether the Registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). ☐

If an emerging growth company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On July 23, 2024, First Busey Corporation ("Busey") issued a press release ("Earnings Release") disclosing financial results for the quarter ended June 30, 2024. A copy of the Earnings Release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information in Item 2.02 of this Current Report on Form 8-K and Exhibit 99.1 attached hereto is being "furnished" and will not, except to the extent required by applicable law or regulation, be deemed "filed" by Busey for purposes of Section 18 of the Securities Exchange Act of 1934, as amended ("Exchange Act"), or otherwise subject to the liabilities of that section, nor will any of such information or exhibits be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended ("Securities Act"), or the Exchange Act.

Item 7.01 Regulation FD Disclosure.

On July 23, 2024, Busey published its Earnings Investor Presentation discussing financial results for the quarter ended June 30, 2024. A copy is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

The information in Item 7.01 of this Current Report on Form 8-K and Exhibit 99.2 attached hereto is being "furnished" and will not, except to the extent required by applicable law or regulation, be deemed "filed" by Busey for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, nor will any of such information or exhibits be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.

Item 9.01. Financial Statements and Exhibits.

Exhibit Number	Description of Exhibit
99.1	Earnings Release issued by First Busey Corporation, dated July 23, 2024
99.2	Earnings Investor Presentation issued by First Busey Corporation, dated July 23, 2024
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and included in Exhibit 101)

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, thereunto duly authorized.

FIRST BUSEY CORPORATION

Date:	July 23, 2024	By:	/s/ Jeffrey D. Jones
			Jeffrey D. Jones
			Chief Financial Officer

FIRST BUSEY CORPORATION

ANNOUNCES

2024 SECOND QUARTER

EARNINGS

Q2 | 2024

July 23, 2024
First Busey Corporation Announces 2024 Second Quarter Earnings
CHAMPAIGN, IL – (GLOBE NEWSWIRE) – First Busey Corporation (Nasdaq: BUSE)

Net Income of $27.4 million
Diluted EPS of $0.47

SECOND QUARTER 2024 HIGHLIGHTS

- Adjusted net income[1] of $29.0 million, or $0.50 per diluted common share
- Net interest margin[1] increased by 24 basis points to 3.03% from 2.79% in the prior quarter
- Noninterest income of $33.8 million, and adjusted noninterest income[1] of $33.9 million, or 29.1% of operating revenue[1]
- Record high quarterly revenue for both the Wealth Management and FirsTech operating segments
- Finalized the acquisition of Merchants & Manufacturers Bank Corporation ("M&M") and its wholly owned subsidiary Merchants & Manufacturers Bank ("M&M Bank") on April 1, 2024, and completed the integration of M&M Bank into Busey Bank on June 21, 2024
- Tangible book value per common share[1] of $16.97 at June 30, 2024, compared to $16.84 at March 31, 2024, and $15.25 at June 30, 2023, a year-over-year increase of 11.3%
- Tangible common equity[1] increased to 8.36% of tangible assets at June 30, 2024, compared to 8.12% at March 31, 2024, and 7.18% at June 30, 2023

For additional information, please refer to the 2Q24 Earnings Investor Presentation.

MESSAGE FROM OUR CHAIRMAN & CEO

Second Quarter Financial Results

Net income for First Busey Corporation ("Busey," "Company," "we," "us," or "our") was $27.4 million for the second quarter of 2024, or $0.47 per diluted common share, compared to $26.2 million, or $0.46 per diluted common share, for the first quarter of 2024, and $29.4 million, or $0.52 per diluted common share, for the second quarter of 2023. Adjusted net income[1], which excludes the impact of acquisition and restructuring expenses, was $29.0 million, or $0.50 per diluted common share, for the second quarter of 2024, compared to $26.5 million, or $0.47 per diluted common share, for the first quarter of 2024. Adjustments to net income for the second quarter of 2023 were immaterial. Annualized return on average assets and annualized return on average tangible common equity[1] were 0.91% and 11.51%, respectively, for the second quarter of 2024. Annualized adjusted return on average assets[1] and annualized adjusted return on average tangible common equity[1] were 0.97% and 12.21%, respectively, for the second quarter of 2024.

Second quarter results included $0.4 million in net securities losses, nearly all of which were unrealized, as well as an additional $0.3 million gain on the mortgage servicing right sale previously announced in the first quarter of 2024. In addition, second quarter results include a one-time deferred tax valuation adjustment of $1.4 million resulting from a change to our Illinois apportionment rate due to recently enacted regulations. These new regulations are expected to lower our ongoing tax obligation in future periods, but create a negative adjustment to the carrying value of our deferred tax asset in the current period. Excluding this one-time deferred tax valuation adjustment, the effective tax rate for the second quarter of 2024 would have been 25.0%, rather than the 28.8% reported, and further adjusted net income would have been $30.5 million, equating to further adjusted diluted earnings per share of $0.53.

Pre-provision net revenue[1] was $41.1 million for the second quarter of 2024, compared to $46.4 million for the first quarter of 2024 and $39.5 million for the second quarter of 2023. Pre-provision net revenue to average assets[1] was 1.37% for the second quarter of 2024, compared to 1.55% for the first quarter of 2024, and 1.30% for the second quarter of 2023. Adjusted pre-provision net revenue[1] was $42.6 million for the second quarter of 2024, compared to $38.6 million for the first quarter of 2024 and $42.1 million for the second quarter of 2023. Adjusted pre-provision net revenue to average assets[1] was 1.42% for the second quarter of 2024, compared to 1.29% for the first quarter of 2024 and 1.38% for the second quarter of 2023.

Our fee-based businesses continue to add revenue diversification. Total noninterest income was $33.8 million for the second quarter of 2024, compared to $35.0 million for the first quarter of 2024 and $28.0 million for the second quarter of 2023. Adjusted noninterest income[1] was $33.9 million, or 29.1% of operating revenue[1], during the second quarter of 2024, compared to $33.9 million, or 30.9% of total operating revenue, for the first quarter of 2024 and $30.1 million, or 27.7% of total operating revenue, for the second quarter of 2023. Wealth management fees and payment technology solutions contributed $15.9 million and $5.9 million, respectively, to our consolidated noninterest income for the second quarter of 2024, representing 64.6% of noninterest income on a combined basis.

Busey views certain non-operating items, including acquisition-related and other restructuring charges, as adjustments to net income reported under U.S. generally accepted accounting principles ("GAAP"). Non-operating pretax adjustments for acquisition and other restructuring charges in the second quarter of 2024 were $2.2 million. Busey believes that its non-GAAP measures (which are identified with the endnote labeled as 1) facilitate the assessment of its financial results and peer comparability. For more information and a reconciliation of these non-GAAP measures in tabular form, see "*Non-GAAP Financial Information*" beginning on page 16.

We have effectively managed our noninterest expense during a time of decades-high inflation and have been purposeful in our efforts to rationalize our expense base given our economic outlook and our view on the future of banking. Second quarter expenses include the costs of operating M&M Bank as a stand-alone bank from April 1, 2024, through June 21, 2024. Noninterest expense was $75.5 million in the second quarter of 2024, compared to $70.8 million in the first quarter of 2024 and $69.2 million in the second quarter of 2023. Adjusted noninterest expense[1], which excludes the amortization of intangible assets and acquisition and restructuring related expenses, was $70.7 million in the second quarter of 2024, compared to $68.0 million in the first quarter of 2024 and $66.5 million in the second quarter of 2023.

Quarterly pre-tax expense synergies resulting from the M&M acquisition are anticipated to be $1.6 million to $1.7 million per quarter when fully realized. Quarterly run-rate savings are projected to be achieved by the first quarter of 2025. During the second quarter of 2024, we achieved approximately 30% of the full quarterly savings. We expect to continue to prudently manage our expenses and to realize increased rates of M&M acquisition synergies during the second half of 2024.

Acquisition of Merchants and Manufacturers Bank Corporation Completed April 1, 2024, and Integration of Merchants & Manufacturers Bank with and into Busey Bank Completed June 21, 2024

Effective April 1, 2024, Busey completed its previously announced acquisition (the "Merger") of M&M, pursuant to an Agreement and Plan of Merger, dated November 27, 2023, between Busey and M&M (the "Merger Agreement"). Upon completion of the Merger, each share of M&M common stock converted to the right to receive, at the election of each stockholder and subject to proration and adjustment, either (1) $117.74 in cash ("Cash Election"), (2) 5.7294 shares of Busey common stock ("Share Election"), or (3) mixed consideration of $34.55 in cash and 4.0481 shares of Busey common stock ("Mixed Election").

Most of the M&M common stockholders who submitted an election form by the election deadline made the Share Election to receive their Merger consideration solely in the form of shares of Busey common stock. As a result of the elections of M&M common stockholders, and in accordance with the proration and adjustment provisions of the Merger Agreement, the Merger consideration paid to M&M common stockholders was comprised of an aggregate of 1,429,304 shares of Busey common stock and an aggregate of $12.2 million in cash, allocated as follows for each share of M&M stock: (1) $117.74 in cash for the Cash Election, (2) $5.3966 in cash and 5.4668 shares of Busey common stock for the Share Election, and (3) $34.55 in cash and 4.0481 shares of Busey common stock for the Mixed Election. Pursuant to the terms of the Merger Agreement, M&M common stockholders that did not make an election or submit a properly completed election form by the election deadline of March 29, 2024, received cash consideration of $117.74 for each share of M&M common stock held. No fractional shares of Busey common stock were issued in the Merger. Fractional shares were paid in cash at the rate of $23.32 per share.

Additional Merger consideration of $3.0 million was paid to redeem 300 shares of M&M preferred stock.

The M&M transaction added loans with a fair value of $418.7 million and deposits with a fair value of $392.8 million as of the acquisition date. Busey incurred one-time pre-tax acquisition-related expenses of $2.1 million in the second quarter of 2024 related to M&M.

On June 21, 2024, M&M Bank was merged with and into Busey Bank (the "Bank Merger"). At the time of the Bank Merger, M&M Bank's banking centers became banking centers of Busey Bank, except for the banking center located at 990 Essington Rd., Joliet, Illinois, which was closed in connection with the Bank Merger. Services were assumed by the existing Busey Bank banking center located at 2801 Black Rd., Joliet, Illinois, which is less than one mile away from where the Essington banking center was located. This partnership adds M&M's Life Equity Loan® products to Busey's existing suite of services and expands Busey's presence in the suburban Chicago area.

Busey's Conservative Banking Strategy

Busey's financial strength is built on a long-term conservative operating approach. That focus will not change now or in the future.

The quality of our core deposit franchise is a critical value driver of our institution. Our granular deposit base continues to position us well, with core deposits[1] representing 96.4% of our deposits as of June 30, 2024. Our retail deposit base was comprised of more than 256,000 accounts with an average balance of $22 thousand and an average tenure of 16.8 years as of June 30, 2024. Our commercial deposit base was comprised of more than 33,000 accounts with an average balance of $96 thousand and an average tenure of 12.5 years as of June 30, 2024. We estimated that 29% of our deposits were uninsured and uncollateralized[2] as of June 30, 2024, and we have sufficient on- and off-balance sheet liquidity to manage deposit fluctuations and the liquidity needs of our customers.

Asset quality remains strong by both Busey's historical and current industry trends. Non-performing assets decreased to $9.2 million during the second quarter of 2024, representing 0.08% of total assets. Busey's results for the second quarter of 2024 include a $2.3 million provision expense for credit losses and a $0.4 million provision release for unfunded commitments. The allowance for credit losses was $85.2 million as of June 30, 2024, representing 1.07% of total portfolio loans outstanding, and 936.0% of non-performing loans. Busey recorded net charge-offs of $9.9 million in the second quarter of 2024, primarily in connection with a single commercial and industrial credit relationship that also experienced a partial charge-off during the first quarter of 2024. A specific reserve of $7.2 million had previously been allocated against this credit relationship. As of June 30, 2024, our commercial real estate loan portfolio of investor-owned office properties within Central Business District[3] areas is minimal at $2.2 million. Our credit performance continues to reflect our highly diversified, conservatively underwritten loan portfolio, which has been originated predominantly to established customers with tenured relationships with our company.

The strength of our balance sheet is also reflected in our capital foundation. In the second quarter of 2024, our Common Equity Tier 1 ratio[4] was 13.19% and our Total Capital to Risk Weighted Assets ratio[4] was 17.49%. Our regulatory capital ratios continue to provide a buffer of more than $540 million above levels required to be designated well-capitalized. Our Tangible Common Equity ratio[1] increased to 8.36% during the second quarter of 2024, compared to 8.12% for the first quarter of 2024 and 7.18% for the second quarter of 2023. Busey's tangible book value per common share[1] increased to $16.97 at June 30, 2024, from $16.84 at March 31, 2024, and $15.25 at June 30, 2023, reflecting an 11.3% year-over-year increase. During the second quarter of 2024, we paid a common share dividend of $0.24.

Community Banking

Busey's commitment to bettering the communities we serve includes providing our Pillars with wide-ranging access to financial education tools. We're pleased to offer Financial Pathways, a complimentary educational platform that provides an engaging learning experience through a series of interactive modules that deliver actionable financial education. Through the Financial Pathways Engage program, community members of all ages can learn how to manage their finances and plan for the future through educational workshops. The Engage program is led by Busey associates who are certified facilitators trained to lead the in-person and virtual sessions. After April's training, we now have more than 70 Busey associates certified as Financial Pathways facilitators to offer valuable financial education to fellow associates, customers, and community members.

As we build upon Busey's forward momentum and our strategic growth plans, we are grateful for the opportunities to consistently earn the business of our customers, based on the contributions of our talented associates and the continued support of our loyal shareholders.

Van A. Dukeman
Chairman and Chief Executive Officer
First Busey Corporation

SELECTED FINANCIAL HIGHLIGHTS *(unaudited)*

(dollars in thousands, except per share amounts)

	Three Months Ended			Six Months Ended	
	June 30, 2024	March 31, 2024	June 30, 2023	June 30, 2024	June 30, 2023
EARNINGS & PER SHARE AMOUNTS					
Net income	$ 27,357	$ 26,225	$ 29,364	$ 53,582	$ 66,150
Diluted earnings per common share	0.47	0.46	0.52	0.94	1.18
Cash dividends paid per share	0.24	0.24	0.24	0.48	0.48
Pre-provision net revenue[1, 2]	41,051	46,373	39,536	87,424	87,454
Operating revenue[2]	116,311	109,677	108,741	225,988	227,062
Net income by operating segments:					
Banking	26,697	26,492	30,665	53,189	67,500
FirsTech	28	86	226	114	188
Wealth Management	5,561	4,998	4,932	10,559	9,790
AVERAGE BALANCES					
Cash and cash equivalents	$ 346,381	$ 594,193	$ 235,858	$ 470,287	$ 229,563
Investment securities	2,737,313	2,907,144	3,255,741	2,822,228	3,307,575
Loans held for sale	9,353	4,833	1,941	7,093	1,796
Portfolio loans	8,010,636	7,599,316	7,755,618	7,804,976	7,733,370
Interest-earning assets	10,993,907	10,999,903	11,130,298	10,996,905	11,155,291
Total assets	12,089,692	12,024,208	12,209,865	12,056,950	12,236,643
Noninterest-bearing deposits	2,816,293	2,708,586	3,054,483	2,762,439	3,163,011
Interest-bearing deposits	7,251,582	7,330,105	6,797,588	7,290,844	6,717,939
Total deposits	10,067,875	10,038,691	9,852,071	10,053,283	9,880,950
Federal funds purchased and securities sold under agreements to repurchase	144,370	178,659	201,020	161,514	215,604
Interest-bearing liabilities	7,725,832	7,831,655	7,762,628	7,778,744	7,689,187
Total liabilities	10,757,877	10,748,484	11,001,930	10,753,180	11,047,164
Stockholders' equity - common	1,331,815	1,275,724	1,207,935	1,303,770	1,189,479
Tangible common equity[2]	955,591	922,710	847,294	939,150	827,489
PERFORMANCE RATIOS					
Pre-provision net revenue to average assets[1, 2, 3]	1.37 %	1.55 %	1.30 %	1.46 %	1.44 %
Return on average assets[3]	0.91 %	0.88 %	0.96 %	0.89 %	1.09 %
Return on average common equity[3]	8.26 %	8.27 %	9.75 %	8.26 %	11.21 %
Return on average tangible common equity[2, 3]	11.51 %	11.43 %	13.90 %	11.47 %	16.12 %
Net interest margin[2, 4]	3.03 %	2.79 %	2.86 %	2.91 %	2.99 %
Efficiency ratio[2]	62.32 %	58.13 %	60.87 %	60.22 %	58.82 %
Adjusted noninterest income to operating revenue[2]	29.13 %	30.92 %	27.65 %	30.00 %	27.54 %
NON-GAAP FINANCIAL INFORMATION					
Adjusted pre-provision net revenue[1, 2]	$ 42,617	$ 38,638	$ 42,072	$ 81,255	$ 91,576
Adjusted net income[2]	29,016	26,531	29,373	55,547	66,159
Adjusted diluted earnings per share[2]	0.50	0.47	0.52	0.97	1.18
Adjusted pre-provision net revenue to average assets[2, 3]	1.42 %	1.29 %	1.38 %	1.36 %	1.51 %
Adjusted return on average assets[2, 3]	0.97 %	0.89 %	0.96 %	0.93 %	1.09 %
Adjusted return on average tangible common equity[2, 3]	12.21 %	11.56 %	13.90 %	11.89 %	16.12 %
Adjusted net interest margin[2, 4]	3.00 %	2.78 %	2.84 %	2.89 %	2.98 %
Adjusted efficiency ratio[2]	60.57 %	61.70 %	60.86 %	61.12 %	58.81 %

1. Net interest income plus noninterest income, excluding securities gains and losses, less noninterest expense.
2. See "*Non-GAAP Financial Information*" for reconciliation.
3. For quarterly periods, measures are annualized.
4. On a tax-equivalent basis, assuming a federal income tax rate of 21%.

