UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): October 23, 2023

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 October 24, 2023, First Busey Corporation ("Busey" or the "Company") issued a press release ("Earnings Release") disclosing financial results for the quarter ended September 30, 2023. 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 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(b), (c)

Robin N. Elliott, a named executive officer of the Company, has departed from his role as President and Chief Executive Officer of Busey Bank (the "Bank") and his role as Chairman and Chief Executive Officer of FirsTech, Inc. ("FirsTech"), effective October 23, 2023, and has transitioned to a consultative role until December 31, 2023, when his employment will end. Van A. Dukeman has been appointed, effective October 23, 2023, President and Chief Executive Officer of the Bank in addition to his current role as Chairman of the Bank and Chairman, President, and Chief Executive Officer of the Company. Humair Ghauri has been appointed Chief Executive Officer of FirsTech in addition to his current role as President of FirsTech.

Effective October 23, 2023, Amy L. Randolph, a named executive officer of the Company, was appointed Executive Vice President, Chief Operating Officer of the Company. Prior to this appointment, Ms. Randolph served as Chief of Staff and Executive Vice President, Pillar Relations of the Company.

(e)

The Company, the Bank, and Mr. Elliott have entered into a letter agreement dated October 20, 2023 (the "Separation Letter"). Pursuant to the terms of the Separation Letter, Mr. Elliott will continue to be employed by the Company and its subsidiaries at his current base salary until his employment terminates on December 31, 2023 (the "Separation Date"). Mr. Elliott will receive separation payments consisting of (i) severance payments and benefits in accordance with Section 6(b) of his employment agreement with the Company and the Bank, effective December 5, 2019 (the "Employment Agreement"), and (ii) $1,007,526 in respect of the pro rata value of restricted stock units that will be forfeited upon Mr. Elliott's termination of employment, payable in cash in substantially equal installments over a one (1)-year period in accordance with the Company's regular payroll practices then in effect, commencing on March 1, 2024. The separation payments are conditioned on and subject to Mr. Elliott's execution and non-revocation of a general release and waiver of claims and his compliance with the terms and conditions of the Employment Agreement, including confidentiality, non-competition, and non-solicitation provisions.

The foregoing description of the Separation Letter does not purport to be complete and is qualified in its entirety by reference to the full text of the Separation Letter, which is attached hereto as Exhibit 10.1 and incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On October 24, 2023, Busey published its Earnings Investor Presentation discussing financial results for the quarter ended September 30, 2023. 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
10.1	Separation Letter, dated as of October 20, 2023 between First Busey Corporation, Busey Bank, and Robin N. Elliott
99.1	Earnings Release issued by First Busey Corporation, dated October 24, 2023
99.2	Earnings Investor Presentation issued by First Busey Corporation, dated October 24, 2023
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:	October 24, 2023	By:	/s/ Jeffrey D. Jones
			Jeffrey D. Jones
			Chief Financial Officer

FIRST BUSEY CORPORATION
100 W. UNIVERSITY AVE.
CHAMPAIGN, IL 61820

October 20, 2023

Mr. Robin N. Elliott
[redacted]

Dear Robin:

As discussed, your employment with First Busey Corporation ("First Busey") and its subsidiaries (collectively with First Busey, "Employer") will end on December 31, 2023 (the "Separation Date"). This letter is being provided to you to (i) memorialize our understanding regarding your duties during the period between the date hereof and the Separation Date (the "Transition Period") and (ii) describe amounts and the conditions on which severance payments and benefits will be provided to you.

1. Transition Period and Separation

As of October 23, 2023, you resign from (i) your role as President and Chief Executive Officer of Busey Bank, (ii) your role as Chairman and Chief Executive Officer of FirsTech, Inc., and (iii) all boards, board committees, and other administrative positions you hold at or on behalf of Employer. During the Transition Period, you will remain employed by Employer as an at-will employee at your current base salary and will be expected to assist in the transition of your job duties and perform (or refrain from performing) such other duties and responsibilities as requested by Employer. During the Transition Period, to the extent permitted by law, you will remain bound by all of your duties and obligations to Employer, including (without limitation) your duties and obligations under the employment agreement entered into with First Busey and Busey Bank effective December 5, 2019 (the "Employment Agreement") and other agreements or arrangements you may have with Employer, as applicable, and your duties and obligations as an employee or fiduciary under law, including the common law. At the close of business on the Separation Date, your employment with Employer will end automatically without further action by you or Employer. You agree to execute any further documentation Employer reasonably may request to evidence your resignation and termination of employment.

2. Payments and Benefits on Separation; Conditions to Payments and Benefits

In connection with your termination of employment and subject to the terms and conditions described herein, you will be entitled to receive the payments and benefits described in Schedule 1 attached to the Release (as defined below) (the "Separation Payment Schedule") in full satisfaction of all of Employer's obligations to you under Section 6(b) of the Employment Agreement and, in addition, Employer will make a cash payment in respect of the pro rata value of restricted stock units that will be forfeited upon your termination of employment (collectively, the "Separation Payments"). The Separation Payment Schedule details each of the Separation Payments. Employer also will pay you the "Accrued Benefits" (as defined in the Employment Agreement) in accordance with Section 6(a) of the Employment Agreement.

The Separation Payments are conditioned on and subject to your execution, after the Separation Date, and non-revocation of a general release and waiver of claims in the form set forth on Exhibit A hereto (the "Release") and your compliance with all other terms and conditions of the Release and the Employment Agreement, including the confidentiality, non-competition and non-solicitation provisions set forth in Sections 9 and 10 of the Employment Agreement.

3. No Other Benefits

You acknowledge and agree that, except as set forth in Section 2 of this letter, you are not entitled to any severance or other payments or benefits under the Employment Agreement, equity award agreements or otherwise in connection with your termination of employment with Employer.

4. Additional

This letter will be governed by and construed in accordance with the laws of the State of Illinois without reference to the law regarding of conflicts of law. Except as specifically provided herein, the terms of the Employment Agreement shall continue to apply.

[Remainder of Page Intentionally Left Blank]

If you agree that this letter correctly memorializes our understandings, please sign and return this letter, which will become a binding agreement on our receipt.

FIRST BUSEY CORPORATION and
BUSEY BANK

By: /s/ Van A. Dukeman Van A. Dukeman Chairman, President and Chief Executive Officer of First Busey Corporation and Busey Bank	/s/ Robin N. Elliott Robin N. Elliott
Date: 10.23.23	Date: 10.23.23

Exhibit A

AGREEMENT AND RELEASE

This Agreement and Release (this "Release"), is made and entered into by Robin N. Elliott ("Employee") in favor of First Busey Corporation ("First Busey") and its subsidiaries (collectively with First Busey, "Employer") and its affiliates, stockholders, beneficial owners of its stock, its current or former officers, directors, employees, members, attorneys and agents, and their predecessors, successors and assigns, individually and in their official capacities (together, the "Released Parties").

WHEREAS, Employee has been employed as President & Chief Executive Officer of Busey Bank;

WHEREAS, Employee's employment with Employer will be terminated, effective as of December 31, 2023 (the "Termination Date");

WHEREAS, Employee is seeking certain payments under Section 6(b) of the employment agreement entered into with First Busey and Busey Bank effective December 5, 2019 (the "Employment Agreement"), that are conditioned on the effectiveness of this Release;

NOW, THEREFORE, in consideration of the covenants and agreements hereinafter set forth, the parties agree as follows:

1. General Release. Employee knowingly and voluntarily waives, terminates, cancels, releases and discharges forever the Released Parties from any and all suits, actions, causes of action, claims, allegations, rights, obligations, liabilities, demands, entitlements or charges (collectively, "Claims") that Employee (or Employee's heirs, executors, administrators, successors and assigns) has or may have, whether known, unknown or unforeseen, vested or contingent, by reason of any matter, cause or thing occurring at any time before and including the date of this Release, arising under or in connection with Employee's employment or termination of employment with Employer, including, without limitation: Claims under United States federal, state or local law and the national or local law of any foreign country (statutory or decisional), for wrongful, abusive, constructive or unlawful discharge or dismissal, for breach of any contract, or for discrimination based upon race, color, ethnicity, sex, age, national origin, religion, disability, sexual orientation, or any other unlawful criterion or circumstance, including, without limitation, rights or Claims under the Age Discrimination in Employment Act of 1967 ("ADEA"), the Older Workers Benefit Protection Act of 1990 ("OWBPA"), violations of the Equal Pay Act, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Americans with Disabilities Act of 1991, the Employee Retirement Income Security Act of 1974 ("ERISA"), the Fair Labor Standards Act, the Worker Adjustment Retraining and Notification Act, the Family Medical Leave Act, including all amendments to any of the aforementioned acts; and violations of any other federal, state, or municipal fair employment statutes or laws, including, without limitation, violations of any other law, rule, regulation, or ordinance pertaining to employment, wages, compensation, hours worked, or any other Claims for compensation or bonuses, whether or not paid under any compensation plan or arrangement; breach of contract; tort and other common law Claims; defamation; libel; slander; impairment of economic opportunity defamation; sexual

harassment; retaliation; attorneys' fees; emotional distress; intentional infliction of emotional distress; assault; battery, pain and suffering; and punitive or exemplary damages (the "Released Matters"). In addition, in consideration of the provisions of this Release, Employee further agrees to waive any and all rights under the laws of any jurisdiction in the United States, or any other country, that limit a general release to those Claims that are known or suspected to exist in Employee's favor as of the Effective Date (as defined below).

2. Surviving Claims. Notwithstanding anything herein to the contrary, this Release shall not:

(i) release any Claims for payment of amounts payable under the Employment Agreement (including under Section 6(b) thereof) as set forth on Schedule 1 hereto;

(ii) release any Claim for employee benefits under plans covered by ERISA to the extent any such Claim may not lawfully be waived or for any payments or benefits under any Employer plans that have vested according to the terms of those plans;

(iii) release any Claim that may not lawfully be waived;

(iv) release any Claim for indemnification and D&O insurance in accordance with the Employment Agreement and with applicable laws and the corporate governance documents of Employer; or

(v) limit Employee's rights under applicable law to provide truthful information to any governmental entity or to file a charge with or participate in an investigation conducted by any governmental entity. In addition, it is understood that this Release shall not require Employee to notify Employer of a request for information from any governmental entity or of Employee's decision to file a charge with or participate in an investigation conducted by any governmental entity. Notwithstanding the foregoing, Employee agrees to waive Employee's right to recover monetary damages in connection with any charge, complaint or lawsuit filed by Employee or anyone else on Employee's behalf (whether involving a governmental entity or not); provided that Employee is not agreeing to waive, and this Release shall not be read as requiring Employee to waive, any right Employee may have to receive an award for information provided to any governmental entity.

3. Additional Representations. Employee further represents and warrants that Employee has not filed any civil action, suit, arbitration, administrative charge, or legal proceeding against any Released Party, nor has Employee assigned, pledged, or hypothecated as of the Effective Date any Claim to any person and no other person has an interest in the Claims that he is releasing.

4. Acknowledgements by Employee. Employee acknowledges and agrees that Employee has read this Release in its entirety and that this Release is a general release of all known and unknown Claims. Employee further acknowledges and agrees that:

(i) this Release does not release, waive or discharge any rights or Claims that may arise for actions or omissions after the Effective Date of this Release and Employee acknowledges that he is not releasing, waiving or discharging any ADEA Claims that may arise after the Effective Date of this Release;

(ii) Employee is entering into this Release and releasing, waiving and discharging rights or Claims only in exchange for consideration which Employee is not already entitled to receive;

(iii) Employee has been advised, and is being advised by the Release, to consult with an attorney before executing this Release; Employee acknowledges that Employee has consulted with counsel of Employee's choice concerning the terms and conditions of this Release;

(iv) Employee has been advised, and is being advised by this Release, that Employee has been given at least forty-five (45) days within which to consider the Release, but Employee can execute this Release at any time prior to the expiration of such review period; [and]

(v) Because this Release includes a release of claims under ADEA, Employee is being provided with the information contained in Schedule 2 hereto in accordance with the OWBPA; and

(vi) Employee is aware that this Release shall become null and void if Employee revokes Employee's agreement to this Release within seven (7) days following the date of execution of this Release. Employee may revoke this Release at any time during such seven-day period by delivering (or causing to be delivered) to Employer written notice of Employee's revocation of this Release no later than 5:00 p.m. Central time on the seventh (7th) full day following the date of execution of this Release (the "Effective Date"). Employee agrees and acknowledges that a letter of revocation that is not received by such date and time will be invalid and will not revoke this Release.

5. Confidentiality. Employee understands and agrees that the existence and terms of this Release may be publicly disclosed in accordance with applicable law; provided, however, that the negotiations and discussions leading up to this Release are confidential and that neither Employee, nor Employee's attorney, nor any individual acting on Employee's behalf shall disclose any of these matters to any person or entity, except as expressly required by law.

6. Non-Waiver. Employer's waiver of a breach of this Release by Employee shall not be construed or operate as a waiver of any subsequent breach by Employee of the same or of any other provision of this Release.

7. Non-Disparagement. Employer shall instruct in writing each member of the Board of Directors of First Busey and each executive officer of First Busey that at all times following the Termination Date, such individual shall not engage in any vilification of the Employee, and shall refrain from making any false, negative, critical or disparaging statements, implied or expressed, concerning Employee, including Employee's management style, methods of doing business, the quality of Employee's work or Employee's role in the community. To the fullest extent permitted by law, at all times following the Termination Date, Employee shall not

engage in any vilification of Employer and its officers and directors, and Employee shall refrain from making any false, negative, critical or disparaging statements, implied or expressed, concerning Employer and its officers and directors, including management style, methods of doing business, the quality of products and services, or role in the community. Employee shall do nothing that would damage Employer's business reputation or good will. Nothing in this section is intended to, and shall not, restrict or limit Employee from exercising his protected rights under Sections 2 or 4 hereof or restrict or limit Employee from providing truthful information in response to a subpoena, other legal process or to a governmental or regulatory body or in the event of litigation between Employee and Employer or its affiliates, or to prohibit Employee from making statements or engaging in any other activities or conduct protected by the National Labor Relations Act.

8. Restrictive Covenants. Employee shall abide by the terms set forth in Sections 9 and 10 of the Employment Agreement.

9. Governing Law and Enforcement. To the extent not subject to federal law, this Release shall be construed and the legal relations of Employee and Employer shall be determined in accordance with the laws of the State of Illinois without reference to the law regarding conflicts of law.

10. Counterparts. This Release may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Release.

11. Construction. The provisions of Section 15(l) of the Employment Agreement shall apply to this Release, provided that the word "Release" shall take the place of the word "Agreement" in such Section 15(l), where applicable.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed this Release as of dates set forth below their respective signatures below.

FIRST BUSEY CORPORATION and BUSEY BANK	EMPLOYEE
By: ______________________________ Van A. Dukeman Chairman, President and Chief Executive Officer of First Busey Corporation and Busey Bank	______________________________ Robin N. Elliott
Date:______________________________	Date:______________________________

SCHEDULE 1

Type of Payment or Benefit	Amount	Payment
Cash severance equal to 100% of the sum of (A) annual base salary ($480,000) plus (B) the amount of the most recent performance bonus paid by Employer ($472,905). (Section 6(b)(i))	$952,905	Payable in substantially equal installments over a one (1)-year period in accordance with Employer's regular payroll practices then in effect, commencing within 60 days following the Termination Date, subject to the effectiveness of the Release
An amount equal to the annual performance bonus earned by Employee in respect of 2023 based on actual performance, prorated based upon the number of days elapsed in 2023 prior to the Termination Date. (Section 6(b)(ii))	Determined based on actual performance through December 31, 2023	Paid in a lump sum at the time such awards are paid in 2024, subject to the effectiveness of the Release
Reimbursement for up to twelve (12) months for continuing coverage under Employer's health insurance pursuant to the health care continuation rules of the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), provided that Employee remains eligible for, and elects, such COBRA continuation for such period following the Termination Date. (Section 6(b)(iii))	N/A, as Employee has waived medical coverage through Employer and is not eligible to elect COBRA continuation coverage	N/A
Additional cash payment in respect of the pro rata value of restricted stock units that will be forfeited upon your termination of employment	$1,007,526.35	Payable in substantially equal installments over a one (1)-year period in accordance with Employer's regular payroll practices then in effect, commencing on March 1, 2024, subject to the effectiveness of the Release

The provisions of Section 15(j) of the Employment Agreement, regarding Section 409A of the Internal Revenue Code of 1986, as amended (together with the applicable regulations thereunder, "Section 409A"), shall apply to this Schedule 1. Each payment made under this Schedule 1 will be treated as a separate payment for purposes of purposes of Section 409A. In no event may Employee, directly or indirectly, designate the calendar year of payment.

FIRST BUSEY CORPORATION

ANNOUNCES

2023
THIRD
QUARTER

EARNINGS

Q3 | 2023

October 24, 2023

First Busey Corporation Announces 2023 Third Quarter Earnings

CHAMPAIGN, IL – (GLOBE NEWSWIRE) – First Busey Corporation (Nasdaq: BUSE)

Net Income of $30.7 million
Diluted EPS of $0.54

Third Quarter 2023 Highlights

- Net income excluding net securities losses[1] of $30.9 million and adjusted diluted EPS excluding net securities gains and losses[1] of $0.55
- Total deposits increased $269.6 million, or 2.7%, quarter-over-quarter, to $10.33 billion
- Short-term borrowings decreased to $12.0 million, compared to $212.0 million at the end of the second quarter of 2023 and $615.9 million at the end of the first quarter of 2023
- Non-performing assets declined 23.6% during the third quarter of 2023, to $12.1 million, now representing 0.10% of total assets
- Classified assets declined to $59.6 million, compared to $81.9 million at the close of the second quarter of 2023 and $103.9 million at the end of the first quarter of 2023
- Annualized net charge-off ratio of 0.01% in the quarter and 0.02% over the last twelve months[2]
- Noninterest income excluding net securities losses[1] increased to $31.3 million, from $30.1 million in the second quarter of 2023, representing 28.7% of total revenue
- Wealth management segment revenue of $14.4 million in the third quarter of 2023, a 14.7% increase over the comparable period in 2022
- Annualized return on average assets of 1.0%, return on average tangible common equity[1] of 14.3% and adjusted core efficiency ratio[1] of 60.23%
- For additional information, please refer to the 3Q23 Earnings Investor Presentation

Message from our Chairman & CEO

Third Quarter Financial Results

Net income for First Busey Corporation ("Busey," "Company," "we," "us," or "our") was $30.7 million for the third quarter of 2023, or $0.54 per diluted common share, compared to $29.4 million, or $0.52 per diluted common share, for the second quarter of 2023, and $35.7 million, or $0.64 per diluted common share, for the third quarter of 2022. Adjusted net income[1] was $30.7 million, or $0.55 per diluted common share, for the third quarter of 2023. Non-operating adjustments to net income for the second quarter of 2023 were immaterial. Adjusted net income[1] was $36.4 million, or $0.65 per diluted common share, for the third quarter of 2022.

Net income includes net losses on securities of $0.3 million for the third quarter of 2023, $2.1 million for the second quarter of 2023, which are largely unrealized, and an immaterial net gain for the third quarter of 2022. Net income excluding net securities losses[1] for the third quarter of 2023 would have been $30.9 million, resulting in adjusted diluted EPS excluding net securities gains and losses[1] of $0.55.

Annualized return on average assets and annualized return on average tangible common equity[1] were 1.00% and 14.31%, respectively, for the third quarter of 2023.

[1] See "Non-GAAP Financial Information" for a reconciliation.
[2] For the quarterly period, average portfolio loans, the denominator in the net charge off ratio, is calculated on a daily average basis. For the last twelve-month period, average portfolio loans is calculated as the quarterly average of the average portfolio loans balances over the most recent four quarters.

Pre-provision net revenue[3] was $38.1 million for the third quarter of 2023, compared to $39.5 million for the second quarter of 2023 and $46.5 million for the third quarter of 2022. Adjusted pre-provision net revenue[3] was $40.5 million for the third quarter of 2023, compared to $42.1 million for the second quarter of 2023 and $48.8 million for the third quarter of 2022. Pre-provision net revenue to average assets[3] was 1.24% for the third quarter of 2023, compared to 1.30% for the second quarter of 2023, and 1.47% for the third quarter of 2022. Adjusted pre-provision net revenue to average assets[3] was 1.32% for the third quarter of 2023, compared to 1.38% for the second quarter of 2023 and 1.54% for the third quarter of 2022.

The decline in pre-provision net revenue in the third quarter, compared to the second quarter, was largely the result of a $0.9 million decrease in net interest income, which is primarily the result of deposits migrating into higher cost offerings. Net interest margin declined from 2.86% in the second quarter of 2023 to 2.80% in the third quarter of 2023.