CONDENSED CONSOLIDATED BALANCE SHEETS *(unaudited)*

(dollars in thousands, except per share amounts)

	As of		
	June 30, 2024	March 31, 2024	June 30, 2023
ASSETS			
Cash and cash equivalents	$ 285,269	$ 591,071	$ 232,703
Debt securities available for sale	1,829,896	1,898,072	2,283,848
Debt securities held to maturity	851,261	862,218	894,102
Equity securities	9,618	9,790	9,034
Loans held for sale	11,286	6,827	1,545
Commercial loans	5,799,214	5,606,241	5,793,426
Retail real estate and retail other loans	2,199,698	1,981,836	2,011,858
Portfolio loans	7,998,912	7,588,077	7,805,284
Allowance for credit losses	(85,226)	(91,562)	(91,639)
Premises and equipment	121,647	121,506	122,669
Goodwill and other intangible assets, net	370,580	351,455	358,898
Right of use asset	11,137	10,590	11,806
Other assets	567,036	539,414	580,779
Total assets	$ 11,971,416	$ 11,887,458	$ 12,209,029
LIABILITIES & STOCKHOLDERS' EQUITY			
Liabilities			
Deposits:			
Noninterest-bearing deposits	$ 2,832,776	$ 2,784,338	$ 3,086,885
Interest-bearing checking, savings, and money market deposits	5,619,470	5,598,675	5,504,255
Time deposits	1,523,889	1,577,178	1,471,615
Total deposits	9,976,135	9,960,191	10,062,755
Securities sold under agreements to repurchase	140,283	147,175	202,953
Short-term borrowings	—	—	212,000
Long-term debt	227,245	223,100	246,454
Junior subordinated debt owed to unconsolidated trusts	74,693	72,040	71,900
Lease liability	11,469	10,896	12,059
Other liabilities	207,781	191,405	198,960
Total liabilities	10,637,606	10,604,807	11,007,081
Stockholders' equity			
Retained earnings	261,820	248,412	207,660
Accumulated other comprehensive income (loss)	(220,326)	(222,190)	(260,921)
Other[1]	1,292,316	1,256,429	1,255,209
Total stockholders' equity	1,333,810	1,282,651	1,201,948
Total liabilities & stockholders' equity	$ 11,971,416	$ 11,887,458	$ 12,209,029
SHARE AND PER SHARE AMOUNTS			
Book value per common share	$ 23.50	$ 23.19	$ 21.74
Tangible book value per common share[2]	$ 16.97	$ 16.84	$ 15.25
Ending number of common shares outstanding	56,746,937	55,300,008	55,290,847

1. Net balance of common stock ($0.001 par value), additional paid-in capital, and treasury stock.
2. See "*Non-GAAP Financial Information*" for reconciliation.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME *(unaudited)*

(dollars in thousands, except per share amounts)

	Three Months Ended			Six Months Ended	
	June 30, 2024	March 31, 2024	June 30, 2023	June 30, 2024	June 30, 2023
INTEREST INCOME					
Interest and fees on loans	$ 109,641	$ 99,325	$ 94,804	$ 208,966	$ 184,579
Interest and dividends on investment securities	19,173	19,937	20,784	39,110	41,126
Other interest income	3,027	6,471	1,311	9,498	2,299
Total interest income	$ 131,841	$ 125,733	$ 116,899	$ 257,574	$ 228,004
INTEREST EXPENSE					
Deposits	$ 43,709	$ 43,968	$ 26,768	$ 87,677	$ 41,508
Federal funds purchased and securities sold under agreements to repurchase	1,040	1,372	1,223	2,412	2,445
Short-term borrowings	418	232	5,741	650	10,563
Long-term debt	3,181	3,405	3,552	6,586	7,103
Junior subordinated debt owed to unconsolidated trusts	1,059	989	945	2,048	1,858
Total interest expense	$ 49,407	$ 49,966	$ 38,229	$ 99,373	$ 63,477
Net interest income	$ 82,434	$ 75,767	$ 78,670	$ 158,201	$ 164,527
Provision for credit losses	2,277	5,038	627	7,315	1,580
Net interest income after provision for credit losses	$ 80,157	$ 70,729	$ 78,043	$ 150,886	$ 162,947
NONINTEREST INCOME					
Wealth management fees	$ 15,917	$ 15,549	$ 14,562	$ 31,466	$ 29,359
Fees for customer services	7,798	7,056	7,239	14,854	14,058
Payment technology solutions	5,915	5,709	5,231	11,624	10,546
Mortgage revenue	478	746	272	1,224	560
Income on bank owned life insurance	1,442	1,419	1,029	2,861	2,681
Realized gain on the sale of mortgage servicing rights	277	7,465	—	7,742	—
Net securities gains (losses)	(353)	(6,375)	(2,059)	(6,728)	(2,675)
Other noninterest income	2,327	3,431	1,738	5,758	5,331
Total noninterest income	$ 33,801	$ 35,000	$ 28,012	$ 68,801	$ 59,860
NONINTEREST EXPENSE					
Salaries, wages, and employee benefits	$ 43,478	$ 42,090	$ 39,859	$ 85,568	$ 80,190
Data processing expense	7,100	6,550	5,902	13,650	11,542
Net occupancy expense of premises	4,590	4,720	4,540	9,310	9,302
Furniture and equipment expense	1,695	1,813	1,681	3,508	3,427
Professional fees	2,495	2,253	973	4,748	3,031
Amortization of intangible assets	2,629	2,409	2,669	5,038	5,398
Interchange expense	1,733	1,611	1,870	3,344	3,723
FDIC insurance	1,460	1,400	1,506	2,860	3,008
Other noninterest expense	10,357	7,923	10,205	18,280	19,987
Total noninterest expense	$ 75,537	$ 70,769	$ 69,205	$ 146,306	$ 139,608
Income before income taxes	$ 38,421	$ 34,960	$ 36,850	$ 73,381	$ 83,199
Income taxes	11,064	8,735	7,486	19,799	17,049
Net income	$ 27,357	$ 26,225	$ 29,364	$ 53,582	$ 66,150
SHARE AND PER SHARE AMOUNTS					
Basic earnings per common share	$ 0.48	$ 0.47	$ 0.53	$ 0.95	$ 1.19
Diluted earnings per common share	$ 0.47	$ 0.46	$ 0.52	$ 0.94	$ 1.18
Average common shares outstanding	56,919,025	55,416,589	55,440,277	56,167,807	55,419,250
Diluted average common shares outstanding	57,853,231	56,406,500	56,195,801	57,129,865	56,187,820

BALANCE SHEET STRENGTH

Our balance sheet remains a source of strength. Total assets were $11.97 billion as of June 30, 2024, compared to $11.89 billion as of March 31, 2024, and $12.21 billion as of June 30, 2023.

As has been our practice, we remain steadfast in our conservative approach to underwriting and disciplined approach to pricing, particularly given our outlook for the economy in the coming quarters, and this approach has impacted loan growth as predicted. Portfolio loans totaled $8.00 billion at June 30, 2024, compared to $7.59 billion at March 31, 2024, and $7.81 billion at June 30, 2023. The $410.8 million increase in portfolio loans during the second quarter of 2024 was due to the M&M acquisition.

Average portfolio loans were $8.01 billion for the second quarter of 2024, compared to $7.60 billion for the first quarter of 2024 and $7.76 billion for the second quarter of 2023. Average interest-earning assets were $10.99 billion for the second quarter of 2024, compared to $11.00 billion for the first quarter of 2024, and $11.13 billion for the second quarter of 2023.

Total deposits were $9.98 billion at June 30, 2024, compared to $9.96 billion at March 31, 2024, and $10.06 billion at June 30, 2023. Average deposits were $10.07 billion for the second quarter of 2024, compared to $10.04 billion for the first quarter of 2024 and $9.85 billion for the second quarter of 2023. Deposit fluctuations over the last several quarters were driven by a number of elements, including (1) seasonal factors, including ordinary course public fund flows and fluctuations in the normal course of business operations of certain core commercial customers, (2) the macroeconomic environment, including prevailing interest rates and anticipated future Federal Open Market Committee ("FOMC") rate moves, as well as inflationary pressures, (3) depositors moving some funds to accounts at competitors offering above-market rates, including state-sponsored investment programs that provide rates in excess of where we can borrow in the wholesale marketplace, and (4) deposits moving within the Busey ecosystem between deposit accounts and our wealth management group. Core deposits[1] accounted for 96.4% of total deposits as of June 30, 2024. Cost of deposits was 1.75% in the second quarter of 2024, which represents a decrease of 1 basis point from the first quarter of 2024. Excluding time deposits, Busey's cost of deposits was 1.36% in the second quarter of 2024, an increase of 4 basis points from the first quarter of 2024. Non-maturity deposit cost of funds has increased as Busey Bank continues to offer savings account specials to customers with larger account balances, with the intention of migrating maturing CDs to these managed rate products. Spot rates on total deposit costs, including noninterest bearing deposits, increased by 8 basis points from 1.67% at March 31, 2024, to 1.75% at June 30, 2024. Spot rates on interest bearing deposits increased by 13 basis points from 2.32% at March 31, 2024 to 2.45% at June 30, 2024.

There were no short term borrowings as of June 30 or March 31, 2024, compared to $212.0 million at June 30, 2023. We had no borrowings from the Federal Home Loan Bank ("FHLB") at the end of either the second quarter of 2024 or the first quarter of 2024, compared to $200.0 million at the end of the second quarter of 2023. We have sufficient on- and off-balance sheet liquidity[5] to manage deposit fluctuations and the liquidity needs of our customers. As of June 30, 2024, our available sources of on- and off-balance sheet liquidity totaled $6.16 billion. We have executed various deposit campaigns to attract term funding and savings accounts at a lower rate than our marginal cost of funds. New certificate of deposit production in the second quarter of 2024 had a weighted average term of 8.4 months at a rate of 3.93%, 127 basis points below our average marginal wholesale funding cost during the quarter. Furthermore, our balance sheet liquidity profile continues to be aided by the cash flows we expect from our relatively short-duration securities portfolio. Those cash flows were approximately $115.2 million in the second quarter of 2024. For the remainder of 2024, cash flows from our securities portfolio are expected to be approximately $162.8 million with a current book yield of 2.62%.

ASSET QUALITY

Credit quality continues to be strong. Loans 30-89 days past due totaled $23.5 million as of June 30, 2024, compared to $7.4 million as of March 31, 2024, and $5.2 million as of June 30, 2023. The increase in loans that were 30-89 days past due can be primarily attributed to a single commercial real estate loan. Non-performing loans were $9.1 million as of June 30, 2024, compared to $17.6 million as of March 31, 2024, and $15.8 million as of June 30, 2023. Continued disciplined credit management resulted in non-performing loans as a percentage of portfolio loans of 0.11% as of June 30, 2024, 0.23% as of March 31, 2024, and 0.20% as of June 30, 2023. Non-performing assets were 0.08% of total assets for the second quarter of 2024, compared to 0.15% for the first quarter of 2024 and 0.13% for the second quarter of 2023. Our total classified assets were $95.8 million at June 30, 2024, compared to $105.4 million at March 31, 2024, and $81.9 million at June 30, 2023. Our ratio of classified assets to estimated bank Tier 1 capital[4] and reserves remains low by historical standards, at 6.4% as of June 30, 2024, compared to 7.2% as of March 31, 2024, and 5.7% as of June 30, 2023.

Net charge-offs were $9.9 million for the second quarter of 2024, compared to $5.2 million for the first quarter of 2024, and $0.7 million for the second quarter of 2023. The increase in the first and second quarter of 2024 was limited to a single commercial and industrial credit relationship. The allowance as a percentage of portfolio loans was 1.07% as of June 30, 2024, compared to 1.21% as of March 31, 2024, and 1.17% as of June 30, 2023. The ratio was impacted in the second quarter of 2024 by the acquisition of M&M's Life Equity Loan® portfolio, as Busey did not record an allowance for credit loss for these loans due to the probability of loss at default as permitted under the practical expedient provided within the Accounting Standards Codification 326-20-35-6. The allowance as a percentage of non-performing loans was 936.0% as of June 30, 2024, compared to 521.6% as of March 31, 2024, and 580.8% as of June 30, 2023.

Busey maintains a well-diversified loan portfolio and, as a matter of policy and practice, limits concentration exposure in any particular loan segment.

ASSET QUALITY *(unaudited)*

(dollars in thousands)

	As of		
	June 30, 2024	March 31, 2024	June 30, 2023
Total assets	$ 11,971,416	$ 11,887,458	$ 12,209,029
Portfolio loans	7,998,912	7,588,077	7,805,284
Loans 30 – 89 days past due	23,463	7,441	5,169
Non-performing loans:			
Non-accrual loans	8,393	17,465	15,209
Loans 90+ days past due and still accruing	712	88	569
Non-performing loans	$ 9,105	$ 17,553	$ 15,778
Non-performing loans, segregated by geography:			
Illinois / Indiana	$ 5,793	$ 13,553	$ 11,681
Missouri	3,089	3,746	3,928
Florida	222	254	169
Other non-performing assets	90	65	68
Non-performing assets	$ 9,195	$ 17,618	$ 15,846
Allowance for credit losses	$ 85,226	$ 91,562	$ 91,639
RATIOS			
Non-performing loans to portfolio loans	0.11 %	0.23 %	0.20 %
Non-performing assets to total assets	0.08 %	0.15 %	0.13 %
Non-performing assets to portfolio loans and other non-performing assets	0.11 %	0.23 %	0.20 %
Allowance for credit losses to portfolio loans	1.07 %	1.21 %	1.17 %
Allowance for credit losses as a percentage of non-performing loans	936.04 %	521.63 %	580.80 %

NET CHARGE-OFFS (RECOVERIES) AND PROVISION EXPENSE (RELEASE) *(unaudited)*

(dollars in thousands)

	Three Months Ended			Six Months Ended	
	June 30, 2024	March 31, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Net charge-offs (recoveries)	$ 9,856	$ 5,216	$ 715	$ 15,072	$ 1,549
Provision expense (release)	2,277	5,038	627	7,315	1,580

NET INTEREST MARGIN AND NET INTEREST INCOME

Net interest margin[1] was 3.03% for the second quarter of 2024, compared to 2.79% for the first quarter of 2024 and 2.86% for the second quarter of 2023. Excluding purchase accounting accretion, adjusted net interest margin[1] was 3.00% for the second quarter of 2024, compared to 2.78% in the first quarter of 2024 and 2.84% in the second quarter of 2023. Net interest income was $82.4 million in the second quarter of 2024, compared to $75.8 million in the first quarter of 2024 and $78.7 million in the second quarter of 2023.

The FOMC raised rates by a total of 525 basis points since the onset of the current FOMC tightening cycle that began in the first quarter of 2022, with no further increases during 2024. Rising rates initially have a positive impact on net interest margin, as assets, in particular commercial loans, reprice more quickly and to a greater extent than liabilities. As deposit and funding costs increase in response to the tightening rate cycle, and we experience deposit migration into higher cost offerings and funding alternatives, some of the net interest margin expansion is reversed, which we began to experience in the first quarter of 2023. As lower yielding securities and loans continue to mature or renew at higher current market rates, expansion in asset yields has outpaced any remaining lagged pressure on funding costs. Our deposit cost of funds peaked in the beginning of the first quarter of 2024, and we have been able to remain below that peak funding cost each month during the second quarter. We continue to offer CD specials with shorter term structures as well as offering attractive premium savings rates to encourage rotation of maturing CD deposits into nimble pricing products as the expected easing cycle begins. The acquisition of M&M Bank provided higher yielding assets to our loan book, and we leveraged the consolidated Company liquidity strength to unwind higher cost funding of $95.9 million, which had an average rate of 5.49%. During the second quarter we also saw the full benefit of the March 2024 targeted balance sheet repositioning in our net interest margin. Components of the 24 basis point increase in net interest margin[1] during the second quarter of 2024 include:

- Increased loan portfolio yield contributed +35 basis points
- Reduced time deposit funding costs contributed +7 basis points
- Balance Sheet repositioning contributed +3 basis points
- Increased purchase accounting contributed +2 basis points
- Reduced borrowing expense +1 basis point
- Decreased cash and securities portfolio yield contributed -18 basis points
- Increased non-maturity deposit funding costs contributed -6 basis points

Based on our most recent Asset Liability Management Committee ("ALCO") model, a +100 basis point parallel rate shock is expected to increase net interest income by 1.8% over the subsequent twelve-month period. Market competition for deposits continues and lower cost deposits continue to rotate into higher beta products, which is factored into our ALCO model and margin forecast. Busey continues to evaluate off-balance sheet hedging and balance sheet restructuring strategies as well as embedding rate protection in our asset originations to provide stabilization to net interest income in lower rate environments. Time deposit and savings specials have provided funding flows, and we had excess earning cash levels at the end of the second quarter. Since the onset of the current FOMC tightening cycle that began in the first quarter of 2022, our cumulative interest-bearing non-maturity deposit beta has been 38%. Our cycle-to-date total deposit beta has been 32% through June 30, 2024. Deposit betas were calculated based on an average federal funds rate of 5.50% during the second quarter of 2024. The average federal funds rate has remained unchanged since the fourth quarter of 2023.

NONINTEREST INCOME

Noninterest income was $33.8 million for the second quarter of 2024, as compared to $35.0 million for the first quarter of 2024 and $28.0 million for the second quarter of 2023. Excluding the impact of the mortgage servicing rights sale and net securities gains and losses, adjusted noninterest income[1] was $33.9 million, or 29.1% of operating revenue[1], during the second quarter of 2024, $33.9 million, or 30.9% of operating revenue, for the first quarter of 2024, and $30.1 million, or 27.7% of operating revenue, for the second quarter of 2023.

Consolidated wealth management fees were $15.9 million for the second quarter of 2024, compared to $15.5 million for the first quarter of 2024 and $14.6 million for the second quarter of 2023. On a segment basis, Wealth Management generated $16.1 million in revenue during the second quarter of 2024, a 9.5% increase over revenue of $14.7 million for the second quarter of 2023. Second quarter of 2024 results marked a new record high reported quarterly revenue for the Wealth Management operating segment. The Wealth Management operating segment generated net income of $5.6 million in the second quarter of 2024, compared to $5.0 million in the first quarter of 2024 and $4.9 million in the second quarter of 2023. Busey's Wealth Management division ended the second quarter of 2024 with $13.02 billion in assets under care, compared to $12.76 billion at the end of the first quarter of 2024 and $11.48 billion at the end of the second quarter of 2023. Our portfolio management team continues to focus on long-term returns and managing risk in the face of volatile markets and has outperformed its blended benchmark[6] over the last three and five years.

Payment technology solutions revenue was $5.9 million for the second quarter of 2024, compared to $5.7 million for the first quarter of 2024 and $5.2 million for the second quarter of 2023. Excluding intracompany eliminations, the FirsTech operating segment generated revenue of $6.2 million during the second quarter of 2024, compared to $6.0 million in the first quarter of 2024 and $5.6 million in the second quarter of 2023. Second quarter of 2024 results marked a new record high reported quarterly revenue for the FirsTech operating segment for the third consecutive quarter. The FirsTech operating segment generated an insignificant amount of net income for the second quarter of 2024, compared to $0.1 million for the first quarter of 2024 and $0.2 million for the second quarter of 2023.