Our fee-based businesses continue to add revenue diversification. Noninterest income excluding net securities gains and losses[3] was $31.3 million, or 28.7% of operating revenue[4], during the third quarter of 2023, compared to $30.1 million, or 27.7% of total operating revenue, for the second quarter of 2023 and $30.9 million, or 26.4% of total operating revenue, for the third quarter of 2022.

During a time of decades-high inflation, we have effectively managed our noninterest expense, and have been purposeful in our efforts to rationalize our expense base given our economic outlook and our view on the future of banking. Noninterest expense was $70.9 million in the third quarter of 2023, compared to $69.2 million in the second quarter of 2023 and $70.7 million in the third quarter of 2022. Adjusted core expense[3] was $66.0 million in the third quarter of 2023, compared to $64.0 million in the second quarter of 2023 and $65.6 million in the third quarter of 2022, reflecting a less than 1% year-over-year increase in quarterly adjusted core expenses. As we enter the last quarter of 2023, we expect to continue to prudently manage our expenses.

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.

Busey's growth trend for portfolio loans continued during the third quarter of 2023, with loans being originated at attractive spreads while maintaining our prudent underwriting standards. Loan growth was $50.9 million in the third quarter of 2023, compared to growth of $21.5 million in the second quarter of 2023 and $172.3 million in the third quarter of 2022. Over the last four quarters, Busey has generated $186.0 million in portfolio loan growth, equating to a year-over-year growth rate of 2.4%. Our reported loan growth has been reduced by a $22.2 million reduction in classified assets during the third quarter of 2023, largely attributable to pay-offs from customers in the manufacturing, nursing home, and senior housing industries, and a $47.5 million reduction in classified assets since the beginning of the year, a positive development and consistent with our prudent credit risk management philosophy, particularly given our outlook for the economy. Our loan to deposit ratio was 76.0% at the end of the third quarter of 2023, compared to 77.6% for the second quarter of 2023 and 72.4% for the third quarter of 2022.

The quality of our core deposit franchise is a critical value driver of our institution. Over the last two quarters our deposit base has grown by more than $530 million, allowing us to substantially reduce our exposure to higher cost wholesale borrowings. Our granular deposit base continues to position us well, and as of September 30, 2023 our estimated uninsured and uncollateralized deposits[5] percentage was 28% and 96.6% of our deposits were core deposits[3]. Our retail deposit base was comprised of more than 257,000 accounts with an average balance of $21 thousand and an average tenure of 16.4 years as of September 30, 2023. Our commercial deposit base was comprised of more than 33,000 accounts with an average balance of $105 thousand and an average tenure of 12.3 years as of September 30, 2023. Furthermore, we have sufficient on- and off-balance sheet liquidity to manage deposit fluctuations and the liquidity needs of our customers.

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[3] See "Non-GAAP Financial Information" for a reconciliation.

[4] Operating revenue consists of net interest income plus noninterest income, net of securities gains and losses.

[5] 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).

Asset quality remains strong by both Busey's historical and current industry trends. Non-performing assets saw a further 23.6% decline during the third quarter of 2023 to $12.1 million, now representing only 0.10% of total assets. We experienced our third consecutive quarter of declines in total classified assets. Total classified assets of $59.6 million at the end of the third quarter of 2023 now represent a historically low 3.9% of consolidated total capital. Busey's results for the third quarter of 2023 include a $0.4 million provision expense for credit losses and an immaterial provision expense for unfunded commitments. The allowance for credit losses was $91.7 million as of September 30, 2023, representing 1.17% of total portfolio loans outstanding, and 763.8% of non-performing loans. Busey recorded net charge offs of $0.3 million in the third quarter of 2023, which equates to 0.01% of average loans on an annualized basis. As of September 30, 2023, our commercial real estate loan portfolio of investor-owned office properties within Central Business District[6] areas remained low at $9.5 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 third quarter, Common Equity Tier 1 and Total Capital to Risk Weighted Assets ratios[7] increased to 12.52% and 16.72%, respectively. In fact, our regulatory capital ratios continue to provide a buffer of more than $480 million above levels required to be designated well-capitalized. Our Tangible Common Equity ratio[8] declined modestly to 7.06% during the third quarter of 2023 as a result of the impact of rising rates on the market value of our securities portfolio, but remains substantially above the 6.17% reported for the third quarter of 2022. During the third quarter of 2023, we paid a common share dividend of $0.24 and repurchased 65,123 shares of our common stock at a weighted average price of $19.63 per share.

Community Banking
Busey's goal of being a strong community bank begins with outstanding associates. Busey is humbled to be named among the 2023 Best Banks to Work For by *American Banker*, the 2022 Best Places to Work in Money Management by *Pensions and Investments*, the 2023 Best Places to Work in Illinois by *Daily Herald Business Ledger*, and the 2023 Best Companies to Work For in Florida by *Florida Trend* magazine.

We are grateful for the opportunities to earn the business of our customers, based on the contributions of our talented associates and the continued support of our loyal shareholders. We remain cognizant of the evolving economic outlook and extremely focused on balance sheet strength, profitability, and growth, in that order. With our strong capital position, an attractive core funding base, and a sound credit foundation, we feel confident that we are well positioned to continue producing quality growth and profitability as we move into the final quarter of 2023 and into 2024.

Van A. Dukeman
Chairman, President & Chief Executive Officer
First Busey Corporation

[6] Central Business District areas within Busey's footprint include downtown St. Louis, downtown Indianapolis, and downtown Chicago.
[7] Capital ratios for the third quarter of 2023 are not yet finalized, and are subject to change.
[8] See "Non-GAAP Financial Information" for a reconciliation.

SELECTED FINANCIAL HIGHLIGHTS *(unaudited)*

(dollars in thousands, except per share amounts)

	Three Months Ended			Nine Months Ended	
	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
EARNINGS & PER SHARE AMOUNTS					
Net income	$ 30,666	$ 29,364	$ 35,661	$ 96,816	$ 93,924
Diluted earnings per common share	0.54	0.52	0.64	1.72	1.67
Cash dividends paid per share	0.24	0.24	0.23	0.72	0.69
Pre-provision net revenue[1, 2]	38,139	39,536	46,498	125,593	122,133
Revenue[3]	109,084	108,741	117,234	336,146	332,337
Net income by operating segments:					
Banking	31,189	30,665	37,082	98,689	94,032
FirsTech	317	226	353	505	1,300
Wealth Management	4,781	4,932	3,756	14,571	14,688
AVERAGE BALANCES					
Cash and cash equivalents	$ 252,730	$ 235,858	$ 331,397	$ 237,370	$ 455,545
Investment securities	3,148,759	3,255,741	3,667,753	3,254,054	3,825,265
Loans held for sale	2,267	1,941	4,195	1,955	6,376
Portfolio loans	7,834,285	7,755,618	7,617,918	7,767,378	7,387,582
Interest-earning assets	11,118,167	11,130,298	11,497,783	11,142,780	11,550,887
Total assets	12,202,783	12,209,865	12,531,856	12,225,232	12,547,816
Noninterest bearing deposits	2,925,244	3,054,483	3,583,693	3,082,884	3,569,562
Interest-bearing deposits	7,217,463	6,797,588	6,993,125	6,886,277	6,997,106
Total deposits	10,142,707	9,852,071	10,576,818	9,969,161	10,566,668
Securities sold under agreements to repurchase and federal funds purchased	190,112	201,020	233,032	207,014	246,481
Interest-bearing liabilities	7,864,355	7,762,628	7,605,148	7,748,218	7,611,314
Total liabilities	10,994,376	11,001,930	11,350,408	11,029,374	11,328,171
Stockholders' equity - common	1,208,407	1,207,935	1,181,448	1,195,858	1,219,645
Tangible common equity[2]	850,382	847,294	812,467	835,204	847,772
PERFORMANCE RATIOS					
Pre-provision net revenue to average assets[1, 2]	1.24 %	1.30 %	1.47 %	1.37 %	1.30 %
Return on average assets	1.00 %	0.96 %	1.13 %	1.06 %	1.00 %
Return on average common equity	10.07 %	9.75 %	11.98 %	10.82 %	10.30 %
Return on average tangible common equity[2]	14.31 %	13.90 %	17.41 %	15.50 %	14.81 %
Net interest margin[2, 4]	2.80 %	2.86 %	3.00 %	2.93 %	2.71 %
Efficiency ratio[2]	62.38 %	60.87 %	57.62 %	59.97 %	60.30 %
Noninterest revenue as a % of total revenues[3]	28.69 %	27.65 %	26.38 %	27.91 %	30.10 %
NON-GAAP FINANCIAL INFORMATION					
Adjusted pre-provision net revenue[1, 2]	$ 40,491	$ 42,072	$ 48,800	$ 132,067	$ 129,421
Adjusted net income[2]	30,730	29,373	36,435	96,889	95,620
Adjusted diluted earnings per share[2]	0.55	0.52	0.65	1.72	1.70
Adjusted pre-provision net revenue to average assets[2]	1.32 %	1.38 %	1.54 %	1.44 %	1.38 %
Adjusted return on average assets[2]	1.00 %	0.96 %	1.15 %	1.06 %	1.02 %
Adjusted return on average tangible common equity[2]	14.34 %	13.90 %	17.79 %	15.51 %	15.08 %
Adjusted net interest margin[2, 4]	2.79 %	2.84 %	2.97 %	2.91 %	2.68 %
Adjusted efficiency ratio[2]	62.31 %	60.86 %	56.81 %	59.95 %	59.67 %

1. Net interest income plus noninterest income, excluding securities gains and losses, less noninterest expense.
2. See "*Non-GAAP Financial Information*" for reconciliation.
3. Revenue consists of net interest income plus noninterest income, excluding securities gains and losses.
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				
	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
ASSETS					
Cash and cash equivalents	$ 337,919	$ 232,703	$ 275,569	$ 227,164	$ 347,149
Investment securities	3,074,237	3,186,984	3,302,024	3,391,240	3,494,710
Loans held for sale	3,051	1,545	2,714	1,253	4,546
Commercial loans	5,824,800	5,793,426	5,815,703	5,766,496	5,724,137
Retail real estate and retail other loans	2,031,360	2,011,858	1,968,105	1,959,206	1,945,977
Portfolio loans	7,856,160	7,805,284	7,783,808	7,725,702	7,670,114
Allowance for credit losses	(91,710)	(91,639)	(91,727)	(91,608)	(90,722)
Premises and equipment	122,538	122,669	126,515	126,524	128,175
Goodwill and other intangible assets, net	356,343	358,898	361,567	364,296	367,091
Right of use asset	11,500	11,806	12,291	12,829	10,202
Other assets	588,212	580,779	571,794	579,277	566,123
Total assets	$ 12,258,250	$ 12,209,029	$ 12,344,555	$ 12,336,677	$ 12,497,388
LIABILITIES & STOCKHOLDERS' EQUITY					
Noninterest bearing deposits	$ 2,918,574	$ 3,086,885	$ 3,173,783	$ 3,393,666	$ 3,628,169
Interest checking, savings, and money market deposits	5,747,136	5,504,255	5,478,715	5,822,239	6,173,041
Time deposits	1,666,652	1,471,615	1,148,671	855,375	800,187
Total deposits	$ 10,332,362	$ 10,062,755	$ 9,801,169	$ 10,071,280	$ 10,601,397
Securities sold under agreements to repurchase	$ 183,702	$ 202,953	$ 210,977	$ 229,806	$ 234,597
Short-term borrowings	12,000	212,000	615,881	351,054	16,225
Long-term debt	243,666	246,454	249,245	252,038	254,835
Junior subordinated debt owed to unconsolidated trusts	71,946	71,900	71,855	71,810	71,765
Lease liability	11,783	12,059	12,515	12,995	10,311
Other liabilities	212,633	198,960	184,355	201,717	201,670
Total liabilities	11,068,092	11,007,081	11,145,997	11,190,700	11,390,800
Total stockholders' equity	1,190,158	1,201,948	1,198,558	1,145,977	1,106,588
Total liabilities & stockholders' equity	$ 12,258,250	$ 12,209,029	$ 12,344,555	$ 12,336,677	$ 12,497,388
SHARE AND PER SHARE AMOUNTS					
Book value per common share	$ 21.51	$ 21.74	$ 21.68	$ 20.73	$ 20.04
Tangible book value per common share[1]	$ 15.07	$ 15.25	$ 15.14	$ 14.14	$ 13.39
Ending number of common shares outstanding	55,342,017	55,290,847	55,294,455	55,279,124	55,232,434

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

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS *(unaudited)*
(dollars in thousands, except per share amounts)

	Three Months Ended			Nine Months Ended	
	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
INTEREST INCOME					
Interest and fees on loans held for sale and portfolio	$ 99,844	$ 94,804	$ 76,081	$ 284,423	$ 202,530
Interest on investment securities	21,234	20,784	18,249	62,360	49,852
Other interest income	1,591	1,311	1,085	3,890	1,720
Total interest income	$ 122,669	$ 116,899	$ 95,415	$ 350,673	$ 254,102
INTEREST EXPENSE					
Interest on deposits	$ 37,068	$ 26,768	$ 3,565	$ 78,576	$ 7,835
Interest on securities sold under agreements to repurchase and federal funds purchased	1,327	1,223	459	3,772	665
Interest on short-term borrowings	1,964	5,741	190	12,527	426
Interest on long-term debt	3,528	3,552	4,110	10,631	10,739
Junior subordinated debt owed to unconsolidated trusts	991	945	786	2,849	2,148
Total interest expense	$ 44,878	$ 38,229	$ 9,110	$ 108,355	$ 21,813
Net interest income	$ 77,791	$ 78,670	$ 86,305	$ 242,318	$ 232,289
Provision for credit losses	364	627	2,364	1,944	3,764
Net interest income after provision for credit losses	$ 77,427	$ 78,043	$ 83,941	$ 240,374	$ 228,525
NONINTEREST INCOME					
Wealth management fees	$ 14,235	$ 14,562	$ 12,508	$ 43,594	$ 42,422
Fees for customer services	7,502	7,239	7,627	21,560	26,122
Payment technology solutions	5,226	5,231	5,080	15,772	15,045
Mortgage revenue	311	272	438	871	1,697
Income on bank owned life insurance	1,001	1,029	958	3,682	2,716
Net securities gains (losses)	(285)	(2,059)	4	(2,960)	(2,324)
Other noninterest income	3,018	1,738	4,318	8,349	12,046
Total noninterest income	$ 31,008	$ 28,012	$ 30,933	$ 90,868	$ 97,724
NONINTEREST EXPENSE					
Salaries, wages, and employee benefits	$ 39,677	$ 39,859	$ 39,762	$ 119,867	$ 117,226
Data processing expense	5,930	5,902	5,447	17,472	15,800
Net occupancy expense	4,594	4,540	4,705	13,896	14,492
Furniture and equipment expense	1,638	1,681	1,799	5,065	5,874
Professional fees	1,542	973	1,579	4,573	4,693
Amortization of intangible assets	2,555	2,669	2,871	7,953	8,833
Interchange expense	1,786	1,870	1,574	5,509	4,606
FDIC insurance	1,475	1,506	882	4,483	3,108
Other operating expenses	11,748	10,205	12,117	31,735	35,572
Total noninterest expense	$ 70,945	$ 69,205	$ 70,736	$ 210,553	$ 210,204
Income before income taxes	$ 37,490	$ 36,850	$ 44,138	$ 120,689	$ 116,045
Income taxes	6,824	7,486	8,477	23,873	22,121
Net income	$ 30,666	$ 29,364	$ 35,661	$ 96,816	$ 93,924
SHARE AND PER SHARE AMOUNTS					
Basic earnings per common share	$ 0.55	$ 0.53	$ 0.64	$ 1.75	$ 1.70
Diluted earnings per common share	$ 0.54	$ 0.52	$ 0.64	$ 1.72	$ 1.67
Average common shares outstanding	55,486,700	55,440,277	55,349,547	55,441,980	55,399,424
Diluted average common shares outstanding	56,315,492	56,195,801	56,073,164	56,230,624	56,123,756

Balance Sheet Strength

Our balance sheet remains a source of strength. Total assets were $12.26 billion as of September 30, 2023, compared to $12.21 billion as of June 30, 2023, and $12.50 billion as of September 30, 2022. Portfolio loans totaled $7.86 billion at September 30, 2023, compared to $7.81 billion at June 30, 2023, and $7.67 billion at September 30, 2022. During the third quarter of 2023, Busey Bank experienced its tenth consecutive quarter of core loan[9] growth. Growth of $50.9 million in core loans was driven primarily by our northern and central regions. Overall, growth was tempered by a $22.2 million reduction of classified assets, largely attributable to pay-offs from customers in the manufacturing, nursing home, and senior housing industries. 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. This posture will impact loan growth in subsequent quarters.

Average portfolio loans were $7.83 billion for the third quarter of 2023, compared to $7.76 billion for the second quarter of 2023 and $7.62 billion for the third quarter of 2022. Average interest-earning assets were $11.12 billion for the third quarter of 2023, compared to $11.13 billion for the second quarter of 2023, and $11.50 billion for the third quarter of 2022.

Total deposits were $10.33 billion at September 30, 2023, compared to $10.06 billion at June 30, 2023, and $10.60 billion at September 30, 2022. Average deposits were $10.14 billion for the third quarter of 2023, compared to $9.85 billion for the second quarter of 2023 and $10.58 billion for the third quarter of 2022. Deposit growth in the third quarter of 2023 over the second quarter of 2023 was primarily driven by retail and business customers, and to a smaller extent public funds. 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 from deposit accounts to our wealth management group. Core deposits[9] accounted for 96.6% of total deposits as of September 30, 2023. Cost of deposits was 1.45% in the third quarter of 2023, which represents a 36 basis point increase from the second quarter of 2023. Excluding time deposits, Busey's cost of deposits was 1.09% in the third quarter of 2023, a 28 basis point increase from June 30, 2023.

Short term borrowings decreased to $12.0 million as of September 30, 2023, compared to $212.0 million as of June 30, 2023 and $615.9 million as of March 31, 2023. We had no borrowings from the Federal Home Loan Bank ("FHLB") at the end of the third quarter of 2023, compared to $200.0 million at the end of the second quarter and $603.9 million at the end of the first quarter. Average short-term borrowings decreased to $139.2 million in the third quarter of 2023, compared to $443.8 million in the second quarter of 2023. We have sufficient on- and off-balance sheet liquidity[10] to manage deposit fluctuations and the liquidity needs of our customers. As of September 30, 2023, our available sources of on- and off-balance sheet liquidity totaled $6.49 billion. We increased deposit campaigns starting in the first quarter of 2023 to attract term funding and savings accounts at a lower rate than our marginal cost of funds. In addition, we instituted a company-wide incentive campaign to drive new customer account openings. Our time deposit campaigns generated increased traction and production throughout the second and third quarters and we expect to continue to implement prudent and measured strategies to generate deposit growth. New certificate of deposit production in the third quarter of 2023 had a weighted average term of 9.2 months at a rate of 4.45%, 82 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 $72.9 million in the third quarter of 2023 and are expected to be approximately $82.6 million over the remainder of 2023 with a yield of 1.56%. For 2024, cash flows from our securities portfolio are expected to be approximately $355.9 million with a yield of 1.67%.

[9] See "*Non-GAAP Financial Information*" for a reconciliation.
[10] 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.

Asset Quality

Credit quality continues to be exceptionally strong. Loans 30-89 days past due totaled $5.9 million as of September 30, 2023, compared to $5.2 million as of June 30, 2023, and $6.3 million as of September 30, 2022. Non-performing loans were $12.0 million as of September 30, 2023, compared to $15.8 million as of June 30, 2023, and $16.7 million as of September 30, 2022. Continued disciplined credit management resulted in non-performing loans as a percentage of portfolio loans of 0.15% as of September 30, 2023, 0.20% as of June 30, 2023, and 0.22% as of September 30, 2022. Non-performing assets were 0.10% of total assets for third quarter of 2023, compared to 0.13% for the second quarter of 2023 and 0.14% for the third quarter of 2022. Our total classified assets declined from $81.9 million at June 30, 2023, to $59.6 million at September 30, 2023. The quarter-over-quarter decline in classified assets is largely attributable to pay-offs from customers in the manufacturing, nursing home, and senior housing industries. This $22.2 million reduction in classified assets during the third quarter of 2023 follows a reduction of $22.0 million during the second quarter of 2023. During the first three quarters of 2023, classified asset balances have declined by a total of $47.5 million, and total classified assets now represent only 3.9% of consolidated total capital.

Net charge-offs were $0.3 million for the third quarter of 2023, $0.7 million for the second quarter of 2023, and $0.4 million for the third quarter of 2022. Our ratio of net charge-offs to average loans was 0.01% during the third quarter of 2023 and 0.02% over the last twelve months[11]. The allowance as a percentage of portfolio loans was 1.17% as of both September 30, 2023 and June 30, 2023, compared to 1.18% as of September 30, 2022. The allowance as a percentage of non-performing loans was 763.8% as of September 30, 2023, compared to 580.8% as of June 30, 2023, and 544.7% as of September 30, 2022.