Revenues from wealth management fees and payment technology solutions activities represented 64.4% of Busey's adjusted noninterest income[1] for the quarter ended June 30, 2024, providing a balance to spread-based revenue from traditional banking activities.

Fees for customer services were $7.8 million for the second quarter of 2024, compared to $7.1 million in the first quarter of 2024 and $7.2 million in the second quarter of 2023.

Net securities losses were $0.4 million for the second quarter of 2024, comprised primarily of unrealized losses on equity securities.

Other noninterest income was $2.3 million in the second quarter of 2024, compared to $3.4 million in the first quarter of 2024 and $1.7 million in the second quarter of 2023. Fluctuations in other noninterest income are primarily attributable to decreases in venture capital investments, and increases in swap origination fees and commercial loan sales gains, as well as the addition of Life Equity Loan® servicing income.

OPERATING EFFICIENCY

Second quarter expenses include the costs of operating M&M Bank as a stand-alone bank from April 1, 2024, through June 21, 2024. Noninterest expense was $75.5 million in the second quarter of 2024, compared to $70.8 million in the first quarter of 2024 and $69.2 million for the second quarter of 2023. The efficiency ratio[1] was 62.3% for the second quarter of 2024, compared to 58.1% for the first quarter of 2024, and 60.9% for the second quarter of 2023. Adjusted core expense was $71.1 million in the second quarter of 2024, compared to $68.6 million in the first quarter of 2024 and $64.0 million in the second quarter of 2023. The adjusted core efficiency ratio[1] was 60.9% for the second quarter of 2024, compared to 62.3% for the first quarter of 2024, and 58.6% for the second quarter of 2023. Busey remains focused on expense discipline and expects to realize increased rates of M&M acquisition synergies in the second half of 2024.

Noteworthy components of noninterest expense are as follows:

- Salaries, wages, and employee benefits expenses were $43.5 million in the second quarter of 2024, compared to $42.1 million in the first quarter of 2024 and $39.9 million in the second quarter of 2023. Busey recorded $1.1 million of non-operating salaries, wages, and employee benefit expenses in the second quarter of 2024, compared to $0.1 million in the first quarter of 2024 and none in the second quarter of 2023. Our associate-base consisted of 1,520 full-time equivalents as of June 30, 2024, compared to 1,464 as of March 31, 2024, and 1,477 as of June 30, 2023. The increase in our associate-base in the second quarter of 2024 was largely due to the M&M acquisition.

- Data processing expense was $7.1 million in the second quarter of 2024, compared to $6.6 million in the first quarter of 2024 and $5.9 million in the second quarter of 2023. Busey recorded $0.3 million of non-operating data processing expenses in the second quarter of 2024, compared to $0.1 million in the first quarter of 2024 and none in the second quarter of 2023. Busey has continued to make investments in technology enhancements and has also experienced inflation-driven price increases.

- Professional fees were $2.5 million in the second quarter of 2024, compared to $2.3 million in the first quarter of 2024 and $1.0 million in the second quarter of 2023. Busey recorded $0.4 million of non-operating professional fees in the second quarter of 2024, as compared to $0.1 million in the first quarter of 2024 and none in the second quarter of 2023.

- Amortization of intangible assets was $2.6 million in the second quarter of 2024, compared to $2.4 million in the first quarter of 2024 and $2.7 million in the second quarter of 2023.

- Other noninterest expense was $10.4 million for the second quarter of 2024, compared to $7.9 million in the first quarter of 2024 and $10.2 million in the second quarter of 2023. Busey recorded $0.3 million of non-operating costs in other noninterest expense in the second quarter of 2024, compared to immaterial amounts in the first quarter of 2024 and the second quarter of 2023. In connection with Busey's adoption of ASU 2023-02 on January 1, 2024, Busey began recording amortization of New Markets Tax Credits as income tax expense instead of other operating expense, which resulted in a decrease to other operating expenses of $2.3 million compared to the second quarter of 2023. Other items contributing to the fluctuations in other noninterest expense included the provision for unfunded commitments, sales of other real estate owned, fixed asset impairment, marketing, and business development expenses.

Busey's effective tax rate for the second quarter of 2024 was 28.8%, which includes a one-time deferred tax valuation adjustment of $1.4 million resulting from a change to our Illinois apportionment rate due to recently enacted regulations. These new regulations are expected to lower our ongoing tax obligation in future periods, but create a negative adjustment to the carrying value of our deferred tax asset in the current period. Without this one-time adjustment, the effective tax rate for the second quarter of 2024 would have been 25.0%, lower than the combined federal and state statutory rate of approximately 28.0% due to the impact of tax exempt interest income, such as municipal bond interest, bank owned life insurance income, and investments in various federal and state tax credits. Further, the effective tax rate is higher in 2024, compared to 2023, due to the adoption of ASU 2023-02 in January 2024. Upon adoption of ASU 2023-02 Busey elected to use the proportional amortization method of accounting for equity investments made primarily for the purpose of receiving income tax credits. The proportional amortization method results in the cost of the investment being amortized in proportion to the income tax credits and other income tax benefits received, with the amortization of the investment and the income tax credits being presented net in the income statement as a component of income tax expense as opposed to being presented on a gross basis on the income statement as a component of noninterest expense and income tax expense.

CAPITAL STRENGTH

Busey's strong capital levels, coupled with its earnings, have allowed the Company to provide a steady return to its stockholders through dividends. On July 26, 2024, Busey will pay a cash dividend of $0.24 per common share to stockholders of record as of July 19, 2024. Busey has consistently paid dividends to its common stockholders since the bank holding company was organized in 1980.

As of June 30, 2024, Busey continued to exceed the capital adequacy requirements necessary to be considered “well-capitalized” under applicable regulatory guidelines. Busey’s Common Equity Tier 1 ratio is estimated[4] to be 13.19% at June 30, 2024, compared to 13.45% at March 31, 2024, and 12.35% at June 30, 2023. Our Total Capital to Risk Weighted Assets ratio is estimated[4] to be 17.49% at June 30, 2024, compared to 17.95% at March 31, 2024, and 16.56% at June 30, 2023.

Busey’s tangible common equity[1] was $970.9 million at June 30, 2024, compared to $937.6 million at March 31, 2024, and $850.9 million at June 30, 2023. Tangible common equity[1] represented 8.36% of tangible assets at June 30, 2024, compared to 8.12% at March 31, 2024, and 7.18% at June 30, 2023. Busey’s tangible book value per common share[1] increased to $16.97 at June 30, 2024, from $16.84 at March 31, 2024, and $15.25 at June 30, 2023, reflecting an 11.3% year-over-year increase. The ratios of tangible common equity to tangible assets[1] and tangible book value per common share have been impacted by the fair market valuation adjustment of Busey’s securities portfolio as a result of the current rate environment, which is reflected in the accumulated other comprehensive income (loss) component of shareholder’s equity.

2Q24 EARNINGS INVESTOR PRESENTATION

For additional information on Busey’s financial condition and operating results, please refer to the 2Q24 Earnings Investor Presentation furnished via Form 8-K on July 23, 2024, in connection with this earnings release.

CORPORATE PROFILE

As of June 30, 2024, First Busey Corporation (Nasdaq: BUSE) was an $11.97 billion financial holding company headquartered in Champaign, Illinois.

Busey Bank, a wholly-owned bank subsidiary of First Busey Corporation, had total assets of $11.94 billion as of June 30, 2024, and is headquartered in Champaign, Illinois. Busey Bank currently has 62 banking centers, with 21 in Central Illinois markets, 17 in suburban Chicago markets, 20 in the St. Louis Metropolitan Statistical Area, three in Southwest Florida, and one in Indianapolis. More information about Busey Bank can be found at busey.com.

Through Busey's Wealth Management division, the Company provides a full range of asset management, investment, brokerage, fiduciary, philanthropic advisory, tax preparation, and farm management services to individuals, businesses, and foundations. Assets under care totaled $13.02 billion as of June 30, 2024. More information about Busey's Wealth Management services can be found at busey.com/wealth-management.

Busey Bank's wholly-owned subsidiary, FirsTech, specializes in the evolving financial technology needs of small and medium-sized businesses, highly regulated enterprise industries, and financial institutions. FirsTech provides comprehensive and innovative payment technology solutions, including online, mobile, and voice-recognition bill payments; money and data movement; merchant services; direct debit services; lockbox remittance processing for payments made by mail; and walk-in payments at retail agents. Additionally, FirsTech simplifies client workflows through integrations enabling support with billing, reconciliation, bill reminders, and treasury services. More information about FirsTech can be found at firstechpayments.com.

For the first time, Busey was named among the World's Best Banks for 2024 by *Forbes,* earning a spot on the list among 68 U.S. banks and 403 worldwide. Additionally, Busey Bank was honored to be named among America's Best Banks by *Forbes* magazine for the third consecutive year. Ranked 40th overall in 2024, Busey was the second-ranked bank headquartered in Illinois of the six that made this year's list and the highest-ranked of those with more than $10 billion in assets. Busey is humbled to be named among the 2023 Best Banks to Work For by *American Banker*, the 2023 Best Places to Work in Money Management by *Pensions and Investments*, the 2024 Best Places to Work in Illinois by *Daily Herald Business Ledger*, and the 2024 Best Companies to Work For in Florida by *Florida Trend* magazine. We are honored to be consistently recognized globally, nationally and locally for our engaged culture of integrity and commitment to community development.

For more information about us, visit busey.com.

Category: Financial
Source: First Busey Corporation

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NON-GAAP FINANCIAL INFORMATION

This earnings release contains certain financial information determined by methods other than GAAP. Management uses these non-GAAP measures, together with the related GAAP measures, in analysis of Busey's performance and in making business decisions, as well as for comparison to Busey's peers. Busey believes the adjusted measures are useful for investors and management to understand the effects of certain non-core and non-recurring noninterest items and provide additional perspective on Busey's performance over time.

Below is a reconciliation to what management believes to be the most directly comparable GAAP financial measures—specifically, net interest income, total noninterest income, net security gains and losses, and total noninterest expense in the case of pre-provision net revenue, adjusted pre-provision net revenue, pre-provision net revenue to average assets, and adjusted pre-provision net revenue to average assets; net income in the case of adjusted net income, adjusted diluted earnings per share, adjusted return on average assets, average tangible common equity, return on average tangible common equity, adjusted return on average tangible common equity; net income and net security gains and losses in the case of further adjusted net income and further adjusted diluted earnings per share; net interest income in the case of adjusted net interest income and adjusted net interest margin; net interest income, total noninterest income, and total noninterest expense in the case of adjusted noninterest income, adjusted noninterest expense, noninterest expense excluding non-operating adjustments, adjusted core expense, efficiency ratio, adjusted efficiency ratio, and adjusted core efficiency ratio; net interest income, total noninterest income, net securities gains and losses, and gain on sale of mortgage servicing rights in the case of operating revenue and adjusted noninterest income to operating revenue; total assets and goodwill and other intangible assets in the case of tangible assets; total stockholders' equity in the case of tangible book value per common share; total assets and total stockholders' equity in the case of tangible common equity and tangible common equity to tangible assets; and total deposits in the case of core deposits and core deposits to total deposits.

These non-GAAP disclosures have inherent limitations and are not audited. They should not be considered in isolation or as a substitute for operating results reported in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. Tax effected numbers included in these non-GAAP disclosures are based on estimated statutory rates, estimated federal income tax rates, or effective tax rates, as noted with the tables below.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES *(Unaudited)*

Pre-Provision Net Revenue, Adjusted Pre-Provision Net Revenue, Pre-Provision Net Revenue to Average Assets, and Adjusted Pre-Provision Net Revenue to Average Assets

(dollars in thousands)

		Three Months Ended			Six Months Ended	
		June 30, 2024	March 31, 2024	June 30, 2023	June 30, 2024	June 30, 2023
PRE-PROVISION NET REVENUE						
Net interest income		$ 82,434	$ 75,767	$ 78,670	$ 158,201	$ 164,527
Total noninterest income		33,801	35,000	28,012	68,801	59,860
Net security (gains) losses		353	6,375	2,059	6,728	2,675
Total noninterest expense		(75,537)	(70,769)	(69,205)	(146,306)	(139,608)
Pre-provision net revenue		41,051	46,373	39,536	87,424	87,454
Non-GAAP adjustments:						
Acquisition and other restructuring expenses		2,212	408	12	2,620	12
Provision for unfunded commitments		(369)	(678)	265	(1,047)	(370)
Amortization of New Markets Tax Credits		—	—	2,259	—	4,480
Gain on sale of mortgage service rights		(277)	(7,465)	—	(7,742)	—
Adjusted pre-provision net revenue		$ 42,617	$ 38,638	$ 42,072	$ 81,255	$ 91,576
Pre-provision net revenue, annualized	[a]	$ 165,106	$ 186,511	$ 158,578	$ 175,809	$ 176,358
Adjusted pre-provision net revenue, annualized	[b]	171,405	155,401	168,750	163,403	184,670
Average total assets	[c]	12,089,692	12,024,208	12,209,865	12,056,950	12,236,643
Reported: Pre-provision net revenue to average assets[1]	[a÷c]	1.37 %	1.55 %	1.30 %	1.46 %	1.44 %
Adjusted: Pre-provision net revenue to average assets[1]	[b÷c]	1.42 %	1.29 %	1.38 %	1.36 %	1.51 %

1. Annualized measure.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES *(Unaudited)*

Adjusted Net Income, Adjusted Diluted Earnings Per Share, Adjusted Return on Average Assets, Average Tangible Common Equity, Return on Average Tangible Common Equity, and Adjusted Return on Average Tangible Common Equity

(dollars in thousands, except per share amounts)

		Three Months Ended			Six Months Ended	
		June 30, 2024	March 31, 2024	June 30, 2023	June 30, 2024	June 30, 2023
NET INCOME ADJUSTED FOR NON-OPERATING ITEMS						
Net income	[a]	$ 27,357	$ 26,225	$ 29,364	$ 53,582	$ 66,150
Non-GAAP adjustments for non-operating items:						
Acquisition expenses:						
Salaries, wages, and employee benefits		1,137	—	—	1,137	—
Data processing		344	100	—	444	—
Professional fees, occupancy, furniture and fixtures, and other		731	185	12	916	12
Other restructuring expenses:						
Salaries, wages, and employee benefits		—	123	—	123	—
Related tax benefit[1]		(553)	(102)	(3)	(655)	(3)
Adjusted net income	[b]	$ 29,016	$ 26,531	$ 29,373	$ 55,547	$ 66,159
DILUTED EARNINGS PER SHARE						
Diluted average common shares outstanding	[c]	57,853,231	56,406,500	56,195,801	57,129,865	56,187,820
Reported: Diluted earnings per share	[a÷c]	$ 0.47	$ 0.46	$ 0.52	$ 0.94	$ 1.18
Adjusted: Diluted earnings per share	[b÷c]	$ 0.50	$ 0.47	$ 0.52	$ 0.97	$ 1.18
RETURN ON AVERAGE ASSETS						
Net income, annualized	[d]	$ 110,029	$ 105,476	$ 117,779	$ 107,753	$ 133,396
Adjusted net income, annualized	[e]	116,702	106,707	117,815	111,704	133,415
Average total assets	[f]	12,089,692	12,024,208	12,209,865	12,056,950	12,236,643
Reported: Return on average assets[2]	[d÷f]	0.91 %	0.88 %	0.96 %	0.89 %	1.09 %
Adjusted: Return on average assets[2]	[e÷f]	0.97 %	0.89 %	0.96 %	0.93 %	1.09 %
RETURN ON AVERAGE TANGIBLE COMMON EQUITY						
Average common equity		$ 1,331,815	$ 1,275,724	$ 1,207,935	$ 1,303,770	$ 1,189,479
Average goodwill and other intangible assets, net		(376,224)	(353,014)	(360,641)	(364,620)	(361,990)
Average tangible common equity	[g]	$ 955,591	$ 922,710	$ 847,294	$ 939,150	$ 827,489
Reported: Return on average tangible common equity[2]	[d÷g]	11.51 %	11.43 %	13.90 %	11.47 %	16.12 %
Adjusted: Return on average tangible common equity[2]	[e÷g]	12.21 %	11.56 %	13.90 %	11.89 %	16.12 %

1. Year-to-date tax benefits were calculated by multiplying year-to-date acquisition expenses and other restructuring expenses by the effective income tax rate for each year-to-date period, which for 2024 excludes a one-time deferred tax valuation adjustment resulting from a change in Illinois apportionment rate due to recently enacted regulations. Tax rates used in these calculations were 25.0% and 20.5% for the six months ended June 30, 2024 and 2023, respectively. Quarterly tax benefits were calculated as the year-to-date tax benefit amounts less the sum of amounts applied to previous quarters during the year, equating to tax rates of 25.0%, 25.0%, and 20.5% for the three months ended June 30, 2024, March 31, 2024, and June 30, 2023, respectively.
2. Annualized measure.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES *(Unaudited)*

Further Adjusted Net Income and Further Adjusted Diluted Earnings Per Share

(dollars in thousands, except per share amounts)

		Three Months Ended			Six Months Ended	
		June 30, 2024	March 31, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Adjusted net income[1]	[a]	$ 29,016	$ 26,531	$ 29,373	$ 55,547	$ 66,159
Further non-GAAP adjustments:						
Net securities (gains) losses		353	6,375	2,059	6,728	2,675
Gain on sale of mortgage servicing rights		(277)	(7,465)	—	(7,742)	—
Tax effect for further non-GAAP adjustments[2]		(19)	272	(418)	254	(548)
Tax effected further non-GAAP adjustments[3]		57	(818)	1,641	(760)	2,127
Further adjusted net income[3]	[b]	$ 29,073	$ 25,713	$ 31,014	$ 54,787	$ 68,286
One-time deferred tax valuation adjustment[4]		1,446	—	—	1,446	—
Further adjusted net income, excluding one-time deferred tax valuation adjustment[3]	[c]	$ 30,519	$ 25,713	$ 31,014	$ 56,233	$ 68,286
Diluted average common shares outstanding	[d]	57,853,231	56,406,500	56,195,801	57,129,865	56,187,820
Adjusted: Diluted earnings per share	[a÷d]	$ 0.50	$ 0.47	$ 0.52	$ 0.97	$ 1.18
Further Adjusted: Diluted earnings per share[3]	[b÷d]	$ 0.50	$ 0.46	$ 0.55	$ 0.96	$ 1.22
Further Adjusted, excluding one-time deferred tax valuation adjustment: Diluted earnings per share[3]	[c÷d]	$ 0.53	$ 0.46	$ 0.55	$ 0.98	$ 1.22

1. Adjusted net income is a non-GAAP measure. See the table on the previous page for a reconciliation to the nearest GAAP measure.
2. Tax effects for further non-GAAP adjustments were calculated by multiplying further non-GAAP adjustments by the effective income tax rate for each period, which for 2024 excludes a one-time deferred tax valuation adjustment resulting from a change in Illinois apportionment rate due to recently enacted regulations. Effective income tax rates were 25.0%, 25.0%, and 20.3% for the three months ended June 30, 2024, March 31, 2024, and June 30, 2023, respectively, and were 25.0% and 20.5% for the six months ended June 30, 2024 and 2023, respectively.
3. Tax-effected measure.
4. A one-time deferred tax valuation adjustment of $1.4 million resulted from a change to our Illinois apportionment rate due to recently enacted regulations.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES *(Unaudited)*

Adjusted Net Interest Income and Adjusted Net Interest Margin

(dollars in thousands)

		Three Months Ended			Six Months Ended	
		June 30, 2024	March 31, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Net interest income		$ 82,434	$ 75,767	$ 78,670	$ 158,201	$ 164,527
Non-GAAP adjustments:						
Tax-equivalent adjustment[1]		402	449	561	851	1,119
Tax-equivalent net interest income		82,836	76,216	79,231	159,052	165,646
Purchase accounting accretion related to business combinations		(812)	(204)	(413)	(1,016)	(816)
Adjusted net interest income		$ 82,024	$ 76,012	$ 78,818	$ 158,036	$ 164,830
Tax-equivalent net interest income, annualized	[a]	$ 333,165	$ 306,539	$ 317,795	$ 319,852	$ 334,038
Adjusted net interest income, annualized	[b]	329,899	305,719	316,138	317,809	332,392
Average interest-earning assets	[c]	10,993,907	10,999,903	11,130,298	10,996,905	11,155,291
Reported: Net interest margin[2]	[a÷c]	3.03 %	2.79 %	2.86 %	2.91 %	2.99 %
Adjusted: Net interest margin[2]	[b÷c]	3.00 %	2.78 %	2.84 %	2.89 %	2.98 %

1. Tax-equivalent adjustments were calculated using an estimated federal income tax rate of 21%, applied to non-taxable interest income on investments and loans.
2. Annualized measure.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES *(Unaudited)*

Adjusted Noninterest Income, Operating Revenue, Adjusted Noninterest Income to Operating Revenue, Noninterest Expense Excluding Amortization of Intangible Assets, Adjusted Noninterest Expense, Adjusted Core Expense, Noninterest Expense Excluding Non-Operating Adjustments, Efficiency Ratio, Adjusted Efficiency Ratio, and Adjusted Core Efficiency Ratio

(dollars in thousands)

		Three Months Ended			Six Months Ended	
		June 30, 2024	March 31, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Net interest income	[a]	$ 82,434	$ 75,767	$ 78,670	$ 158,201	$ 164,527
Non-GAAP adjustments:						
Tax-equivalent adjustment[1]		402	449	561	851	1,119
Tax-equivalent net interest income	[b]	82,836	76,216	79,231	159,052	165,646
Total noninterest income		33,801	35,000	28,012	68,801	59,860
Non-GAAP adjustments:						
Net security (gains) losses		353	6,375	2,059	6,728	2,675
Noninterest income excluding net securities gains and losses	[c]	34,154	41,375	30,071	75,529	62,535
Further adjustments:						
Gain on sale of mortgage servicing rights		(277)	(7,465)	—	(7,742)	—
Adjusted noninterest income	[d]	$ 33,877	$ 33,910	$ 30,071	$ 67,787	$ 62,535
Tax-equivalent revenue	[e = b+c]	$ 116,990	$ 117,591	$ 109,302	$ 234,581	$ 228,181
Adjusted tax-equivalent revenue	[f = b+d]	$ 116,713	$ 110,126	$ 109,302	$ 226,839	$ 228,181
Operating revenue	[g = a+d]	$ 116,311	$ 109,677	$ 108,741	$ 225,988	$ 227,062
Adjusted noninterest income to operating revenue	[d÷g]	29.13 %	30.92 %	27.65 %	30.00 %	27.54 %
Total noninterest expense		$ 75,537	$ 70,769	$ 69,205	$ 146,306	$ 139,608
Non-GAAP adjustments:						
Amortization of intangible assets	[h]	(2,629)	(2,409)	(2,669)	(5,038)	(5,398)
Noninterest expense excluding amortization of intangible assets	[i]	72,908	68,360	66,536	141,268	134,210
Non-operating adjustments:						
Salaries, wages, and employee benefits		(1,137)	(123)	—	(1,260)	—
Data processing		(344)	(100)	—	(444)	—
Professional fees, occupancy, furniture and fixtures, and other		(731)	(185)	(12)	(916)	(12)
Adjusted noninterest expense	[j]	70,696	67,952	66,524	138,648	134,198
Provision for unfunded commitments		369	678	(265)	1,047	370
Amortization of New Markets Tax Credits		—	—	(2,259)	—	(4,480)
Adjusted core expense	[k]	$ 71,065	$ 68,630	$ 64,000	$ 139,695	$ 130,088
Noninterest expense, excluding non-operating adjustments	[j-h]	$ 73,325	$ 70,361	$ 69,193	$ 143,686	$ 139,596
Reported: Efficiency ratio	[i÷e]	62.32 %	58.13 %	60.87 %	60.22 %	58.82 %
Adjusted: Efficiency ratio	[j÷f]	60.57 %	61.70 %	60.86 %	61.12 %	58.81 %
Adjusted: Core efficiency ratio	[k÷f]	60.89 %	62.32 %	58.55 %	61.58 %	57.01 %

1. Tax-equivalent adjustments were calculated using an estimated federal income tax rate of 21%, applied to non-taxable interest income on investments and loans.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES *(Unaudited)*

Tangible Book Value and Tangible Book Value Per Common Share

(dollars in thousands, except per share amounts)

		As of		
		June 30, 2024	March 31, 2024	June 30, 2023
Total stockholders' equity		$ 1,333,810	$ 1,282,651	$ 1,201,948
Non-GAAP adjustments:				
Goodwill and other intangible assets, net		(370,580)	(351,455)	(358,898)
Tangible book value	[a]	$ 963,230	$ 931,196	$ 843,050
Ending number of common shares outstanding	[b]	56,746,937	55,300,008	55,290,847
Tangible book value per common share	[a÷b]	$ 16.97	$ 16.84	$ 15.25

Tangible Assets, Tangible Common Equity, and Tangible Common Equity to Tangible Assets

(dollars in thousands)

		As of		
		June 30, 2024	March 31, 2024	June 30, 2023
Total assets		$ 11,971,416	$ 11,887,458	$ 12,209,029
Non-GAAP adjustments:				
Goodwill and other intangible assets, net		(370,580)	(351,455)	(358,898)
Tax effect of other intangible assets[1]		7,687	6,434	7,833
Tangible assets[2]	[a]	$ 11,608,523	$ 11,542,437	$ 11,857,964
Total stockholders' equity		$ 1,333,810	$ 1,282,651	$ 1,201,948
Non-GAAP adjustments:				
Goodwill and other intangible assets, net		(370,580)	(351,455)	(358,898)
Tax effect of other intangible assets[1]		7,687	6,434	7,833
Tangible common equity[2]	[b]	$ 970,917	$ 937,630	$ 850,883
Tangible common equity to tangible assets[2]	[b÷a]	8.36 %	8.12 %	7.18 %

1. Net of estimated deferred tax liability, calculated using the estimated statutory tax rate of 28%.
2. Tax-effected measure.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES *(Unaudited)*

Core Deposits, Core Deposits to Total Deposits, and Portfolio Loans to Core Deposits

(dollars in thousands)

		As of		
		June 30, 2024	March 31, 2024	June 30, 2023
Portfolio loans	[a]	$ 7,998,912	$ 7,588,077	$ 7,805,284
Total deposits	[b]	$ 9,976,135	$ 9,960,191	$ 10,062,755
Non-GAAP adjustments:				
Brokered deposits, excluding brokered time deposits of $250,000 or more		(43,089)	(6,001)	(6,055)
Time deposits of $250,000 or more		(314,461)	(326,795)	(297,967)
Core deposits	[c]	$ 9,618,585	$ 9,627,395	$ 9,758,733
RATIOS				
Core deposits to total deposits	[c÷b]	96.42 %	96.66 %	96.98 %
Portfolio loans to core deposits	[a÷c]	83.16 %	78.82 %	79.98 %

SPECIAL NOTE CONCERNING FORWARD-LOOKING STATEMENTS

This document may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to Busey’s financial condition, results of operations, plans, objectives, future performance, and business. Forward-looking statements, which may be based upon beliefs, expectations and assumptions of Busey’s management and on information currently available to management, are generally identifiable by the use of words such as “believe,” “expect,” “anticipate,” “plan,” “intend,” “estimate,” “may,” “will,” “would,” “could,” “should” or other similar expressions. Additionally, all statements in this document, including forward-looking statements, speak only as of the date they are made, and Busey undertakes no obligation to update any statement in light of new information or future events. A number of factors, many of which are beyond Busey’s ability to control or predict, could cause actual results to differ materially from those in any forward-looking statements. These factors include, among others, the following: (1) the strength of the local, state, national, and international economy (including effects of inflationary pressures and supply chain constraints); (2) the economic impact of any future terrorist threats or attacks, widespread disease or pandemics, or other adverse external events that could cause economic deterioration or instability in credit markets (including Russia’s invasion of Ukraine and the Israeli-Palestinian conflict); (3) changes in state and federal laws, regulations, and governmental policies concerning Busey's general business (including changes in response to the failures of other banks or as a result of the upcoming 2024 presidential election); (4) changes in accounting policies and practices; (5) changes in interest rates and prepayment rates of Busey’s assets (including the impact of sustained elevated interest rates); (6) increased competition in the financial services sector (including from non-bank competitors such as credit unions and fintech companies) and the inability to attract new customers; (7) changes in technology and the ability to develop and maintain secure and reliable electronic systems; (8) the loss of key executives or associates; (9) changes in consumer spending; (10) unexpected results of acquisitions (including the acquisition of M&M); (11) unexpected outcomes of existing or new litigation, investigations, or inquiries involving Busey (including with respect to Busey’s Illinois franchise taxes); (12) fluctuations in the value of securities held in Busey’s securities portfolio; (13) concentrations within Busey’s loan portfolio (including commercial real estate loans), large loans to certain borrowers, and large deposits from certain clients; (14) the concentration of large deposits from certain clients who have balances above current FDIC insurance limits and may withdraw deposits to diversify their exposure; (15) the level of non-performing assets on Busey’s balance sheets; (16) interruptions involving information technology and communications systems or third-party servicers; (17) breaches or failures of information security controls or cybersecurity-related incidents; and (18) the economic impact of exceptional weather occurrences such as tornadoes, hurricanes, floods, blizzards, and droughts. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements.

Additional information concerning Busey and its business, including additional factors that could materially affect Busey’s financial results, is included in Busey’s filings with the Securities and Exchange Commission.

END NOTES

1 See "*Non-GAAP Financial Information*" for a reconciliation.

2 Estimated uninsured and uncollateralized deposits consist of account balances in excess of the $250 thousand FDIC insurance limit, less intercompany accounts and collateralized accounts (including preferred deposits).

3 Central Business District areas within Busey's footprint include downtown St. Louis, downtown Indianapolis, and downtown Chicago.

4 Capital amounts and ratios for the second quarter of 2024 are not yet finalized and are subject to change.

5 On- and off-balance sheet liquidity is comprised of cash and cash equivalents, debt securities excluding those pledged as collateral, brokered deposits, and Busey's borrowing capacity through its revolving credit facility, the FHLB, the Federal Reserve Bank, and federal funds purchased lines.

6 The blended benchmark consists of 60% MSCI All Country World Index and 40% Bloomberg Intermediate US Government/Credit Total Return Index.

First Busey Corporation
100 W. University Ave., Champaign, IL 61820
NASDAQ: BUSE

Busey's Financial Suite of Services

BuseyBANK®
Business | Wealth Management | Personal

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Q2 2024
EARNINGS
INVESTOR
PRESENTATION
July 23, 2024
busey.com
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Busey
FIRST BUSEY CORPORATION

Forward-Looking Statements and Non-GAAP Financial Information

Special Note Concerning Forward-Looking Statements

This presentation may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations, plans, objectives, future performance and business of First Busey Corporation ("Busey"). Forward-looking statements, which may be based upon beliefs, expectations and assumptions of Busey's management and on information currently available to management, are generally identifiable by the use of words such as "believe," "expect," "anticipate," "plan," "intend," "estimate," "may," "will," "would," "could," "should" or other similar expressions. Additionally, all statements in this presentation, including forward-looking statements, speak only as of the date they are made, and Busey undertakes no obligation to update any statement in light of new information or future events. A number of factors, many of which are beyond Busey's ability to control or predict, could cause actual results to differ materially from those in Busey's forward-looking statements. These factors include, among others, the following: (1) the strength of the local, state, national, and international economy (including effects of inflationary pressures and supply chain constraints); (2) the economic impact of any future terrorist threats or attacks, widespread disease or pandemics, or other adverse external events that could cause economic deterioration or instability in credit markets (including Russia's invasion of Ukraine and the Israeli-Palestinian conflict); (3) changes in state and federal laws, regulations, and governmental policies concerning Busey's general business (including changes in response to the failures of other banks or as a result of the upcoming 2024 presidential election); (4) changes in accounting policies and practices; (5) changes in interest rates and prepayment rates of Busey's assets (including the impact of sustained elevated interest rates); (6) increased competition in the financial services sector (including from non-bank competitors such as credit unions and fintech companies) and the inability to attract new customers; (7) changes in technology and the ability to develop and maintain secure and reliable electronic systems; (8) the loss of key executives or associates; (9) changes in consumer spending; (10) unexpected results of acquisitions (including the acquisition of M&M); (11) unexpected outcomes of existing or new litigation, investigations, or inquiries involving Busey (including with respect to Busey's Illinois franchise taxes); (12) fluctuations in the value of securities held in Busey's securities portfolio; (13) concentrations within Busey's loan portfolio (including commercial real estate loans), large loans to certain borrowers, and large deposits from certain clients; (14) the concentration of large deposits from certain clients who have balances above current FDIC insurance limits and may withdraw deposits to diversify their exposure; (15) the level of non-performing assets on Busey's balance sheets; (16) interruptions involving information technology and communications systems or third-party servicers; (17) breaches or failures of information security controls or cybersecurity-related incidents; and (18) the economic impact of exceptional weather occurrences such as tornadoes, hurricanes, floods, blizzards, and droughts. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. Additional information concerning Busey and its business, including additional factors that could materially affect its financial results, is included in Busey's filings with the Securities and Exchange Commission ("SEC").

Non-GAAP Financial Information

This presentation contains certain financial information determined by methods other than U.S. Generally Accepted Accounting Principles ("GAAP"). Management uses these non-GAAP measures, together with the related GAAP measures, in analysis of Busey's performance and in making business decisions, as well as for comparison to Busey's peers. Busey believes the adjusted measures are useful for investors and management to understand the effects of certain non-core and non-recurring noninterest items and provide additional perspective on Busey's performance over time.

Included in the Appendix are reconciliations to what management believes to be the most directly comparable GAAP financial measures—specifically, net interest income, total noninterest income, net security gains and losses, and total noninterest expense in the case of pre-provision net revenue, adjusted pre-provision net revenue, pre-provision net revenue to average assets, and adjusted pre-provision net revenue to average assets; net income in the case of adjusted net income, adjusted diluted earnings per share, adjusted return on average assets, average tangible common equity, return on average tangible common equity, adjusted return on average tangible common equity; net income and net security gains and losses in the case of further adjusted net income and further adjusted diluted earnings per share; net interest income in the case of adjusted net interest income and adjusted net interest margin; net interest income, total noninterest income, and total noninterest expense in the case of adjusted noninterest income, adjusted noninterest expense, noninterest expense excluding non-operating adjustments, adjusted core expense, efficiency ratio, adjusted efficiency ratio, and adjusted core efficiency ratio; net interest income, total noninterest income, net securities gains and losses, and gain on sale of mortgage servicing rights in the case of operating revenue and adjusted noninterest income to operating revenue; total assets and goodwill and other intangible assets in the case of tangible assets; total stockholders' equity in the case of tangible book value per common share; total assets and total stockholders' equity in the case of tangible common equity and tangible common equity to tangible assets; and total deposits in the case of core deposits and core deposits to total deposits.

These non-GAAP disclosures have inherent limitations and are not audited. They should not be considered in isolation or as a substitute for operating results reported in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. Tax effected numbers included in these non-GAAP disclosures are based on estimated statutory rates, estimated federal income tax rates, or effective tax rates, as noted with the tables below.