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

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[11] For the quarterly period, average portfolio loans, the denominator in the net charge off ratio, is calculated on a daily average basis. For the last twelve month period, average portfolio loans is calculated as the quarterly average of the average portfolio loans balances over the most recent four quarters.

ASSET QUALITY *(unaudited)*
(dollars in thousands)

	As of				
	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Total assets	$ 12,258,250	$ 12,209,029	$ 12,344,555	$ 12,336,677	$ 12,497,388
Portfolio loans	7,856,160	7,805,284	7,783,808	7,725,702	7,670,114
Loans 30 – 89 days past due	5,934	5,169	5,472	6,548	6,307
Non-performing loans:					
Non-accrual loans	11,298	15,209	14,714	15,067	15,425
Loans 90+ days past due and still accruing	709	569	500	673	1,229
Non-performing loans	$ 12,007	$ 15,778	$ 15,214	$ 15,740	$ 16,654
Non-performing loans, segregated by geography:					
Illinois / Indiana	$ 7,951	$ 11,681	$ 10,416	$ 10,347	$ 10,531
Missouri	3,747	3,928	4,103	4,676	5,008
Florida	309	169	695	717	1,115
Other non-performing assets	96	68	759	850	1,219
Non-performing assets	$ 12,103	$ 15,846	$ 15,973	$ 16,590	$ 17,873
Allowance for credit losses	$ 91,710	$ 91,639	$ 91,727	$ 91,608	$ 90,722
RATIOS					
Non-performing loans to portfolio loans	0.15 %	0.20 %	0.20 %	0.20 %	0.22 %
Non-performing assets to total assets	0.10 %	0.13 %	0.13 %	0.13 %	0.14 %
Non-performing assets to portfolio loans and other non-performing assets	0.15 %	0.20 %	0.21 %	0.21 %	0.23 %
Allowance for credit losses to portfolio loans	1.17 %	1.17 %	1.18 %	1.19 %	1.18 %
Allowance for credit losses as a percentage of non-performing loans	763.80 %	580.80 %	602.91 %	582.01 %	544.75 %

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

	Three Months Ended			Nine Months Ended	
	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net charge-offs (recoveries)	$ 293	$ 715	$ 399	$ 1,842	$ 929
Provision expense (release)	364	627	2,364	1,944	3,764
Net charge-offs, annualized	1,162	2,868	1,583	2,463	1,242
Average portfolio loans	7,834,285	7,755,618	7,617,918	7,767,378	7,387,582
Net charge-off ratio	0.01 %	0.04 %	0.02 %	0.03 %	0.02 %

Net Interest Margin[12] and Net Interest Income

Net interest margin was 2.80% for the third quarter of 2023, compared to 2.86% for the second quarter of 2023 and 3.00% for the third quarter of 2022. Excluding purchase accounting accretion, adjusted net interest margin[12] was 2.79% for the third quarter of 2023, compared to 2.84% in the second quarter of 2023 and 2.97% in the third quarter of 2022. Net interest income was $77.8 million in the third quarter of 2023, compared to $78.7 million in the second quarter of 2023 and $86.3 million in the third quarter of 2022.

[12] See *"Non-GAAP Financial Information"* for a reconciliation.

The FOMC raised rates by 25 basis points during the third quarter of 2023, and by a total of 525 basis points since the onset of the current FOMC tightening cycle that began in the first quarter of 2022. 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. Components of the 6 basis point decrease in net interest margin during the third quarter of 2023 include:

- Increased loan portfolio income contributed +16 basis points
- Reduced borrowing costs contributed +13 basis points
- Increases in the cash and securities portfolio yield contributed +2 basis points
- Increased non-maturity deposit funding costs contributed -22 basis points
- Increased time deposit funding costs contributed -14 basis points
- Reduced recognition of purchase accounting accretion contributed -1 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 1.6% over the subsequent twelve-month period. Market competition for deposits remains significant and deposit betas are likely to rise further, which is factored into our ALCO model. 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. We are committed to protecting our quality core deposit franchise and are in regular contact with our customers to proactively address their needs and concerns. Time deposit specials and retail incentive campaigns continue to provide sufficient funding flows and we maintained excess earning cash levels the majority of the quarter. As the tightening cycle advances and rotation into these higher cost of fund products has accelerated, deposit beta expectations have increased marginally. 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 31%. Our cycle-to-date total deposit beta has been 26% through September 30, 2023. Deposit betas are calculated based on an average federal funds rate of 5.43% during the third quarter of 2023, which is a 27 basis point increase over the second quarter of 2023 average federal funds rate of 5.16%.

Noninterest Income

Noninterest income was $31.0 million for the third quarter of 2023, as compared to $28.0 million for the second quarter of 2023 and $30.9 million for the third quarter of 2022. Revenues from wealth management fees and payment technology solutions activities represented 62.8% of Busey's noninterest income for the quarter ended September 30, 2023, providing a balance to spread-based revenue from traditional banking activities.

Consolidated wealth management fees were $14.2 million for the third quarter of 2023, compared to $14.6 million for the second quarter of 2023 and $12.5 million for the third quarter of 2022. On a segment basis, Wealth Management generated $14.4 million in revenue during the third quarter of 2023, a 14.7% increase over the $12.5 million reported in the third quarter of 2022. The Wealth Management operating segment generated net income of $4.8 million in third quarter of 2023, compared to $4.9 million in the second quarter of 2023 and $3.8 million in the third quarter of 2022. Busey's Wealth Management division ended the third quarter of 2023 with $11.55 billion in assets under care, compared to $11.48 billion at the end of the second quarter of 2023 and $10.75 billion at the end of the third quarter of 2022. Our portfolio management team continues to produce solid results in the face of volatile markets, and has outperformed its blended benchmark[13] over the last twelve months, as well as over the last three years and the last five years.

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

Payment technology solutions revenue from FirsTech was $5.2 million for both the second and third quarters of 2023, compared to $5.1 million for the third quarter of 2022. Excluding intracompany eliminations, FirsTech generated revenue of $5.7 million during the third quarter of 2023, compared to $5.6 million in both the second quarter of 2023 and the third quarter of 2022. The FirsTech operating segment generated net income of $0.3 million in the third quarter of 2023, compared to $0.2 million in the second quarter of 2023 and $0.4 million in the third quarter of 2022.

Fees for customer services were $7.5 million for the third quarter of 2023, compared to $7.2 million in the second quarter of 2023 and $7.6 million in the third quarter of 2022.

Net securities losses were $0.3 million for the third quarter of 2023, which were comprised of an immaterial amount of realized net losses and $0.3 million of unrealized net losses on equity securities.

Other noninterest income was $3.0 million in the third quarter of 2023, compared to $1.7 million in the second quarter of 2023 and $4.3 million in the third quarter of 2022. Fluctuations between the second quarter of 2023 and the third quarter of 2023 were primarily the result of increases in venture capital investment values and gains on commercial loans sales.

Operating Efficiency

Noninterest expense was $70.9 million in the third quarter of 2023, compared to $69.2 million in the second quarter of 2023 and $70.7 million for the third quarter of 2022. The efficiency ratio[14] was 62.38% for the third quarter of 2023, compared to 60.87% for the second quarter of 2023, and 57.62% for the third quarter of 2022. The adjusted core efficiency ratio[14] was 60.23% for the third quarter of 2023, compared to 58.55% for the second quarter of 2023 and 55.67% for the third quarter of 2022. Busey remains focused on expense discipline.

Noteworthy components of noninterest expense are as follows:

- Salaries, wages, and employee benefits expenses were $39.7 million in the third quarter of 2023, compared to $39.9 million in the second quarter of 2023 and $39.8 million in the third quarter of 2022. Our associate-base consisted of 1,484 full-time equivalents as of September 30, 2023, compared to 1,477 as of June 30, 2023, and 1,513 as of September 30, 2022.

- Data processing expense was $5.9 million in the both the second and third quarters of 2023, compared to $5.4 million in the third quarter of 2022. The year-over-year increase was related to Company-wide investments in technology enhancements, as well as inflation-driven price increases.

- Professional fees were $1.5 million in the third quarter of 2023, compared to $1.0 million in the second quarter of 2023 and $1.6 million in the third quarter of 2022. The quarter-over-quarter increase resulted primarily from a second quarter recapture of legal expenses related to the pay-off of a large classified asset, partially offset by declines in consulting fees.

- Amortization of intangible assets was $2.6 million in the third quarter of 2023, compared to $2.7 million in the second quarter of 2023 and $2.9 million in the third quarter of 2022.

- FDIC insurance expense was $1.5 million in both the second and third quarter of 2023, compared to $0.9 million in the third quarter of 2022, as a result of an FDIC final rule to increase the initial base deposit insurance assessment rate applicable to all FDIC-insured depository institutions by two basis points beginning in 2023.

- Other operating expenses were $11.7 million for the third quarter of 2023, compared to $10.2 million in the second quarter of 2023 and $12.1 million in the third quarter of 2022. The quarter-over-quarter increase is attributable to multiple items, including fraud losses and card service expenses.

[14] See "*Non-GAAP Financial Information*" for a reconciliation.

Busey's effective tax rate for the third quarter of 2023 was 18.2%, which was lower than the combined federal and state statutory rate of approximately 28.0% due to tax exempt interest income, such as municipal bond interest, bank owned life insurance income, and investments in various federal and state tax credits.

Beginning in 2024, Busey intends to adopt ASU 2023-02, which allows entities to elect to account for equity investments made primarily for the purpose of receiving income tax credits using the proportional amortization method, regardless of the tax credit program through which the investment earns income tax credits, if certain conditions are met. 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 October 27, 2023, Busey will pay a cash dividend of $0.24 per common share to stockholders of record as of October 20, 2023. Busey has consistently paid dividends to its common stockholders since the bank holding company was organized in 1980.

As of September 30, 2023, 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[15] to be 12.52% at September 30, 2023, compared to 12.35% at June 30, 2023, and 11.79% at September 30, 2022. Our Total Capital to Risk Weighted Assets ratio is estimated[15] to be 16.72% at September 30, 2023, compared to 16.56% at June 30, 2023, and 15.98% at September 30, 2022.

Busey’s tangible common equity[16] was $841.2 million at September 30, 2023, compared to $850.9 million at June 30, 2023, and $748.9 million at September 30, 2022. Tangible common equity[16] represented 7.06% of tangible assets at September 30, 2023, compared to 7.18% at June 30, 2023, and 6.17% at September 30, 2022. Busey’s tangible book value per common share[16] decreased from $15.25 at June 30, 2023, to $15.07 at September 30, 2023. The ratios of tangible common equity to tangible assets[16] 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.