Table of Contents

Overview of First Busey Corporation (NASDAQ: BUSE)

Busey
FIRST BUSEY CORPORATION

155+ YEARS

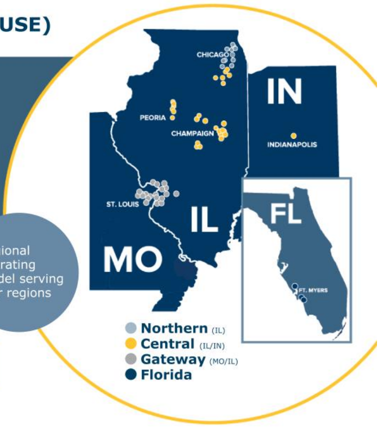
155+ year old financial institution headquartered in Champaign, IL

BuseyBANK
Business Banking
Personal Banking

Busey WEALTH MANAGEMENT
Wealth Management

firstech
Payment Tech Solutions

Regional operating model serving four regions



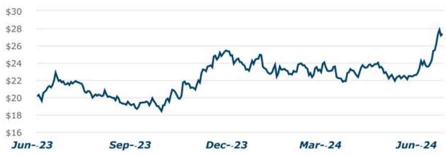
AMONG THE BEST

Financial Highlights

$ in millions	2022	2023	2024 YTD
Total Assets	$12,337	$12,283	$11,971
Total Loans	$7,726	$7,651	$7,999
Total Deposits	$10,071	$10,291	$9,976
Total Equity	$1,146	$1,272	$1,334
Total Wealth AUC	$11,062	$12,137	$13,020
NPA/Assets	0.13 %	0.06 %	0.08 %
Net Interest Margin [1]	2.84 %	2.88 %	2.91 %
Adj. Nonint. Income % of Total Revenue [1]	28.5 %	28.1 %	30.0 %
Adj. PPNR ROAA [1]	1.44 %	1.41 %	1.36 %
Adj. ROAA [1]	1.06 %	1.03 %	0.93 %
Adj. ROATCE [1]	15.99 %	15.03 %	11.89 %

BUSE Stock [2]

Market Cap	Price Per Share	Dividend Yield	Price/TBV	Price/2024E [3]
$1.6B	$27.36	3.5%	1.6x	13.3x



[1] Non-GAAP calculation, see Appendix | [2] Market Data for BUSE updated to close on 7/22/24, per Nasdaq | [3] Based on consensus median net income of covering analysts as of 7/22/24

Diversified Company with Comprehensive & Innovative Financial Solutions

Busey BANK	Busey WEALTH MANAGEMENT	firstech
Full suite of diversified financial products for individuals and businesses	*Wealth & asset management services for individuals and businesses*	*Payment platform that enables the collection of payments across a variety of modules*
$11.9 Billion *Assets* [1]	**$13.0 Billion** *Assets Under Care*	**$12 Billion** *Payments Processed* [5]
$378.4 Million *LTM Revenue* [2]	**$60.0 Million** *LTM Revenue* [4]	**$23.7 Million** *LTM Revenue* [6]
12.9% *Adj. ROATCE (LTM)* [3]	**42.9%** *PT Margin (LTM)*	**+9%** *3-Year CAGR Quarterly Revenue* [6]

[1] Consolidated | [2] Busey Bank segment, excluding Wealth Management & FirsTech; excludes intracompany eliminations and consolidations | [3] Consolidated; Non-GAAP calculation. Based on a four-quarter average of average tangible common equity | [4] Wealth Management segment | [5] LTM total payments processed | [6] FirsTech segment, excludes intracompany eliminations

Compelling Regional Operating Model

Integrated enterprise-wide go-to-market strategy focused on combining the power of commercial & wealth to provide a broad set of financial solutions to well-capitalized individuals and the companies they own & operate

Regions	***Central*** *Central IL, Joliet, Indiana*	***Gateway*** *St. Louis MSA*	***Northern*** *Chicago suburbs*	***Florida*** *Southwest Florida*
Banking Centers	28 	20 	11 	3 
As of 6/30/24 **Deposits**	**$5.4 billion**	**$2.4 billion**	**$1.8 billion**	**$0.4 billion**
Loans	**$3.2 billion**	**$1.8 billion**	**$2.5 billion**	**$0.5 billion**
AUC	**$9.2 billion**	**$1.5 billion**	**$1.2 billion**	**$1.1 billion**
Legacy Institutions	Busey Main Street Herget South Side	Pulaski Bank of Edwardsville	First Community Glenview State Bank Merchants & Manufacturers	Busey Investors' Security Trust

Investment Highlights

Attractive Franchise that Provides Innovative Financial Solutions

- 62 branches across four states: Illinois, Missouri, Indiana, and Florida
- Premier commercial bank, wealth management, and payment technology solutions for individuals and businesses
- Attractive core deposit to total deposit ratio (96.4%)[1], low cost non-time deposits (136 bps) in 2Q24, and low level of uninsured & uncollateralized deposits[2] (29%) at 6/30/24
- Substantial investments in technology enterprise-wide, deep leadership bench, and risk management infrastructure

Disciplined Growth Strategy Driven by Regional Operating Model

- Organic growth across key business lines driven by regional operating model that aligns commercial, wealth and FirsTech operations
- Efficient and right-sized branch network (average deposits per branch of $161 million)
- Leverage track record as proven successful acquirer to expand through disciplined M&A; completed acquisition of Merchants & Manufacturers Bank Corp. on 4/1/24 and merged banks on 6/21/24

Powerful Combination of Three Business Lines Drives Strong Noninterest Income

- Significant revenue derived from diverse and complementary fee income sources
- Noninterest income represented 29.1% of total revenue for 2Q24 (excluding additional gain on previously announced sale of mortgage servicing rights and net securities losses)
- Wealth management and payment tech solutions account for 64.4% of noninterest income in 2Q24 (excluding additional gain on previously announced sale of MSRs and net securities losses)
- Sizable business lines provide for a full suite of solutions for our clients across their lifecycle

Attractive Profitability and Returns

- Adjusted ROAA of 0.97%[1] and Adjusted ROATCE of 12.21%[1] for 2Q24
- 2Q24 NIM of 3.03%[1], an increase of 24 basis points from 1Q24
- Adjusted core efficiency ratio of 60.9%[1] for 2Q24
- Adjusted diluted EPS of $0.50[1] for 2Q24 ($0.53 ex. one-time deferred tax valuation adjustment)
- Quarterly dividend of $0.24 (3.5% yield)[3]

BUILT ON A FORTRESS BALANCE SHEET

Pristine asset quality, highly diversified loan portfolio, & capital levels significantly in excess of well-capitalized minimums

[1] Non-GAAP calculation, see Appendix | [2] Estimated uninsured & uncollateralized deposits consists of the excess of accounts over $250K FDIC insurance limit, less internal accounts and fully-collateralized accounts (incl. preferred deposits) | [3] Based on BUSE closing stock price on 7/22/24

Fortress Balance Sheet

High Quality, Resilient Loan Portfolio

- Diversified portfolio, conservatively underwritten with low levels of concentration
- Non-performing (0.08% of total assets) and classified assets (6.4% of capital[1]) both remain low
- Strong reserve levels: ACL/Loans 1.07% | ACL/NPLs 936%
- 100 / 300 Test: 28% C&D | 197% CRE-I
- Minimal office CRE-I located in metro central business districts[2]; substantial majority of office properties are in-market suburban locations and medical offices account for 40% of the office CRE-I portfolio

Strong Core Deposit Franchise & Ample Liquidity

- Robust holding company and bank-level liquidity
- Strong core deposit franchise
  - 80.2% loan-to-deposit ratio, 96.4% core deposits[3]
  - 28.4% of total deposits are noninterest-bearing
  - Low level of estimated uninsured & uncollateralized deposits[4] at 29% of total deposits at 6/30/24
- Cash & Equivalents + Available-For-Sale Securities carrying value represents 74% of estimated uninsured & uncollateralized deposits[4]
- Substantial sources of available off-balance sheet contingent funding totaling $4.1 billion, representing an additional 1.4x coverage of estimated uninsured & uncollateralized deposits[4] at 6/30/24
  - Untapped borrowing capacity ($4.1 billion in aggregate): $2.0 billion with FHLB, $0.6 billion with FRB discount window, $0.5 billion with Unsecured Fed Funds lines, and $1.0 billion brokered deposit capacity
  - Brokered deposit market continues to remain untapped
  - No borrowings from FHLB as of 6/30/24
  - Paid off legacy M&M Bank's $36 million of FHLB overnight funding that carried a 5.5% cost of funds

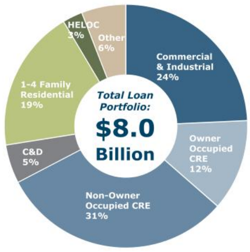
Robust Capital Foundation

- Capital ratios significantly in excess of well-capitalized minimums
- Total RBC of 17.5% and CET1 ratio of 13.2% at 6/30/24[5]
- TCE/TA ratio of 8.36% at 6/30/24[3], up from 7.18% at 6/30/23
- TBV per share of $16.97 at 6/30/24[3], an increase of 11.3% from $15.25 at 6/30/23

[1] Capital calculated as Bank Tier 1 Capital + Allowance for credit losses | [2] Central Business Districts within Busey's footprint include downtown Chicago, downtown St. Louis, and downtown Indianapolis | [3] Non-GAAP calculation, see Appendix | [4] Estimated uninsured & uncollateralized deposits consists of the excess of accounts over $250K FDIC insurance limit, less internal accounts and fully-collateralized accounts (including preferred deposits) | [5] Capital ratios are preliminary estimates

High Quality Loan Portfolio

Loan Portfolio Composition | 2Q24



MRQ Yield on Loans

5.51%

+24 bps vs. 1Q24, +29 bps vs. 4Q23

2Q24 Net New Funding Yield

7.86%

-5 bps vs. 1Q24, +46 bps vs. 4Q23

Classified Loans / Capital [1]

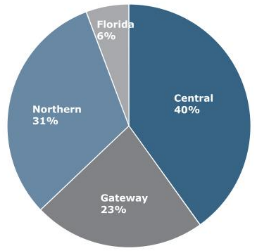
6.4%

LTM New Originations

Approx. 84% of new commercial production was growth within existing bank relationships

New CRE-I originations had a weighted-average LTV of 57%

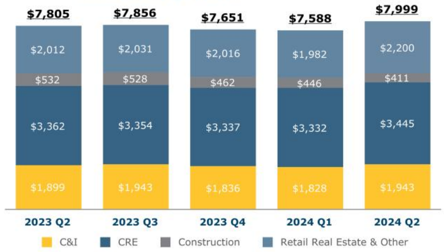
Loan Portfolio Regional Segmentation [2]



Loans Trend

$ in millions

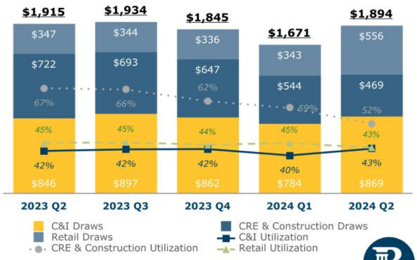
Ex-M&M Bank's acquired loan book, loan growth has softened in the current environment and new originations & renewals continue to be evaluated within a tight credit box



Funded Draws & Line Utilization Rate [3]

$ in millions

Increase in line commitments and draws primarily due to integration of legacy M&M Bank's Life Equity Loan portfolio during the quarter



[1] Capital is Bank Tier 1 Capital + Allowance for credit losses | [2] Based on loan origination | [3] Excludes credit card & overdraft protection & includes tranche loan commitments/associated sub notes

High Quality Loan Portfolio: CRE

Investor Owned CRE Loans by Property Type [1]

$ in thousands Property Type	6/30/24 Balances	% of Total Loans	6/30/24 Classified Balances
Apartments	$639,395	8.0 %	$0
Retail	513,773	6.4 %	5,280
Industrial/Warehouse	354,113	4.4 %	0
Traditional Office	270,316	3.4 %	18,897
Student Housing	244,071	3.1 %	3,735
Hotel	184,641	2.3 %	3,222
Medical Office	181,833	2.3 %	0
Senior Housing	161,385	2.0 %	0
LAD	139,272	1.7 %	0
Specialty	79,005	1.0 %	18
1-4 Family	30,523	0.4 %	0
Restaurant	25,921	0.3 %	0
Nursing Homes	23,419	0.3 %	0
Health Care	20,000	0.3 %	0
Other	522	0.0 %	0
Grand Total	**$2,868,189**	**35.9 %**	**$31,152**

Investor Owned CRE Portfolio [1] (CRE-I)

- Only 1.1% of total CRE-I loans are classified
- Low levels of concentrated exposure - continue to actively monitor CRE-I concentrations vs. internally-defined appetite thresholds
  - 100/300 Test: 28% C&D | 197% CRE-I
- Apartments & Student Housing represents 31% of CRE-I
  - 56% WAvg Loan-to-Value (LTV) and WAvg loan seasoning since origination is 4.3 years
- Most recent stress testing demonstrated WAvg DSCRs[2] above 1.20x under severe stress scenarios for tested property types of Apartments, Student Housing, Retail, Industrial/Warehouse, Traditional Office, and Hotel, representing approximately 77% of total CRE-I balances at 6/30/24

Owner Occupied CRE Loans by Property Type

$ in thousands Property Type	6/30/24 Balances	% of Total Loans	6/30/24 Classified Balances
Industrial/Warehouse	$378,788	4.7 %	$7,838
Specialty	261,179	3.3 %	390
Traditional Office	110,989	1.4 %	511
Medical Office	87,120	1.1 %	0
Retail	86,843	1.1 %	1,497
Restaurant	46,885	0.6 %	172
Nursing Homes	1,380	0.0 %	0
Health Care	629	0.0 %	0
Hotel	596	0.0 %	0
Other	199	0.0 %	0
Grand Total	**$974,608**	**12.2 %**	**$10,408**

Owner Occupied CRE Portfolio (OOCRE)

- Only 1.1% of total OOCRE loans are classified
- Owner occupied loans are not considered regulatory CRE
- OOCRE properties are underwritten to operating cash flow and guidance requires a 1.20x FCCR[3]
- OOCRE have lower risk profiles as they are underwritten to the primary occupying business and are not as exposed to lease turnover risks
- Industrial/Warehouse properties are the largest OOCRE segment, comprising 39% of the OOCRE portfolio while only 4.7% of total loans

[1] Investor owned CRE includes C&D, Multifamily and non-owner occupied CRE | [2] Debt Service Coverage Ratio | [3] Fixed Charge Coverage Ratio

Office Investor Owned CRE Portfolio

All data as of 6/30/24

$ in thousands Metric	Traditional Office	Medical Office	Top Ten Largest Office Loans	CBD Office Exposure
Total Balances	$270,316	$181,833	$136,024	$2,172
% of Total CRE-I	9.4 %	6.3 %	4.7 %	0.1 %
% of Total Office CRE-I	59.8 %	40.2 %	30.1 %	0.5 %
# of Loans	188	68	10	2
Average Loan Size	$1,438	$2,674	$13,602	$1,086
Total Classified Balances	$18,897	$0	$17,999	$0
Weighted Avg Current LTV	57 %	65 %	66%	63%

Top Ten Largest Office Loans

Weighted Average DSCR: **1.45**
Weighted Average Debt Yield: **10.6%**
WAvg 1-Year Lease Rollover: **4.5%**
WAvg 2-Year Lease Rollover: **6.4%**

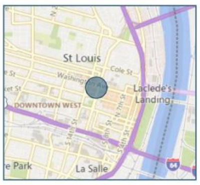
Limited Metro Central Business District Exposure

Downtown Chicago

No outstanding Office CRE-I in Downtown Chicago

Downtown St. Louis

1 Property with $1.9 million in balances



Downtown Indy

1 Property with $0.3 million in balances

High Quality Loan Portfolio: C&I

- 24.1% of total loan portfolio
  - 61% of C&I borrowers have been Busey customers for 5+ years
- C&I loans are underwritten to a 1.20x FCCR requirement and RLOCs greater than $1 million require a monthly borrowing base
- C&I lines of credits have an overall utilization of 43%, demonstrating substantial borrowing capacity and appropriate revolving of most lines
- Diversified portfolio results in low levels of concentrated exposure
  - Top concentration in one industry - Finance & Insurance - is 17% of C&I loans, or 4% of total loans. The majority of the Finance & Insurance portfolio is secured by marketable securities
- 2.5% of C&I loans are classified, compared to 3.1% in 1Q24 and 2.6% in 2Q23

C&I Loans by Sector

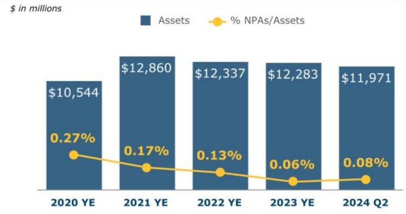
$ in thousands NAICS Sector	6/30/24 Balances	% of Total Loans	6/30/24 Classified Balances
Finance and Insurance	$335,069	4.2 %	$0
Manufacturing	284,546	3.6 %	24,125
Real Estate Rental & Leasing	225,212	2.8 %	1,730
Wholesale Trade	199,624	2.5 %	9,736
Transportation	164,003	2.1 %	1,580
Construction	131,126	1.6 %	716
Educational Services	121,900	1.5 %	72
Agriculture, Forestry, Fishing, Hunting	85,014	1.1 %	1,004
Food Services and Drinking Places	72,113	0.9 %	0
Health Care and Social Assistance	66,156	0.8 %	5,437
Public Administration	56,682	0.7 %	0
Retail Trade	51,582	0.6 %	324
Other Services (except Public Admin.)	50,251	0.6 %	315
Arts, Entertainment, and Recreation	39,816	0.5 %	424
Professional, Scientific, Technical Svcs.	35,227	0.4 %	1,843
Administrative and Support Services	11,517	0.1 %	373
Mining, Quarrying, Oil/Gas Extraction	7,305	0.1 %	0
Information	2,999	0.0 %	0
Waste Management Services	2,682	0.0 %	0
Utilities	622	0.0 %	0
Warehousing and Storage	76	0.0 %	0
Other	71	0.0 %	0
Grand Total[1]	**$1,943,593**	**24.1 %**	**$47,679**

[1] Minor difference in C&I balances from chart and those reported elsewhere as consolidated C&I loan balances is attributable to purchase accounting, deferred fees & costs, and overdrafts

Pristine Credit Quality

- Conservative underwriting leads to pristine credit quality
  - CRE factors of DSCR, Debt Yield, & LTV stressed for effective gross income decline and interest & cap rate stress
  - C&I factors including core, operating, traditional cash flows, working capital, and leverage ratios that each are stressed for rate hikes, historical revenue volatility, and a rigorous breakeven analysis
- Strong portfolio management that identifies early warning indicators and proactively engages the special assets group early in the credit review process (special assets group has remained intact since the 2008-2009 recession)
- 2Q24 net charge-offs totaled $9.9 million, bringing NCOs over the last 12 months to $15.8 million, or 0.20% of average loans[1]
  - $9.9 million charge-off in 2Q24 and $15.0 million LTM charge-offs attributable to single C&I credit relationship
  - A specific reserve of $7.2 million had previously been allocated against that C&I credit

NPAs/ Assets



NPAs	$28.9	$21.3	$16.6	$7.9	$9.2

Classifieds / Capital [2]

Classified Assets	$97.8	$91.8	$107.1	$72.3	$95.8

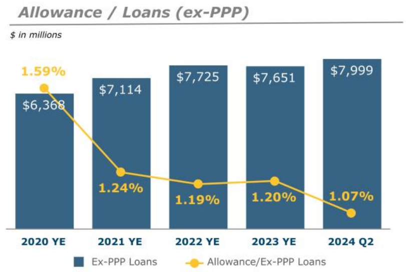
NCOs / Average Loans

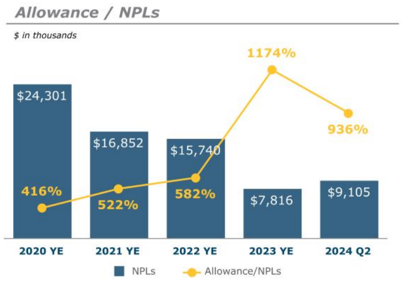
NCOs	$8.3	$2.2	$0.9	$2.3	$15.8

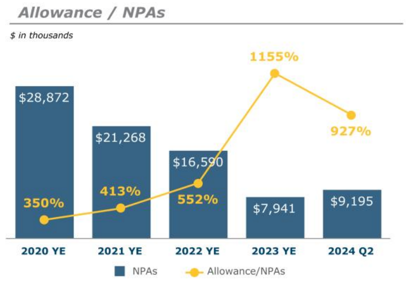
[1] Average loans was calculated as the average of the ending portfolio loan balances over the most recent four quarters | [2] Capital calculated as Busey Bank Tier 1 Capital + Allowance for credit losses

Credit Profile Bolstered by Strong Reserves

- Reserve to loans of 1.07%
  - QoQ change in reserves comprised of $1.2 million in Day 1 reserve for purchase credit deteriorated loans from M&M acquisition, $2.3 million in provision expense, and $9.9 million in net charge offs (against which a specific reserve allocation of $7.2 million was previously held)
- Non-performing loan balances decreased by $8.4 million QoQ
  - NPLs were $9.1 million at 6/30/24 compared to $15.8 million at 6/30/23, equating to 0.11% of total loans at 6/30/24
  - Reserves now equate to 936% of NPLs and 927% of NPAs
- OREO balances total $0.1 million

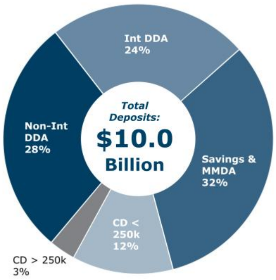






Top Tier Core Deposit Franchise

Deposit Portfolio Composition | 2Q24



Core Deposits
96%

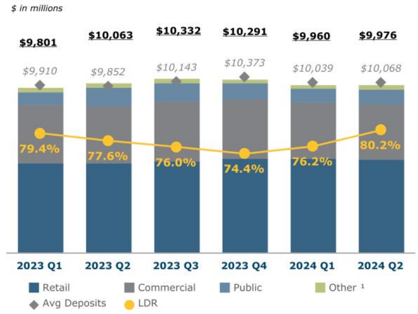
MRQ Avg Cost of Total Deposits
1.75%
-1 bp from 1Q24

MRQ Avg Cost of Non-Time Deposits
1.36%
+4 bps from 1Q24

Avg Deposits per Branch
$161 million

Avg Non Maturity Acct Balance at 6/30/24
$33 thousand

Total Deposits & Loan-to-Deposit Ratio



Core Deposits [2] / Total Deposits

2Q24 Deposit Flows

- Public deposits were up $88 million QoQ demonstrating typical seasonality. Historically, net inflows of public funds occur in 2Q and 3Q. Some 2Q24 inflows appear to be lagged this year into 3Q24 and we continue to see competitors and state-sponsored funds offering above-market rates
- Retail deposits down $68 million QoQ and Commercial deposits down $45 million QoQ, largely reflective of seasonal tax outflows and customary fluctuations in certain large-dollar commercial depositors that are counterbalanced by public fund inflows
- Time deposits decrease of $53 million QoQ accompanied by an increase of $131 million QoQ into Savings account balances, as many customers chose to shift funds into our premium savings account options
- Eliminated high-cost wholesale funding at legacy M&M Bank, including payoff of $22 million of ICS & brokered money market with weighted-average cost of 5.6% and unwinding $38 million of maturing CDARS & brokered CDs that would have renewed at FHLB overnight rate of 5.5%
- At 6/30/24, our spot deposit cost was 1.40% for non-maturity deposits and 1.75% for total deposits as compared to 1.28% and 1.67%, respectively, at 3/31/24

[1] Other deposits include brokered MMA, brokered CDs, ICS Demand & Savings, CDAR CDs | [2] Non-GAAP calculation, see Appendix

Granular, Stable Deposit Base

Long-tenured Deposit Relationships that are very granular

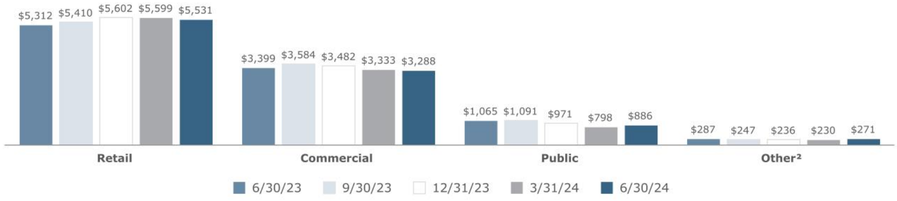
As of 6/30/24	**Retail**	**Commercial**
Number of Accounts	256,000+	33,000+
Avg Balance per Account	$22 thousand	$96 thousand
Avg Customer Tenure	16.8 years	12.5 years

Customers with Account Balances totaling $250K+

	2024 Q2
Number of customers	5,751
Median account balance	$402 thousand
Median customer tenure	14.1 years

	2024 Q2
Estimated Uninsured & Uncollateralized Deposits[1]	$2.8 billion
Estimated Uninsured & Uncollateralized Deposits[1] / Total Deposits	29%

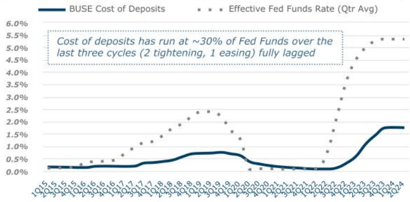
Deposit Flows by Type



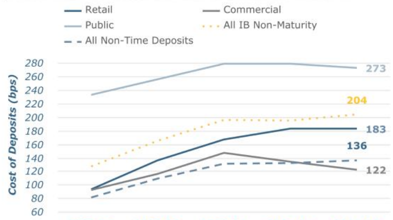
[1] Estimated uninsured & uncollateralized deposits consists of the excess of accounts over $250K FDIC insurance limit, less internal accounts and fully-collateralized accounts (including preferred deposits) | [2] Other deposits include brokered MMA, brokered CDs, ICS Demand & Savings, CDAR CDs

Deposit Cost Trends

Historical Cost of Deposits, 2015 - 2Q24 [1]



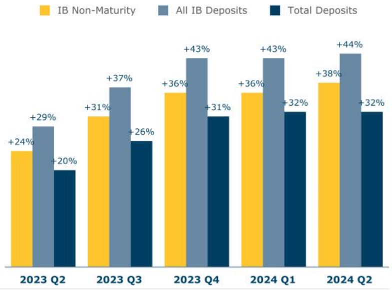
Quarterly Average Cost of Deposits



	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2
IB Non-Maturity	1.27%	1.65%	1.96%	1.95%	2.04%
Non-Time Deposits	0.81%	1.09%	1.31%	1.32%	1.36%
Total Deposits	1.09%	1.45%	1.74%	1.76%	1.75%

Cumulative Deposit Betas [2] *for Tightening Cycle-to-Date*

1H24 results demonstrate stabilization of funding costs and deceleration of deposit betas

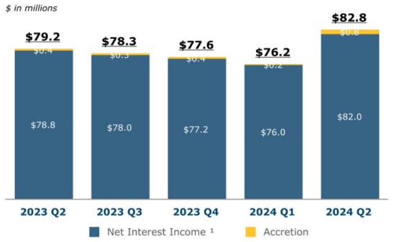


	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2
Retail	+16%	+24%	+29%	+32%	+32%
Commercial	+18%	+21%	+27%	+25%	+22%
Public	+46%	+48%	+52%	+52%	+51%
IB Non-Maturity	+24%	+31%	+36%	+36%	+38%
All IB Deposits	+29%	+37%	+43%	+43%	+44%
Total Deposits	+20%	+26%	+31%	+32%	+32%

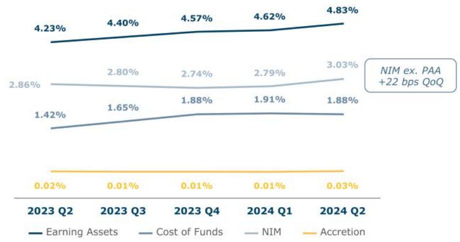
[1] Quarterly effective fed funds per FRED, Federal Reserve Bank of St. Louis. Average during quarter, not seasonally adjusted | [2] Deposit betas are calculated based on an average fed funds target rate of 4.69% during 1Q23, 5.16% (2Q23), 5.43% (3Q23), and 5.50% (4Q23, 1Q24, 2Q24).

Net Interest Margin

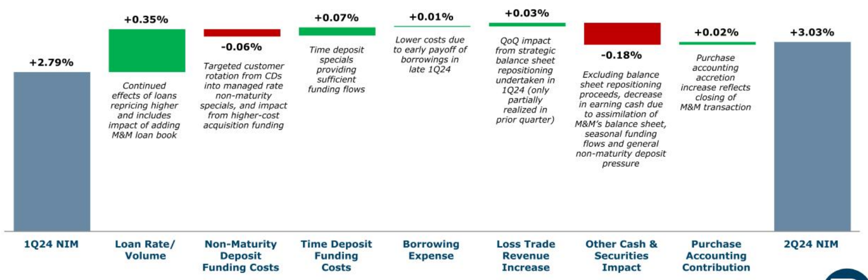
Net Interest Income Trend [1]



Net Interest Margin Trend [1]



Net Interest Margin Bridge - *Factors contributing to 24 bps NIM expansion during quarter*



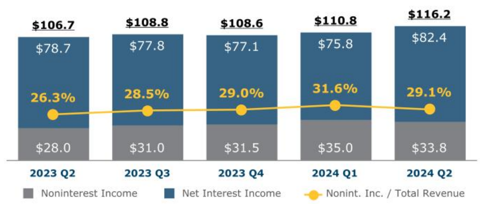
[1] Tax-equivalent adjusted amounts; Non-GAAP, see Appendix

Diversified and Significant Sources of Fee Income

- Noninterest income represented 29.1% of revenue in 2Q24 (excluding additional gain on previously announced sale of mortgage servicing rights and net securities losses)
- Key businesses of wealth management and payment technology solutions posted record quarterly revenues in 2Q24 and contributed 64.4% of noninterest income (excluding MSR gain and net securities losses) in 2Q24
  - On a combined basis, +10% YoY growth in quarterly consolidated revenue in these two critical fee income business lines
- Other noninterest income included an additional $0.3 million gain on the mortgage servicing rights sale previously announced in 1Q24

Noninterest Income / Total Revenue [1]

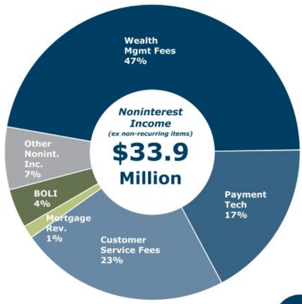
$ in millions



Sources of Noninterest Income

$ in thousands

Noninterest Income Detail	2023 Q2	2024 Q2	YoY Change
Wealth Management Fees	$14,562	$15,917	+9 %
Fees for Customer Services	7,239	7,798	+8 %
Payment Technology Solutions	5,231	5,915	+13 %
Mortgage Revenue	272	478	+76 %
Income on Bank Owned Life Insurance	1,029	1,442	+40 %
Other Noninterest Income (ex-gain on MSR)	1,738	2,327	+34 %
Noninterest Income (ex-securities gains/losses)	**$30,071**	**$33,877**	**+13%**
Gain on Mortgage Servicing Rights Sale	0	277	
Net Securities Gains (Losses)	(2,059)	(353)	
Total Noninterest Income	**$28,012**	**$33,801**	**+21%**



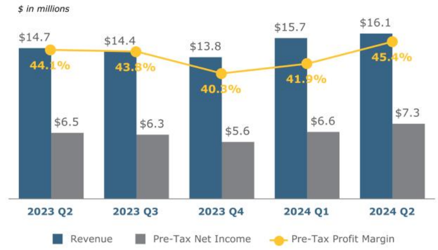
[1] Includes net securities gains/losses and gain on sale of MSRs

Wealth Management

- Assets Under Care (AUC) of $13.0 billion, a QoQ increase of $0.3 billion and a YoY increase of $1.5 billion, or +13.4%
- 2Q24 Wealth segment revenue of $16.1 million, representing record quarterly revenue in company history, a YoY increase of +9.5%
- Pre-tax net income of $7.3 million, a YoY increase of +12.8%
- Pre-tax profit margin of 45.4% in 2Q24 and 42.9% over the last twelve months
- Our fully internalized investment team continues to produce excellent returns, focused on long-term outperformance of benchmarks
  - The team's blended portfolio has outperformed the blended benchmark[2] over the last 3 years and over the last 5 years
- Bank + Wealth partnership allows us to better keep customer funds inside our overall ecosystem depending on client needs

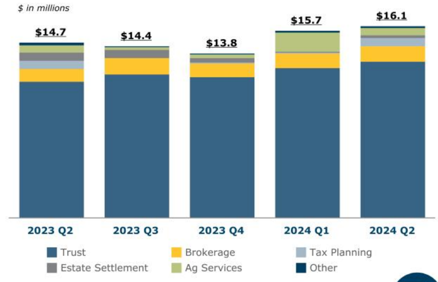
Wealth - Revenue and Pre-tax Income [1]

$ in millions



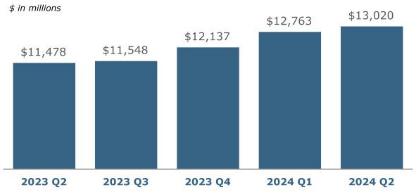
Wealth Revenue Composition

$ in millions



Assets Under Care

$ in millions



[1] Wealth Management segment | [2] Blended benchmark consists of 60% MSCI All-Country World Index / 40% Bloomberg Intermediate Govt/Credit Index

FirsTech

- LTM segment revenue of $23.7 million, an increase of 6% over the prior twelve-month period
- 2Q24 segment revenue of $6.2 million represents third consecutive quarter of record revenue in the company's history
    - 2Q24 revenue up 10% vs. 2Q23
- Revenue growth across all key competencies of lockbox, online payments and merchant services
    - Average merchant deal size continues to grow compared to prior periods
- Have built a solid pipeline aligned with go-to-market focus on enterprise, financial institution, and merchant services clients
    - Go-to-market activity aligned with the regional operating model is demonstrating strong financial outcomes
    - Focus on scaling lockbox with organic growth and partnership in key markets, supported by clear go-to-market with differentiated customer service
- Increased focus on profitability through the continued migration to merchant processor providing better economics for FirsTech and our customers, while also reviewing enterprise contracts and cost structures to improve margins relative to services provided

$12 billion *Payments processed in last twelve months*

42 million *Transactions processed in last twelve months*

Revenue Growth [1]

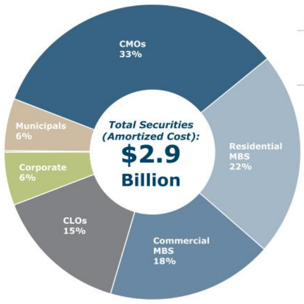
$22.3 million *LTM 6/30/23* → *+6.0%* → **$23.7 million** *LTM 6/30/24*

Average Revenue Per Processing Day Trend

[1] Revenue equates to all revenue sources tied to FirsTech and excludes intracompany eliminations

Balanced, Low-Risk, Short Duration Investment Portfolio

Investment Portfolio Composition | 2Q24



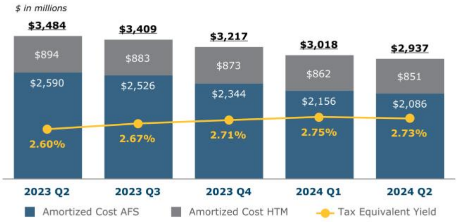
AFS % of Amortized Cost
71%

HTM % of Amortized Cost
29%

- All Mortgage-Backed Securities & Collateralized Mortgage Obligations are Agency
- 92% of Municipal holdings rated AA or better and 8% rated A
- 99% of Corporate holdings are investment grade
- Collateralized Loan Obligation portfolio consists of 86% rated AAA and 14% rated AA

- Carrying value of investment portfolio is 25% of total assets
- BUSE carried $851 million in held-to-maturity (HTM) securities as of 6/30/24 (HTM AOCI of -$23 million at 6/30/24)
- The duration of the securities portfolio including HTM is 4.1 years and our fair value duration, which excludes the HTM portfolio, is 3.8 years
- After-tax net AFS unrealized loss position of $176 million and accumulated loss position of $21 million on cash flow hedges (captured in total AOCI)
- Projected roll off cash flow (based on static rates) of $163 million at ~2.62% yield for the remainder of 2024 and $348 million at ~1.64% yield for 2025
- Over the last four quarters, the size of the investment portfolio has decreased by $547 million due to strategic restructuring actions and principal roll off

Securities Portfolio - Amortized Cost vs. TE Yield



Actively Managing Asset-Sensitive Balance Sheet

- Balance sheet remains asset-sensitive
  - A +100 bps rate shock for Year 1 is down to +1.8% from +2.1% in 1Q24
  - A -100 bps rate shock for Year 1 is -1.6%; up from -1.9% in 1Q24
- Continue to evaluate off-balance sheet hedging strategies as well as embedding rate protection in our asset originations to provide stabilization to net interest income in lower rate environments
- Vigilant focus on pricing discipline and term structure for both loans and deposits
  - 6% of non-maturity deposits are indexed/floating rate
  - 67% of non-maturity deposits are at rack rate at WAvg rate of 0.6%
  - CDs represent 15% of total deposits; book has a WAvg remaining life of 5.8 months and WAvg rate of 3.7%
  - 43% of loan portfolio reprices in less than one year - including $470 million of fixed rate balances repricing from a WAvg rate of 4.7%

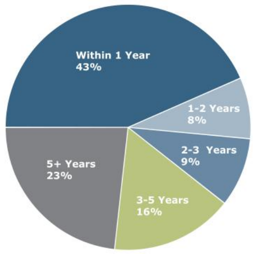
Annual % Change in Net Interest Income under Shock Scenarios

Based on Static Balance Sheet

Rate Shock	Year 1	Year 2
+200 bps	+3.5%	+4.3%
+100 bps	+1.8%	+2.2%
-100 bps	-1.6%	-2.7%
-200 bps	-3.2%	-5.6%

Balance sheet is projected over one- & two-year time horizons and net interest income is calculated under current market rates assuming permanent instantaneous shifts

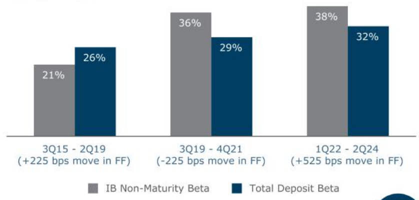
Repricing / Maturity Structures of Portfolio Loans



Deposit Betas [1] in last three cycles vs. ALCO fully lagged rate shock

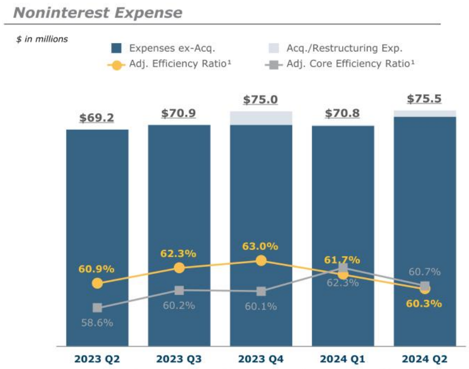
ALCO uses a conservative 40% total deposit beta for rate shocks

History has proven to be less sensitive and 1H24 betas have been decelerating. Funding mix continues slow rotation from time deposits into higher beta non-maturity products where the Bank can be more nimble on pricing under an easing rate cycle.