During the third quarter of 2023, Busey purchased 65,123 shares of its common stock at a weighted average price of $19.63 per share for a total of $1.3 million under the Company’s stock repurchase plan. Repurchases were executed due to favorable pricing of Busey’s shares during the third quarter of 2023. As of September 30, 2023, Busey had 2,037,087 shares remaining on its stock repurchase plan available for repurchase.

3Q23 Earnings Investor Presentation

For additional information on Busey’s financial condition and operating results, please refer to the 3Q23 Earnings Investor Presentation furnished via Form 8-K on October 24, 2023, in connection with this earnings release.

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[15] Capital ratios for the third quarter of 2023 are not yet finalized, and are subject to change.
[16] See *“Non-GAAP Financial Information”* for a reconciliation.

Corporate Profile

As of September 30, 2023, First Busey Corporation (Nasdaq: BUSE) was a $12.26 billion financial holding company headquartered in Champaign, Illinois.

Busey Bank, a wholly-owned bank subsidiary of First Busey Corporation, had total assets of $12.23 billion as of September 30, 2023, and is headquartered in Champaign, Illinois. Busey Bank currently has 46 banking centers serving Illinois, eight banking centers serving Missouri, three banking centers serving southwest Florida, and one banking center in Indianapolis, Indiana.

Through Busey's Wealth Management division, the Company provides asset management, investment, and fiduciary services to individuals, businesses, and foundations. Assets under care totaled $11.55 billion as of September 30, 2023.

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.

Busey Bank is honored to be named among America's Best Banks by *Forbes* magazine for the second consecutive year. Ranked 26th overall in 2023, compared to 52nd in last year's rankings, Busey was once again the top-ranked bank headquartered in Illinois. Additionally, for the first time in 2023, Busey was named among DiversityInc's Top Regional Companies. The DiversityInc Top 50 survey is the external validator for large U.S. employers that model fairness in their talent strategy, workplace and supplier diversity practices, and philanthropic engagement. We are honored to be consistently recognized 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 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 the Company'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 the Company's performance over time.

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, and adjusted return on average tangible common equity; net income and net security gains and losses in the case of net income excluding net securities gains and losses and diluted earnings per share excluding net securities gains and losses; 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 expense, noninterest expense excluding non-operating adjustments, adjusted core expense, efficiency ratio, adjusted efficiency ratio, and adjusted core efficiency ratio; 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; portfolio loans in the case of core loans and core loans to portfolio loans; total deposits in the case of core deposits and core deposits to total deposits; and portfolio loans and total deposits in the case of core loans to core deposits—appears below.

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 or effective rates as appropriate.

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			Nine Months Ended	
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
PRE-PROVISION NET REVENUE						
Net interest income		$ 77,791	$ 78,670	$ 86,305	$ 242,318	$ 232,289
Total noninterest income		31,008	28,012	30,933	90,868	97,724
Net security (gains) losses		285	2,059	(4)	2,960	2,324
Total noninterest expense		(70,945)	(69,205)	(70,736)	(210,553)	(210,204)
Pre-provision net revenue		38,139	39,536	46,498	125,593	122,133
Non-GAAP adjustments:						
Acquisition and other restructuring expenses		79	12	957	91	2,095
Provision for unfunded commitments		13	265	(320)	(357)	525
Amortization of New Markets Tax Credits		2,260	2,259	1,665	6,740	4,668
Adjusted pre-provision net revenue		$ 40,491	$ 42,072	$ 48,800	$ 132,067	$ 129,421
Pre-provision net revenue, annualized	[a]	$ 151,312	$ 158,578	$ 184,476	$ 167,917	$ 163,291
Adjusted pre-provision net revenue, annualized	[b]	160,644	168,750	193,609	176,573	173,035
Average total assets	[c]	12,202,783	12,209,865	12,531,856	12,225,232	12,547,816
Reported: Pre-provision net revenue to average assets[1]	[a÷c]	1.24 %	1.30 %	1.47 %	1.37 %	1.30 %
Adjusted: Pre-provision net revenue to average assets[1]	[b÷c]	1.32 %	1.38 %	1.54 %	1.44 %	1.38 %

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			Nine Months Ended	
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
NET INCOME ADJUSTED FOR NON-OPERATING ITEMS						
Net income	[a]	$ 30,666	$ 29,364	$ 35,661	$ 96,816	$ 93,924
Non-GAAP adjustments:						
Acquisition expenses:						
Salaries, wages, and employee benefits		—	—	—	—	587
Data processing		—	—	—	—	214
Professional fees, occupancy, and other		79	12	4	91	242
Other restructuring expenses:						
Loss on leases or fixed asset impairment		—	—	877	—	976
Professional fees, occupancy, and other		—	—	76	—	76
Related tax benefit[1]		(15)	(3)	(183)	(18)	(399)
Adjusted net income	[b]	$ 30,730	$ 29,373	$ 36,435	$ 96,889	$ 95,620
DILUTED EARNINGS PER SHARE						
Diluted average common shares outstanding	[c]	56,315,492	56,195,801	56,073,164	56,230,624	56,123,756
Reported: Diluted earnings per share	[a÷c]	$ 0.54	$ 0.52	$ 0.64	$ 1.72	$ 1.67
Adjusted: Diluted earnings per share	[b÷c]	$ 0.55	$ 0.52	$ 0.65	$ 1.72	$ 1.70
RETURN ON AVERAGE ASSETS						
Net income, annualized	[d]	$ 121,664	$ 117,779	$ 141,481	$ 129,443	$ 125,576
Adjusted net income, annualized	[e]	121,918	117,815	144,552	129,540	127,844
Average total assets	[f]	12,202,783	12,209,865	12,531,856	12,225,232	12,547,816
Reported: Return on average assets[2]	[d÷f]	1.00 %	0.96 %	1.13 %	1.06 %	1.00 %
Adjusted: Return on average assets[2]	[e÷f]	1.00 %	0.96 %	1.15 %	1.06 %	1.02 %
RETURN ON AVERAGE TANGIBLE COMMON EQUITY						
Average common equity		$ 1,208,407	$ 1,207,935	$ 1,181,448	$ 1,195,858	$ 1,219,645
Average goodwill and other intangible assets, net		(358,025)	(360,641)	(368,981)	(360,654)	(371,873)
Average tangible common equity	[g]	$ 850,382	$ 847,294	$ 812,467	$ 835,204	$ 847,772
Reported: Return on average tangible common equity[2]	[d÷g]	14.31 %	13.90 %	17.41 %	15.50 %	14.81 %
Adjusted: Return on average tangible common equity[2]	[e÷g]	14.34 %	13.90 %	17.79 %	15.51 %	15.08 %

1. The year-to-date tax benefits were calculated by multiplying year-to-date acquisition expenses and other restructuring expenses by the effective tax rates for the year-to-date periods. The annual effective tax rates used in this calculation were 19.8% for the nine months ended September 30, 2023, and 19.1% for the nine months ended September 30, 2022. Quarterly tax benefits were calculated as the year-to-date amounts less the sum of amounts applied to previous quarters.
2. Annualized measure.

Reconciliation Of Non-GAAP Financial Measures *(unaudited)*

Net Income Excluding Net Securities Gains and Losses and Diluted Earnings Per Share Excluding Net Securities Gains and Losses

(dollars in thousands)

		Three Months Ended			Nine Months Ended	
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net income	[a]	$ 30,666	$ 29,364	$ 35,661	$ 96,816	$ 93,924
Non-GAAP adjustments:						
Net securities (gains) losses		285	2,059	(4)	2,960	2,324
Tax effect for net securities (gains) losses[1]		(52)	(418)	1	(585)	(443)
Net income excluding net securities (gains) losses[2]	[b]	$ 30,899	$ 31,005	$ 35,658	$ 99,191	$ 95,805
Diluted average common shares outstanding	[c]	56,315,492	56,195,801	56,073,164	56,230,624	56,123,756
Reported: Diluted earnings per share	[a÷c]	$ 0.54	$ 0.52	$ 0.64	$ 1.72	$ 1.67
Adjusted: Diluted earnings per share, excluding net securities (gains) losses[2]	[b÷c]	$ 0.55	$ 0.55	$ 0.64	$ 1.76	$ 1.71

1. The tax effects for net securities gains and losses were calculated by multiplying net securities gains and losses by the effective income tax rates for the periods indicated. Effective tax rates were 18.2%, 20.3%, and 19.2% for the three months ended September 30, 2023, June 30, 2023, and September 30, 2022, respectively, and were 19.8% and 19.1% for the nine months ended September 30, 2023, and September 30, 2022, respectively.
2. Tax-effected measure.

Adjusted Net Interest Income and Adjusted Net Interest Margin

(dollars in thousands)

		Three Months Ended			Nine Months Ended	
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net interest income		$ 77,791	$ 78,670	$ 86,305	$ 242,318	$ 232,289
Non-GAAP adjustments:						
Tax-equivalent adjustment[1]		553	561	543	1,672	1,635
Tax-equivalent net interest income		78,344	79,231	86,848	243,990	233,924
Purchase accounting accretion related to business combinations		(277)	(413)	(830)	(1,093)	(2,588)
Adjusted net interest income		$ 78,067	$ 78,818	$ 86,018	$ 242,897	$ 231,336
Tax-equivalent net interest income, annualized	[a]	$ 310,821	$ 317,795	$ 344,560	$ 326,214	$ 312,756
Adjusted net interest income, annualized	[b]	309,722	316,138	341,267	324,752	309,295
Average interest-earning assets	[c]	11,118,167	11,130,298	11,497,783	11,142,780	11,550,887
Reported: Net interest margin[2]	[a÷c]	2.80 %	2.86 %	3.00 %	2.93 %	2.71 %
Adjusted: Net interest margin[2]	[b÷c]	2.79 %	2.84 %	2.97 %	2.91 %	2.68 %