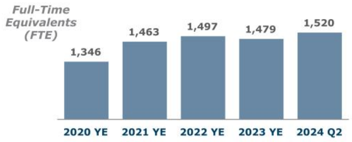
[1] Deposit betas based on an average fed funds target rate of 5.50% during 2Q24

Focused Control on Expenses



	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2
Noninterest Exp.	**$69.2**	**$70.9**	**$75.0**	**$70.8**	**$75.5**
Intangible Amort.	$2.7	$2.6	$2.5	$2.4	$2.6
Acq./Restructuring Exp.	$0.0	$0.1	$4.2	$0.4	$2.2
Adj. Exp. [1]	**$66.5**	**$68.3**	**$68.3**	**$68.0**	**$70.7**
Unfunded Provision	$0.3	$0.0	$0.8	-$0.7	-$0.4
NMTC Amort.	$2.3	$2.3	$2.3	$0.0	$0.0
Adj. Core Exp. [1]	**$64.0**	**$66.0**	**$65.2**	**$68.6**	**$71.1**

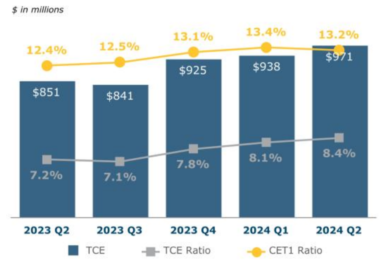
- Adjusted core expenses[1] of $71.1 million in 2Q24
- Non-operating other expenses during 2Q24 were comprised of $2.2 million related to acquisition & restructuring related expenses (M&M Bank Corp. acquisition closed 4/1/24 and M&M Bank was merged into Busey Bank on 6/21/24)
- Adopted accounting standard update 2023-02 on 1/1/24 and began recording amortization of New Markets Tax Credits as income tax expense instead of other operating expense, which resulted in a decrease to other operating expenses of $2.3 million compared to 4Q23
- Continue to be mindful and diligent on expenses, restricting new hires by targeting critical replacements and selective adds; focusing on harvesting investments made over the last several quarters
- Continue to diligently manage expenses through the headwinds of higher FDIC insurance costs (FDIC rule that increased assessment rate by 2 bps), data processing costs (investments in tech enhancements and inflation-driven price increases), and reduced FAS 91 offset to compensation expense as a result of lower loan volumes
- Quarterly pre-tax expense synergies from the M&M acquisition are anticipated to be $1.6 to $1.7 million per quarter when fully realized. Full quarterly run-rate savings are projected to be achieved by 1Q25. During 2Q24, we achieved approximately 30% of the full quarterly savings
- $7.2 million of average earning assets per employee for 2Q24



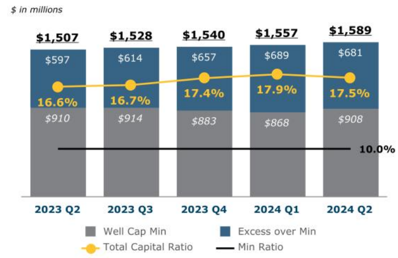
Note: Certain totals above may not tie exactly due to rounding. Detail amounts can be found in Non-GAAP table within Appendix
[1] Non-GAAP, see Appendix.

Robust Capital Foundation

Tangible Common Equity [1] & CET1 Ratios [2]



Total Capital Ratio [2]



Leverage Ratio [2]

Consolidated Capital as of 6/30/24 [2]

$ in millions

	Common Equity Tier 1 Ratio	Tier 1 Capital Ratio	Total Capital Ratio
Capital Ratio	13.2 %	14.0 %	17.5 %
Minimum Well Capitalized Ratio	*6.5 %*	*8.0 %*	*10.0 %*
Amount of Capital	$1,198	$1,275	$1,589
Well Capitalized Minimum	*$590*	*$726*	*$908*
Excess over Well Capitalized Minimum	$608	$549	$681

[1] Non-GAAP calculation, see Appendix | [2] 2Q24 capital ratios are preliminary estimates

2Q24 Earnings Review

Net Interest Income	• Net interest income was $82.4 million in 2Q24 vs. $75.8 million in 1Q24 and $78.7 million in 2Q23 • Net interest margin[1] was 3.03% in 2Q24, an increase of 24 bps vs. 2.79% in 1Q24 • The primary factors contributing to the quarter's NIM expansion were improved loan yields on new volume (35 bps increase) and effects of strategic balance sheet repositioning actions (3 bps increase), offset partially by cash & securities impacts (18 bps decrease)
Noninterest Income	• Adjusted noninterest income[1] of $33.9 million in 2Q24, representing 29.1% of operating revenue • Wealth management fees of $15.9 million in 2Q24, an increase from $15.5 million in 1Q24 and +9% YoY • Payment tech solutions revenue of $5.9 million in 2Q24, an increase from $5.7 million in 1Q24 and +13% YoY • Fees for customer services of $7.8 million in 2Q24, a increase from $7.1 million in 1Q24 and +8% YoY
Noninterest Expense	• Adjusted noninterest expense[1] (ex-amortization of intangibles, one-time acquisition & restructuring related items) of $70.7 million in 2Q24, resulting in a 60.6% adjusted efficiency ratio[1] • Adjusted core expense[1] of $71.1 million (ex-amortization of intangible assets, one-time items, and unfunded commitment provision release) in 2Q24, equating to 60.9% adjusted core efficiency ratio[1]
Provision	• $2.3 million loan loss provision expense • Net charge offs of $9.9 million in 2Q24 (one C&I credit that had a $7.2 million specific reserve allocated) • $(0.4) million provision release for unfunded commitments (captured in other noninterest expense)

Taxes	• 2Q24 effective tax rate of 28.8% (25.0% ex-Illinois tax law change)
	  • 2Q24 results include a one-time deferred tax valuation adjustment of $1.4 million resulting from a change to Illinois apportionment rate due to recently enacted regulations
	  • New regulations are expected to lower our ongoing tax obligation in future periods, but create a negative adjustment to the carrying value of our deferred tax asset in the current period

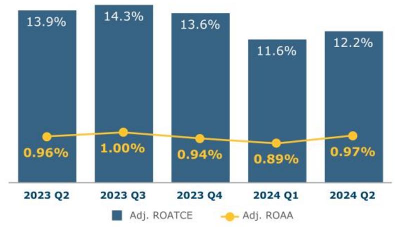
Earnings	• Adjusted net income of $29.0 million or $0.50 per diluted share[1] • Excluding Illinois tax law change impact, $0.53 per diluted share[1] • Adjusted pre-provision net revenue of $42.6 million (1.42% PPNR ROAA) in 2Q24 [1] • 0.97% Adjusted ROAA and 12.21% Adjusted ROATCE in 2Q24 [1]

[1] Non-GAAP, see Appendix

Earnings Performance

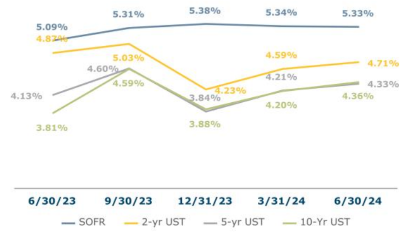
Adjusted Net Income & Earnings Per Share [1]

Adjusted ROAA & Adjusted ROATCE [1]



Adjusted Pre-Provision Net Revenue / Avg. Assets [1]

Historical Key Rates [2]



[1] Non-GAAP calculation, see Appendix | [2] Per FRED, Federal Reserve Bank of St. Louis

Appendix

Experienced Management Team

Van A. Dukeman
Chairman & CEO

Has served as Chairman & CEO of First Busey since 2007 and became Chairman of the Board effective July 2020. Also serves as Chairman & CEO of Busey Bank, along with a director of FirsTech. Offers 40 years of diverse financial services experience and extensive board involvement with a conservative operating philosophy and management style that focuses on Busey's associates, customers, communities and shareholders. He also serves on the board of directors for Desert Mountain Club and the Champaign Illinois Kennel Club.

Jeffrey D. Jones
EVP & CFO

Joined Busey in August 2019, bringing nearly 20 years of investment banking and financial services experience. Also serves as a board member of FirsTech. Previously served as Managing Director and Co-Head of Financial Institutions at Stephens Inc. Mr. Jones began his career in the Banking Supervision and Regulation division of the Federal Reserve. He also serves on the board of directors for Academy High in Champaign, IL, and the D Jones Family Charitable Foundation.

Amy L. Randolph
EVP & COO

Joined Busey in 2008 and now leads many areas, including: human resources, marketing, corporate communications and the overall Busey experience, consumer & digital banking, executive administration, as well as all technology and business services & systems. Additionally, she serves as Chairperson and oversees FirsTech. Prior to Busey, Mrs. Randolph worked for 10+ years with CliftonLarsonAllen LLP. She also serves on the board of directors for the Illinois Bankers Association and Illinois Bankers Business Services.

Monica L. Bowe
EVP & Chief Risk Officer

Joined Busey in January 2020 with nearly 25 years of financial leadership experience. Previously, Ms. Bowe served as Senior Director of Operational Risk Program Management at KeyBank. Ms. Bowe offers experience in M&A due diligence, effective navigation of key risk areas and dedication to continuous improvement towards enterprise-wide risk management strategies. She also serves on the board of directors for ProSight Financial Association, Cleveland Hearing & Speech Center and the iPower Booster Club.

John J. Powers
EVP & General Counsel

Joined Busey in December 2011 and has over 40 years of legal experience. Prior to joining Busey, he was a partner in the law firm of Meyer Capel, where he specialized in serving the financial services industry. He also serves on the board of trustees for Holy Cross Church and the board of directors for St. Thomas More High School in Champaign, IL.

Jeff D. Burgess
EVP & President of Busey Wealth Management

Joined Busey in 2021, leading the team that provides asset management, investment and fiduciary services to individuals, businesses and foundations. Mr. Burgess formerly served as President of Commerce Brokerage Services, Inc., and was Director of Business Development for the east region of Commerce Trust Company. He also serves on the board of directors for Social Venture Partners and Community School in St. Louis, MO.

Sean Gallagher
EVP & Regional President for Northern Illinois, Gateway and Florida Regions

Joined Busey in 2016 with the First Community Financial Bank partnership. His career in banking spans 30 years, previously working at LaSalle Bank, First Chicago Bank & Trust, and Inland Bank & Trust prior to moving to First Community. Mr. Gallagher served as Commercial Market President for Busey until moving to Regional President of the Northern Region in 2020. He took on leadership of the Gateway and Florida Regions in Q4 2023, while also assuming responsibility for Busey's Treasury Management division. He also serves on the board of directors for American Heart Association CycleNation.

Humair Ghauri
EVP of Technology, Busey Bank
President & CEO, FirsTech

Joined FirsTech and Busey in 2020, leading the organization's Products & Technology efforts. In 2023, he moved into the role of President and CEO with FirsTech and EVP of Technology at Busey. Mr. Ghauri is a proven executive leader with 20-plus years of experience building and leading high growth products and technology organizations. Tenure includes working with CareerBuilder, ADP, Skillsoft and Oracle.

Chip Jorstad
EVP & President of Credit and Bank Admin.

Joined Busey in 2011 and has over 15 years of experience in the banking industry. Before being named President of Credit and Bank Administration in 2022, he served as Co-Chief Banking Officer for two years. Mr. Jorstad has also held the role of Regional President for Commercial Banking – overseeing business banking efforts, including Agricultural, Commercial, Construction and Real Estate financing. He also serves on the board of directors for Intersect Illinois and the St. Matthew Education Commission in Champaign, IL.

Martin O'Donnell
EVP & Regional President for Central Illinois and Indiana Regions

Joined Busey in 2014 as a Commercial Relationship Manager before taking on increasing leadership responsibilities and becoming Regional President of Busey's Central Illinois Region in May of 2020. He then took on the Indianapolis Region in Q4 2023. He also serves on the board of trustees for Carle Health – East Region and the board of directors for the Champaign County Economic Development Corporation.

Robert F. Plecki, Jr.
EVP & Vice Chairman of Credit

Joined Busey in 1984, serving in the role of Vice Chairman of Credit, Chief Banking Officer or Chief Credit Officer since 2010 and chairing all Credit Committees. Mr. Plecki previously served as COO, President & CEO of Busey Wealth Management, and EVP of the Florida and Champaign markets. Prior to the 2007 merger with First Busey, he served in various management roles at Main Street Trust. He also serves on the board of directors for the Don Moyer Boys & Girls Club, OSF Community Council and St. Thomas More High School in Champaign, IL.

Joseph A. Sheils
EVP & President of Consumer and Digital Banking

Joined Busey in June 2022 to lead the Consumer, Community, Mortgage and Digital Banking teams. Mr. Sheils' nearly 25 years of banking experience includes serving as the Head of Retail Banking at MB Financial. Prior to his shift to retail, he led teams in Commercial Banking at MB Financial and LaSalle Bank. He also serves on the board of directors for the Loyola University Chicago Alumni Association and the Union League Club of Chicago.

Fully Integrated Wealth Platform

Busey WEALTH® MANAGEMENT
As of 6/30/24

$13.0 Billion	$60.0 Million	42.9%
Assets Under Care	LTM Revenue	PT Margin LTM

Core Principles

I. Client-Focused Strategy

Trusted fiduciaries that identify prudent financial solutions to meet client-specific needs and objectives and help clients make better decisions about their wealth

II. Team-Based Approach

Collaborative team of experienced, credentialed professionals with broad resources that excels in developing unique solutions for clients

III. Comprehensive Wealth Management

Fully internalized investment office and an investment philosophy that uses a tailored approach to provide proactive advice, empowering clients to make appropriate financial choices to meet their goals in every aspect of their financial health

Wealth Client Segments

PERSONAL SERVICES
- Family Office
- High Net Worth
- Mass Affluent and Emerging Wealth

INSTITUTIONAL SERVICES
- Retirement Plans
- Corporations & Municipalities
- Foundations and Endowments
- Not-for-Profit Organizations

Integrated Core Capabilities to Service Personal & Institutional Clients

INVESTMENT MANAGEMENT
- Preserving and growing wealth with enhanced asset allocation & tax efficient strategies

RETIREMENT PLANNING
- Goal-based advisory including life insurance, long-term care, executive stock option strategies

TAX PLANNING & PREPARATION
- Deduction maximization, capital event planning, tax-advantaged savings & investment strategies

FIDUCIARY ADMINISTRATION
- Trust services, estate planning, and philanthropic advisory

PRIVATE CLIENT
- Concierge banking with one point of contact that coordinates all banking needs

AG SERVICES
- Farm management and brokerage

FirsTech, A Uniquely Positioned Payment Technology Company

firstech
As of 6/30/24

$12 Billion	42 Million	$23.7 Million
Payments Processed LTM	Transactions Processed LTM	Revenue LTM [1]

Payments Segments

Traditional Receivables

Services

- Lockbox
- eLockbox

Sales Channels

- Enterprise Sales Team
- Financial Institutions (FI) Sales Team
- FI Reseller Sales
- Partnerships

Lines of Business

- Financial Institutions
- Municipalities, Government
- Utilities, Telecom, Insurance
- Health

Electronic Payments

Services

- Online (Core)
- Customer Service Rep., Mobile, Interactive Voice Response (IVR)
- Internet Agent Service, Walk-in
- Statement of Work (SOW), Time & Materials

Sales Channels

- Enterprise Sales Team
- FI Sales Team
- FI Reseller Sales
- Partnerships

Lines of Business

- Financial Institutions
- Municipalities, Government
- Utilities, Telecom, Insurance
- Health
- Small and medium-sized businesses (SMB)

Merchant Services

Services

- Point of Sale
- Online

Sales Channels

- Merchant Sales Team
- Agent Referrals
- FI Reseller Sales
- Partnerships

Lines of Business

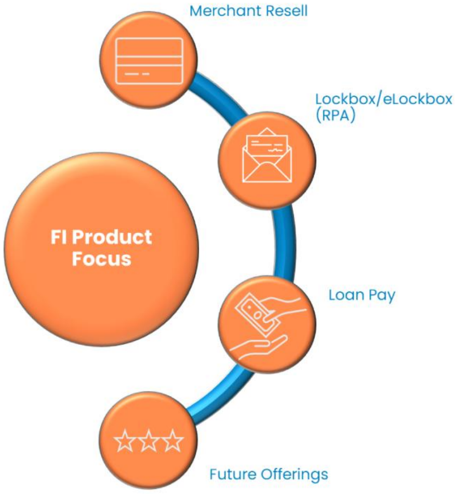
- Financial Institutions
- Municipalities, Government
- Utilities, Telecom, Insurance
- Health
- SMB

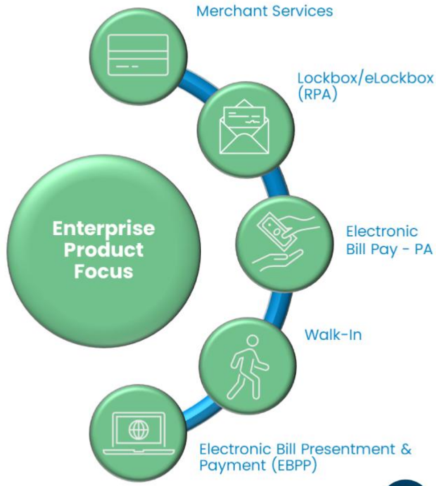
[1] Revenue equates to all revenue sources tied to FirsTech and excludes intracompany eliminations

FirsTech, A Uniquely Positioned Payment Technology Company

Verticals & Products

Through continued growth of the Busey/FirsTech relationship and new opportunities for collaboration FirsTech is uniquely positioned to leverage our relationship to grow in both Enterprise and FI verticals.