1. The 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)*

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			Nine Months Ended	
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net interest income		$ 77,791	$ 78,670	$ 86,305	$ 242,318	$ 232,289
Non-GAAP adjustments:						
Tax-equivalent adjustment[1]		553	561	543	1,672	1,635
Tax-equivalent net interest income		78,344	79,231	86,848	243,990	233,924
Total noninterest income		31,008	28,012	30,933	90,868	97,724
Non-GAAP adjustments:						
Net security (gains) losses		285	2,059	(4)	2,960	2,324
Noninterest income excluding net securities gains and losses		31,293	30,071	30,929	93,828	100,048
Tax-equivalent revenue	[a]	$ 109,637	$ 109,302	$ 117,777	$ 337,818	$ 333,972
Total noninterest expense		$ 70,945	$ 69,205	$ 70,736	$ 210,553	$ 210,204
Non-GAAP adjustments:						
Amortization of intangible assets	[b]	(2,555)	(2,669)	(2,871)	(7,953)	(8,833)
Non-interest expense excluding amortization of intangible assets	[c]	68,390	66,536	67,865	202,600	201,371
Non-operating adjustments:						
Salaries, wages, and employee benefits		—	—	—	—	(587)
Data processing		—	—	—	—	(214)
Impairment, professional fees, occupancy, and other		(79)	(12)	(957)	(91)	(1,294)
Adjusted noninterest expense	[f]	68,311	66,524	66,908	202,509	199,276
Provision for unfunded commitments		(13)	(265)	320	357	(525)
Amortization of New Markets Tax Credits		(2,260)	(2,259)	(1,665)	(6,740)	(4,668)
Adjusted core expense	[g]	$ 66,038	$ 64,000	$ 65,563	$ 196,126	$ 194,083
Noninterest expense, excluding non-operating adjustments	[f-b]	$ 70,866	$ 69,193	$ 69,779	$ 210,462	$ 208,109
Reported: Efficiency ratio	[c÷a]	62.38 %	60.87 %	57.62 %	59.97 %	60.30 %
Adjusted: Efficiency ratio	[f÷a]	62.31 %	60.86 %	56.81 %	59.95 %	59.67 %
Adjusted: Core efficiency ratio	[g÷a]	60.23 %	58.55 %	55.67 %	58.06 %	58.11 %

1. The 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				
		September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Total stockholders' equity		$ 1,190,158	$ 1,201,948	$ 1,198,558	$ 1,145,977	$ 1,106,588
Non-GAAP adjustments:						
Goodwill and other intangible assets, net		(356,343)	(358,898)	(361,567)	(364,296)	(367,091)
Tangible book value	[a]	$ 833,815	$ 843,050	$ 836,991	$ 781,681	$ 739,497
Ending number of common shares outstanding	[b]	55,342,017	55,290,847	55,294,455	55,279,124	55,232,434
Tangible book value per common share	[a÷b]	$ 15.07	$ 15.25	$ 15.14	$ 14.14	$ 13.39

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

(dollars in thousands)

		As of				
		September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Total assets		$ 12,258,250	$ 12,209,029	$ 12,344,555	$ 12,336,677	$ 12,497,388
Non-GAAP adjustments:						
Goodwill and other intangible assets, net		(356,343)	(358,898)	(361,567)	(364,296)	(367,091)
Tax effect of other intangible assets[1]		7,354	7,833	8,335	8,847	9,369
Tangible assets[2]	[a]	$ 11,909,261	$ 11,857,964	$ 11,991,323	$ 11,981,228	$ 12,139,666
Total stockholders' equity		$ 1,190,158	$ 1,201,948	$ 1,198,558	$ 1,145,977	$ 1,106,588
Non-GAAP adjustments:						
Goodwill and other intangible assets, net		(356,343)	(358,898)	(361,567)	(364,296)	(367,091)
Tax effect of other intangible assets[1]		7,354	7,833	8,335	8,847	9,369
Tangible common equity[2]	[b]	$ 841,169	$ 850,883	$ 845,326	$ 790,528	$ 748,866
Tangible common equity to tangible assets[2]	[b÷a]	7.06 %	7.18 %	7.05 %	6.60 %	6.17 %

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

(dollars in thousands)

		As of				
		September 30, 2023	**June 30, 2023**	**March 31, 2023**	**December 31, 2022**	**September 30, 2022**
Portfolio loans	[a]	$ 7,856,160	$ 7,805,284	$ 7,783,808	$ 7,725,702	$ 7,670,114
Non-GAAP adjustments:						
PPP loans amortized cost		(598)	(667)	(750)	(845)	(1,426)
Core loans	[b]	$ 7,855,562	$ 7,804,617	$ 7,783,058	$ 7,724,857	$ 7,668,688
Total deposits	[c]	$ 10,332,362	$ 10,062,755	$ 9,801,169	$ 10,071,280	$ 10,601,397
Non-GAAP adjustments:						
Brokered transaction accounts		(6,055)	(6,055)	(6,005)	(1,303)	(2,006)
Time deposits of $250,000 or more		(350,276)	(297,967)	(200,898)	(120,377)	(103,534)
Core deposits	[d]	$ 9,976,031	$ 9,758,733	$ 9,594,266	$ 9,949,600	$ 10,495,857
RATIOS						
Core loans to portfolio loans	[b÷a]	99.99 %	99.99 %	99.99 %	99.99 %	99.98 %
Core deposits to total deposits	[d÷c]	96.55 %	96.98 %	97.89 %	98.79 %	99.00 %
Core loans to core deposits	[b÷d]	78.74 %	79.98 %	81.12 %	77.64 %	73.06 %

Special Note Concerning Forward-Looking Statements

Statements made in this document, other than those concerning historical financial information, may be considered forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the 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 Busey's forward-looking statements. These factors include, among others, the following: (i) the strength of the local, state, national, and international economy (including effects of inflationary pressures and supply chain constraints); (ii) the economic impact of any future terrorist threats or attacks, widespread disease or pandemics (including the Coronavirus Disease 2019 pandemic), 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); (iii) changes in state and federal laws, regulations, and governmental policies concerning Busey's general business (including changes in response to the recent failures of other banks); (iv) changes in accounting policies and practices; (v) changes in interest rates and prepayment rates of Busey's assets (including the impact of the London Interbank Offered Rate phase-out and the recent and potential additional rate increases by the Federal Reserve); (vi) 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; (vii) changes in technology and the ability to develop and maintain secure and reliable electronic systems; (viii) the loss of key executives or associates; (ix) changes in consumer spending; (x) unexpected results of current and/or future acquisitions, which may include failure to realize the anticipated benefits of any acquisition and the possibility that transaction costs may be greater than anticipated; (xi) unexpected outcomes of existing or new litigation involving Busey; (xii) fluctuations in the value of securities held in our securities portfolio; (xiii) concentrations within our loan portfolio, large loans to certain borrowers, and large deposits from certain clients; (xiv) the concentration of large deposits from certain clients who have balances above current FDIC insurance limits and may withdraw deposits to diversify their exposure; (xv) the level of non-performing assets on our balance sheets; (xvi) interruptions involving our information technology and communications systems or third-party servicers; (xvii) breaches or failures of our information security controls or cybersecurity-related incidents; and (xviii) 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.

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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Q3 2023
EARNINGS
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PRESENTATION
October 24, 2023
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FIRST BUSEY CORPORATION

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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 the Company'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 the Company's performance over time.

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, and adjusted return on average tangible common equity; net income and net security gains and losses in the case of net income excluding net securities gains and losses and diluted earnings per share excluding net securities gains and losses; 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 expense, noninterest expense excluding non-operating adjustments, adjusted core expense, efficiency ratio, adjusted efficiency ratio, and adjusted core efficiency ratio; 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; portfolio loans in the case of core loans and core loans to portfolio loans; total deposits in the case of core deposits and core deposits to total deposits; and portfolio loans and total deposits in the case of core loans to core deposits—appears in the appendix of this presentation.

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 or effective rates as appropriate.

Table of Contents

Overview of First Busey Corporation (NASDAQ: BUSE)

155+ YEARS

155+ year old financial institution headquartered in Champaign, IL

BuseyBANK — Business | Wealth Management | Personal — COMMERCIAL BANKING

Busey WEALTH MANAGEMENT — WEALTH MANAGEMENT

firstech — PAYMENT TECH SOLUTIONS

Regional operating model serving four regions

- **Northern** (IL)
- **Central** (IL/IN)
- **Gateway** (MO/IL)
- **Florida**

Among the Best

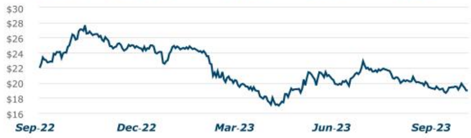
Forbes America's Best Banks; American Banker 2022 Best Banks to Work For; Best Places to Work in Illinois 2023; NOD 2022 Leading Disability Employer; Pensions&Investments Best Places to Work 2022; Florida Trend Best Companies to Work For in Florida 2023 Winner; St. Louis Business Journal

Financial Highlights

$ in millions	2021	2022	2023 YTD
Total Assets	$12,860	$12,337	$12,258
Total Loans	$7,189	$7,726	$7,856
Total Deposits	$10,769	$10,071	$10,332
Total Equity	$1,319	$1,146	$1,190
NPA/Assets	0.17 %	0.13 %	0.10 %
Net Interest Margin [1]	2.49 %	2.84 %	2.93 %
Adj. PPNR ROAA [1]	1.35 %	1.44 %	1.44 %
Adj. ROAA [1]	1.15 %	1.06 %	1.06 %
Adj. ROATCE [1]	14.40 %	15.99 %	15.51 %

BUSE Stock Price [2]

Market Cap	Price Per Share	Dividend Yield	Price/TBV	Price/NTM [3]
$1.0B	$18.97	5.1%	1.3x	9.7x



[1] Non-GAAP calculation, see Appendix | [2] Market Data for BUSE updated to close on 10/23/23, per Nasdaq | [3] Based on consensus median net income of covering analysts as of 10/23/23

Diversified Company with Comprehensive & Innovative Financial Solutions

Busey BANK

Full suite of diversified financial products for individuals and businesses

$12.2 Billion
Assets [1]

$395.7 Million
LTM Revenue [2]

14.3%
Adj. ROATCE (MRQ) [3]

Busey WEALTH MANAGEMENT

Wealth & asset management services for individuals and businesses

$11.5 Billion
Assets Under Care

$57.0 Million
LTM Revenue [4]

43.8%
PT Margin (MRQ)

firstech

Payment platform that enables the collection of payments across a variety of modules

$11 Billion
Payments Processed [5]

$22.4 Million
LTM Revenue [6]

+10%
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, see Appendix
[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*	*Gateway*	*Northern*	*Florida*
Banking Centers	25	20	10	3
Deposits	$5.5 billion	$2.6 billion	$1.8 billion	$451 million
Loans	$3.3 billion	$2.0 billion	$2.1 billion	$439 million
AUC	$8.1 billion	$1.4 billion	$1.0 billion	$1.0 billion
Legacy Institutions	Busey Main Street Herget South Side	Pulaski Bank of Edwardsville	First Community Glenview State Bank	Busey Investors' Security Trust