Busey Impact: ESG and Corporate Responsibility

Building on 155+ Years of Civic Engagement, Corporate Responsibility and Positive Impacts

2Q24 Featured Impact | Open an Account, Plant a Tree
Partnering with Conservation International, Busey made a donation to plant over 4,000 trees for new accounts with Mastercard debit services opened between April 15 - May 15, 2024.

Environmental Sustainability

- Through its robust Corporate Sustainability Program, First Busey recycled over 35,000 pounds of waste and conserved over 125,000 gallons of water in 2023.
- Participates in several initiatives, including:
  - Energy efficiency program that reduced building electricity usage by 5% and gas usage by 8% in 2023 over 2022, avoiding over 1000 tons of carbon emissions since 2019.
  - Installing solar panel systems at 11 Busey facilities, generating over 1.3 million kWh of energy since 2019.
  - Providing over $7 million in green financing in 2023, including energy efficiency improvements, historic preservation and solar development.
  - Committing to invest $2.75 million to rehabilitate a vacant 5-story nearly 100-year old building, reducing construction need of new buildings and consumption of land, energy, materials and financial resources they require.

Associates, Customers and Communities

- In 2023, First Busey associates generously gave nearly 16,000 hours of their time to hundreds of community organizations.
- Through a variety of philanthropic efforts, including many associate-driven initiatives, First Busey's annual charitable donations total over $1.5 million.
- As of December 31, 2023, 40% of mid-level leadership and 44% of executive leadership are women.
- First Busey boasts a high level of associate engagement, scoring a 4.31 (out of 5) in 2023.
- In 2023, Busey Bank earned a Net Promoter Score® (NPS) of 56.5, significantly above the financial services industry benchmark of 23.5.
- In 2023, First Busey invested over $25 million in Community Reinvestment Act (CRA)-qualified commitments.

Ethical and Strong Governance

Strong corporate governance is a top priority, supported in part by the following:

- The vast majority of directors are independent, with varying experiences and backgrounds.
- Robust internal audit procedures are utilized, reporting directly to the Audit Committee.
- Enterprise risk metrics are connected with conservative business strategy and risk profile.
- Strong data privacy and information security policies are used, including data security oversight, associate training, and proactive privacy and security efforts.
- Confidential and independent whistleblower hotline is utilized.
- Strong inside ownership with over 7% of First Busey common stock beneficially owned by directors and executive officers.

To view the latest Busey Impact Report, visit busey.com/impact

Note: Further information on all cited metrics can be found in the Busey Impact Report

Non-GAAP Financial Information *(Unaudited)*

Pre-Provision Net Revenue, Adjusted Pre-Provision Net Revenue, Pre-Provision Net Revenue to Average Assets, and Adjusted Pre-Provision Net Revenue to Average Assets

(dollars in thousands)

		Three Months Ended			Six Months Ended	
		June 30, 2024	**March 31, 2024**	**June 30, 2023**	**June 30, 2024**	**June 30, 2023**
PRE-PROVISION NET REVENUE						
Net interest income		$ 82,434	$ 75,767	$ 78,670	$ 158,201	$ 164,527
Total noninterest income		33,801	35,000	28,012	68,801	59,860
Net security (gains) losses		353	6,375	2,059	6,728	2,675
Total noninterest expense		(75,537)	(70,769)	(69,205)	(146,306)	(139,608)
Pre-provision net revenue		41,051	46,373	39,536	87,424	87,454
Non-GAAP adjustments:						
Acquisition and other restructuring expenses		2,212	408	12	2,620	12
Provision for unfunded commitments		(369)	(678)	265	(1,047)	(370)
Amortization of New Markets Tax Credits		—	—	2,259	—	4,480
Gain on sale of mortgage service rights		(277)	(7,465)	—	(7,742)	—
Adjusted pre-provision net revenue		$ 42,617	$ 38,638	$ 42,072	$ 81,255	$ 91,576
Pre-provision net revenue, annualized	[a]	$ 165,106	$ 186,511	$ 158,578	$ 175,809	$ 176,358
Adjusted pre-provision net revenue, annualized	[b]	171,405	155,401	168,750	163,403	184,670
Average total assets	[c]	12,089,692	12,024,208	12,209,865	12,056,950	12,236,643
Reported: Pre-provision net revenue to average assets[1]	[a÷c]	1.37 %	1.55 %	1.30 %	1.46 %	1.44 %
Adjusted: Pre-provision net revenue to average assets[1]	[b÷c]	1.42 %	1.29 %	1.38 %	1.36 %	1.51 %

1. Annualized measure.

Non-GAAP Financial Information *(Unaudited)*

Adjusted Net Income, Adjusted Diluted Earnings Per Share, Adjusted Return on Average Assets, Average Tangible Common Equity, Return on Average Tangible Common Equity, and Adjusted Return on Average Tangible Common Equity

(dollars in thousands, except per share amounts)

		Three Months Ended			Six Months Ended	
		June 30, 2024	March 31, 2024	June 30, 2023	June 30, 2024	June 30, 2023
NET INCOME ADJUSTED FOR NON-OPERATING ITEMS						
Net income	[a]	$ 27,357	$ 26,225	$ 29,364	$ 53,582	$ 66,150
Non-GAAP adjustments for non-operating items:						
Acquisition expenses:						
Salaries, wages, and employee benefits		1,137	—	—	1,137	—
Data processing		344	100	—	444	—
Professional fees, occupancy, furniture and fixtures, and other		731	185	12	916	12
Other restructuring expenses:						
Salaries, wages, and employee benefits		—	123	—	123	—
Related tax benefit[1]		(553)	(102)	(3)	(655)	(3)
Adjusted net income	[b]	$ 29,016	$ 26,531	$ 29,373	$ 55,547	$ 66,159
DILUTED EARNINGS PER SHARE						
Diluted average common shares outstanding	[c]	57,853,231	56,406,500	56,195,801	57,129,865	56,187,820
Reported: Diluted earnings per share	[a÷c]	$ 0.47	$ 0.46	$ 0.52	$ 0.94	$ 1.18
Adjusted: Diluted earnings per share	[b÷c]	$ 0.50	$ 0.47	$ 0.52	$ 0.97	$ 1.18
RETURN ON AVERAGE ASSETS						
Net income, annualized	[d]	$ 110,029	$ 105,476	$ 117,779	$ 107,753	$ 133,396
Adjusted net income, annualized	[e]	116,702	106,707	117,815	111,704	133,415
Average total assets	[f]	12,089,692	12,024,208	12,209,865	12,056,950	12,236,643
Reported: Return on average assets[2]	[d÷f]	0.91 %	0.88 %	0.96 %	0.89 %	1.09 %
Adjusted: Return on average assets[2]	[e÷f]	0.97 %	0.89 %	0.96 %	0.93 %	1.09 %
RETURN ON AVERAGE TANGIBLE COMMON EQUITY						
Average common equity		$ 1,331,815	$ 1,275,724	$ 1,207,935	$ 1,303,770	$ 1,189,479
Average goodwill and other intangible assets, net		(376,224)	(353,014)	(360,641)	(364,620)	(361,990)
Average tangible common equity	[g]	$ 955,591	$ 922,710	$ 847,294	$ 939,150	$ 827,489
Reported: Return on average tangible common equity[2]	[d÷g]	11.51 %	11.43 %	13.90 %	11.47 %	16.12 %
Adjusted: Return on average tangible common equity[2]	[e÷g]	12.21 %	11.56 %	13.90 %	11.89 %	16.12 %

1. Year-to-date tax benefits were calculated by multiplying year-to-date acquisition expenses and other restructuring expenses by the effective income tax rate for each year-to-date period, which for 2024 excludes a one-time deferred tax valuation adjustment resulting from a change in Illinois apportionment rate due to recently enacted regulations. Tax rates used in these calculations were 25.0% and 20.5% for the six months ended June 30, 2024 and 2023, respectively. Quarterly tax benefits were calculated as the year-to-date tax benefit amounts less the sum of amounts applied to previous quarters during the year, equating to tax rates of 25.0%, 25.0%, and 20.5% for the three months ended June 30, 2024, March 31, 2024, and June 30, 2023, respectively.
2. Annualized measure.

Non-GAAP Financial Information *(Unaudited)*

Further Adjusted Net Income and Further Adjusted Diluted Earnings Per Share

(dollars in thousands, except per share amounts)

		Three Months Ended			Six Months Ended	
		June 30, 2024	March 31, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Adjusted net income[1]	[a]	$ 29,016	$ 26,531	$ 29,373	$ 55,547	$ 66,159
Further non-GAAP adjustments:						
Net securities (gains) losses		353	6,375	2,059	6,728	2,675
Gain on sale of mortgage servicing rights		(277)	(7,465)	—	(7,742)	—
Tax effect for further non-GAAP adjustments[2]		(19)	272	(418)	254	(548)
Tax effected further non-GAAP adjustments[3]		57	(818)	1,641	(760)	2,127
Further adjusted net income[3]	[b]	$ 29,073	$ 25,713	$ 31,014	$ 54,787	$ 68,286
One-time deferred tax valuation adjustment[4]		$ 1,446	$ —	$ —	$ 1,446	$ —
Further adjusted net income, excluding one-time deferred tax valuation adjustment[3]	[c]	$ 30,519	$ 25,713	$ 31,014	$ 56,233	$ 68,286
Diluted average common shares outstanding	[d]	57,853,231	56,406,500	56,195,801	57,129,865	56,187,820
Adjusted: Diluted earnings per share	[a÷d]	$ 0.50	$ 0.47	$ 0.52	$ 0.97	$ 1.18
Further Adjusted: Diluted earnings per share[3]	[b÷d]	$ 0.50	$ 0.46	$ 0.55	$ 0.96	$ 1.22
Further Adjusted, excluding one-time deferred tax valuation adjustment: Diluted earnings per share[3]	[c÷d]	$ 0.53	$ 0.46	$ 0.55	$ 0.98	$ 1.22

1. Adjusted net income is a non-GAAP measure. See the table on the previous slide for a reconciliation to the nearest GAAP measure.
2. Tax effects for further non-GAAP adjustments were calculated by multiplying further non-GAAP adjustments by the effective income tax rate for each period, which for 2024 excludes a one-time deferred tax valuation adjustment resulting from a change in Illinois apportionment rate due to recently enacted regulations. Effective income tax rates were 25.0%, 25.0%, and 20.3% for the three months ended June 30, 2024, March 31, 2024, and June 30, 2023, respectively, and were 25.0% and 20.5% for the six months ended June 30, 2024 and 2023, respectively.
3. Tax-effected measure.
4. A one-time deferred tax valuation adjustment of $1.4 million resulted from a change to our Illinois apportionment rate due to recently enacted regulations.

Non-GAAP Financial Information *(Unaudited)*

Adjusted Net Interest Income and Adjusted Net Interest Margin
(dollars in thousands)

		Three Months Ended			Six Months Ended	
		June 30, 2024	March 31, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Net interest income		$ 82,434	$ 75,767	$ 78,670	$ 158,201	$ 164,527
Non-GAAP adjustments:						
Tax-equivalent adjustment[1]		402	449	561	851	1,119
Tax-equivalent net interest income		82,836	76,216	79,231	159,052	165,646
Purchase accounting accretion related to business combinations		(812)	(204)	(413)	(1,016)	(816)
Adjusted net interest income		$ 82,024	$ 76,012	$ 78,818	$ 158,036	$ 164,830
Tax-equivalent net interest income, annualized	[a]	$ 333,165	$ 306,539	$ 317,795	$ 319,852	$ 334,038
Adjusted net interest income, annualized	[b]	329,899	305,719	316,138	317,809	332,392
Average interest-earning assets	[c]	10,993,907	10,999,903	11,130,298	10,996,905	11,155,291
Reported: Net interest margin[2]	[a÷c]	3.03 %	2.79 %	2.86 %	2.91 %	2.99 %
Adjusted: Net interest margin[2]	[b÷c]	3.00 %	2.78 %	2.84 %	2.89 %	2.98 %

1. Tax-equivalent adjustments were calculated using an estimated federal income tax rate of 21%, applied to non-taxable interest income on investments and loans.
2. Tax-effected measure.

Non-GAAP Financial Information *(Unaudited)*

**Adjusted Noninterest Income, Operating Revenue, Adjusted Noninterest Income to Operating Revenue, Noninterest Expense Excluding Amortization of Intangible Assets, Adjusted Noninterest Expense,
Adjusted Core Expense, Noninterest Expense Excluding Non-Operating Adjustments,
Efficiency Ratio, Adjusted Efficiency Ratio, and Adjusted Core Efficiency Ratio**
(dollars in thousands)

		Three Months Ended			Six Months Ended	
		June 30, 2024	**March 31, 2024**	**June 30, 2023**	**June 30, 2024**	**June 30, 2023**
Net interest income	[a]	$ 82,434	$ 75,767	$ 78,670	$ 158,201	$ 164,527
Non-GAAP adjustments:						
Tax-equivalent adjustment[1]		402	449	561	851	1,119
Tax-equivalent net interest income	[b]	82,836	76,216	79,231	159,052	165,646
Total noninterest income		33,801	35,000	28,012	68,801	59,860
Non-GAAP adjustments:						
Net security (gains) losses		353	6,375	2,059	6,728	2,675
Noninterest income excluding net securities gains and losses	[c]	34,154	41,375	30,071	75,529	62,535
Further adjustments:						
Gain on sale of mortgage servicing rights		(277)	(7,465)	—	$ (7,742)	$ —
Adjusted noninterest income	[d]	$ 33,877	$ 33,910	$ 30,071	67,787	62,535
Tax-equivalent revenue	[e = b+c]	$ 116,990	$ 117,591	$ 109,302	$ 234,581	$ 228,181
Adjusted tax-equivalent revenue	[f = b+d]	$ 116,713	$ 110,126	$ 109,302	$ 226,839	$ 228,181
Operating revenue	[g = a+d]	$ 116,311	$ 109,677	$ 108,741	$ 225,988	$ 227,062
Adjusted noninterest income to operating revenue	[d÷g]	29.13 %	30.92 %	27.65 %	30.00 %	27.54 %
Total noninterest expense		$ 75,537	$ 70,769	$ 69,205	$ 146,306	$ 139,608
Non-GAAP adjustments:						
Amortization of intangible assets	[h]	(2,629)	(2,409)	(2,669)	(5,038)	(5,398)
Noninterest expense excluding amortization of intangible assets	[i]	72,908	68,360	66,536	141,268	134,210
Non-operating adjustments:						
Salaries, wages, and employee benefits		(1,137)	(123)	—	(1,260)	—
Data processing		(344)	(100)	—	(444)	—
Professional fees, occupancy, furniture and fixtures, and other		(731)	(185)	(12)	(916)	(12)
Adjusted noninterest expense	[j]	70,696	67,952	66,524	138,648	134,198
Provision for unfunded commitments		369	678	(265)	1,047	370
Amortization of New Markets Tax Credits		—	—	(2,259)	—	(4,480)
Adjusted core expense	[k]	$ 71,065	$ 68,630	$ 64,000	$ 139,695	$ 130,088
Noninterest expense, excluding non-operating adjustments	[j-h]	$ 73,325	$ 70,361	$ 69,193	$ 143,686	$ 139,596
Reported: Efficiency ratio	[i÷e]	62.32 %	58.13 %	60.87 %	60.22 %	58.82 %
Adjusted: Efficiency ratio	[j÷f]	60.57 %	61.70 %	60.86 %	61.12 %	58.81 %
Adjusted: Core efficiency ratio	[k÷f]	60.89 %	62.32 %	58.55 %	61.58 %	57.01 %

1. Tax-equivalent adjustments were calculated using an estimated federal income tax rate of 21%, applied to non-taxable interest income on investments and loans.

Non-GAAP Financial Information *(Unaudited)*

Tangible Book Value and Tangible Book Value Per Common Share
(dollars in thousands, except per share amounts)

		As of June 30, 2024	As of March 31, 2024	As of June 30, 2023
Total stockholders' equity		$ 1,333,810	$ 1,282,651	$ 1,201,948
Goodwill and other intangible assets, net		(370,580)	(351,455)	(358,898)
Tangible book value	[a]	$ 963,230	$ 931,196	$ 843,050
Ending number of common shares outstanding	[b]	56,746,937	55,300,008	55,290,847
Tangible book value per common share	[a÷b]	$ 16.97	$ 16.84	$ 15.25

Tangible Assets, Tangible Common Equity, and Tangible Common Equity to Tangible Assets
(dollars in thousands)

		As of June 30, 2024	As of March 31, 2024	As of June 30, 2023
Total assets		$ 11,971,416	$ 11,887,458	$ 12,209,029
Non-GAAP adjustments:				
Goodwill and other intangible assets, net		(370,580)	(351,455)	(358,898)
Tax effect of other intangible assets[1]		7,687	6,434	7,833
Tangible assets[2]	[a]	$ 11,608,523	$ 11,542,437	$ 11,857,964
Total stockholders' equity		$ 1,333,810	$ 1,282,651	$ 1,201,948
Non-GAAP adjustments:				
Goodwill and other intangible assets, net		(370,580)	(351,455)	(358,898)
Tax effect of other intangible assets[1]		7,687	6,434	7,833
Tangible common equity[2]	[b]	$ 970,917	$ 937,630	$ 850,883
Tangible common equity to tangible assets[2]	[b÷a]	8.36 %	8.12 %	7.18 %

1. Net of estimated deferred tax liability, calculated using the estimated statutory tax rate of 28%.
2. Tax-effected measure.

Non-GAAP Financial Information *(Unaudited)*

Core Deposits, Core Deposits to Total Deposits, and Portfolio Loans to Core Deposits

(dollars in thousands)

		As of		
		June 30, 2024	March 31, 2024	June 30, 2023
Portfolio loans	[a]	$ 7,998,912	$ 7,588,077	$ 7,805,284
Total deposits	[b]	$ 9,976,135	$ 9,960,191	$ 10,062,755
Non-GAAP adjustments:				
Brokered deposits, excluding brokered time deposits of $250,000 or more		(43,089)	(6,001)	(6,055)
Time deposits of $250,000 or more		(314,461)	(326,795)	(297,967)
Core deposits	[c]	$ 9,618,585	$ 9,627,395	$ 9,758,733
RATIOS				
Core deposits to total deposits	[c÷b]	96.42 %	96.66 %	96.98 %
Portfolio loans to core deposits	[a÷c]	83.16 %	78.82 %	79.98 %