As of 9/30/23

Investment Highlights

Attractive Franchise that Provides Innovative Financial Solutions	• 58 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 (96.6%)[1], low cost non-time deposits (109 bps) in 3Q23, and low level of uninsured & uncollateralized deposits[2] (28%) at 9/30/23 • Substantial investments in technology enterprise-wide, next generation leadership talent, 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 • 10 consecutive quarters of relationship-driven core organic loan growth while maintaining pristine credit quality • Efficient and right-sized branch network (average deposits per branch of $178 million) • Leverage track record as proven successful acquirer to expand through disciplined M&A
Powerful Combination of Three Business Lines Drives Strong Noninterest Income	• Significant revenue derived from diverse and complementary fee income sources • Noninterest income / revenue (ex-securities gains/losses)[4] of 28.7% for 3Q23 • Wealth management and payment technology solutions account for 62.2% of noninterest income (ex-securities gains/losses) in 3Q23 • Sizable business lines provide for a full suite of solutions for our clients across their lifecycle
Attractive Profitability and Returns	• Adjusted ROAA of 1.00% [1] & Adjusted ROATCE of 14.34% [1] for 3Q23 • 3Q23 NIM of 2.80% [1] • Adjusted Core Efficiency Ratio of 60.2% [1] for 3Q23 • Adjusted diluted EPS of $0.55 [1] for 3Q23 • Quarterly dividend of $0.24 (5.1% yield) [5]

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] Ex-PPP; Non-GAAP calculation, see Appendix | [4] Non-GAAP, revenue consists of net interest income plus noninterest income, excluding security gains and losses | [5] Based on BUSE closing stock price on 10/23/23

Fortress Balance Sheet

High Quality, Resilient Loan Portfolio

- Diversified portfolio, conservatively underwritten with low levels of concentration
- Non-performing (0.10% of total assets) and classified assets (4.1% of capital[3]) both remain near historically low levels
  - Classified assets reduced $22 million, or 27%, in 3Q23 and $47 million, or 44%, YTD.
- Reserves remain above initial Day 1 CECL coverage of 1.06%: ACL/Loans: 1.17% | ACL/NPLs: 763.80%
- 100 / 300 Test: 37% C&D | 208% CRE
- Minimal office CRE located in metro central business districts; substantial majority of office properties are in suburban locations and 49% of the total office portfolio is medical office

Strong Core Deposit Franchise & Ample Liquidity

- Robust holding company and bank-level liquidity
- Strong core deposit franchise
  - 76.0% loan-to-deposit ratio, 96.6% core deposits[2]
  - 28.2% of total deposits are noninterest-bearing
  - Low level of estimated uninsured & uncollateralized deposits[4] at 28% of total deposits at 9/30/23
- Cash & Equivalents + Available-For-Sale Securities carrying value represents 86% of estimated uninsured & uncollateralized deposits[4]
- Substantial sources of available off-balance sheet contingent funding totaling $4.0 billion, representing an additional 1.4x coverage of estimated uninsured & uncollateralized deposits[4] at 9/30/23
  - Untapped borrowing capacity ($4.0 billion in aggregate): $1.8 billion with FHLB, $0.7 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 9/30/23
  - No utilization of the Fed's Bank Term Funding Program

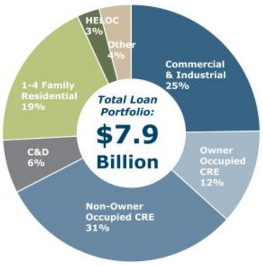
Robust Capital Foundation

- Capital ratios significantly in excess of well-capitalized minimums
- Total RBC of 16.7% and CET1 ratio of 12.5% at 9/30/23 [1]
- TCE/TA ratio of 7.06% at 9/30/23 [2]
- TBV per share of $15.07 at 9/30/23 [2]

[1] Capital ratios are preliminary estimates | [2] Non-GAAP calculation, see Appendix | [3] Capital calculated as Bank Tier 1 Capital + Allowance for credit losses | [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)

High Quality Loan Portfolio

Loan Portfolio Composition | 3Q23



MRQ Yield on Loans
5.07%

3Q23 Net New Funding Yield
7.24%

Classified Loans / Capital [1]
4.1%

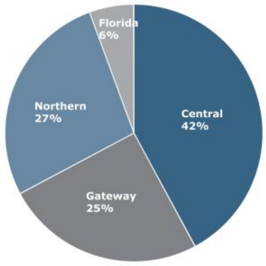
New Originations YTD

Sept. net new funding yield of 7.60% (typically a 60-day lag from rate/loan approval to funding)

Approx. 71% of new commercial production was due to growth within existing bank relationships

New CRE-I originations had a weighted-avg LTV of 61%

Loan Portfolio Regional Segmentation [2]



Ex-PPP Loans Trends

$ in millions

LTM Core Growth [3] **+2.4%**

LTM Commercial Growth [3] **+1.8%**

Funded Draws & Line Utilization Rate [4]

$ in millions

Line utilization has declined $147 million YTD

[1] Capital is Bank Tier 1 Capital + Allowance for credit losses | [2] Based on loan origination | [3] Busey loans ex-PPP | [4] 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	9/30/23 Balances	% of Total Loans	9/30/23 Classified Balances
Apartments	$620,231	7.9 %	$0
Retail	525,818	6.7 %	5,818
Industrial/Warehouse	338,161	4.3 %	494
Traditional Office	282,829	3.6 %	889
Student Housing	268,875	3.4 %	3,848
Hotel	190,647	2.4 %	0
Medical Office	175,680	2.2 %	0
Senior Housing	170,970	2.2 %	0
LAD	149,421	1.9 %	0
Specialty	102,544	1.3 %	136
Restaurant	24,589	0.3 %	79
Nursing Homes	24,437	0.3 %	116
Health Care	20,000	0.3 %	0
1-4 Family	19,452	0.2 %	0
Other	556	0.0 %	0
Grand Total	**$2,914,210**	**37.1 %**	**$11,380**

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

- Only 0.4% of total CRE-I loans are classified
  - Payoff of $2.5 million classified senior housing credit and payoff of $2.9 million of classified nursing home balances during 3Q23
- Low levels of concentrated exposure - continue to actively monitor CRE-I concentrations vs. internally-defined appetite thresholds
  - 100/300 Test: 37% C&D | 208% CRE-I
- Apartments & Student Housing represents 31% of CRE-I
  - 60% WAvg LTV & 58% long-term customers (4+ years)

[1] Investor owned CRE includes C&D, Multifamily and non-owner occupied CRE

Owner Occupied CRE Loans by Property Type

$ in thousands Property Type	9/30/23 Balances	% of Total Loans	9/30/23 Classified Balances
Industrial/Warehouse	$377,312	4.8 %	$4,636
Specialty	241,239	3.1 %	589
Office	113,299	1.4 %	446
Medical Office	100,995	1.3 %	0
Retail	60,477	0.8 %	1,548
Restaurant	43,951	0.6 %	49
Nursing Homes	1,513	0.0 %	0
Health Care	790	0.0 %	0
Hotel	603	0.0 %	0
Other	200	0.0 %	0
Apartments	150	0.0 %	0
Student Housing	100	0.0 %	0
Grand Total	**$940,629**	**12.0 %**	**$7,268**

Owner Occupied CRE Portfolio (OOCRE)

- Only 0.8% of total OOCRE loans are classified
- OOCRE properties are underwritten to operating cash flow and guidance requires a 1.20x FCCR
- 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 40% of the OOCRE portfolio while only 4.8% of total loans

Office Investor Owned CRE Portfolio

All data as of 9/30/23

$ in thousands Metric	Traditional Office	Medical Office	Top Ten Largest Office Loans	CBD Office Exposure
Total Balances	$282,829	$170,970	$123,983	$9,455
% of CRE-I Portfolio	9.7 %	5.9 %	4.3 %	0.3 %
% of Office CRE-I Portfolio	62.3 %	37.7 %	27.3 %	2.1 %
# of Loans	221	78	10	5
Average Loan Size	$1,280	$2,192	$12,398	$1,891
Total Classified Balances	$889	$0	$0	$0
Weighted Avg Current LTV	57 %	65 %	66%	43%

Top Ten Largest Office Loans

Weighted Average DSCR:	**1.55**
Weighted Average Debt Yield:	**10.4%**
WAvg 1-Year Lease Rollover:	**6.0%**
WAvg 2-Year Lease Rollover:	**7.2%**

Limited Metro Central Business District Exposure

Downtown Chicago

No outstanding Office CRE-I in Downtown Chicago

Downtown St. Louis

4 Properties with $9.1 million in balances

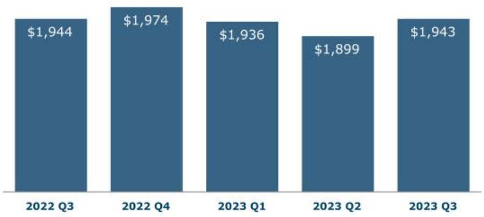
Downtown Indy

1 Property with $0.4 million in balances

High Quality Loan Portfolio: C&I

- 24.6% of total loan portfolio (ex-PPP loans)
- All C&I loans are underwritten to 1.20x FCCR requirement and RLOCs greater than $1 million require a monthly borrowing base
- Diversified portfolio results in low levels of concentrated exposure
  - Top concentration in one industry (manufacturing) is 16% of C&I loans, or 4% of total loans
- Only 1.8% of C&I loans are classified, down from 2.6% in 2Q23
  - Manufacturing classified balances declined by $13.6 million during 3Q23, mostly due to the payoff of one credit that had been downgraded from special mention to classified during 4Q22

Total C&I Loans Trend [1]



C&I Loans by Sector

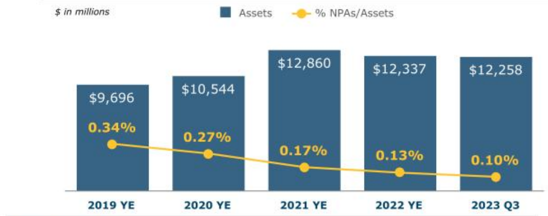
$ in thousands NAICS Sector	9/30/23 Balances (ex-PPP)	% of Total Loans	9/30/23 Classified Balances
Manufacturing	$310,314	3.9 %	$17,038
Finance and Insurance	243,871	3.1 %	0
Real Estate Rental & Leasing	229,293	2.9 %	2,029
Wholesale Trade	201,625	2.6 %	0
Construction	183,601	2.3 %	865
Educational Services	135,758	1.7 %	83
Agriculture, Forestry, Fishing, Hunting	89,587	1.1 %	1,449
Transportation	86,836	1.1 %	0
Health Care and Social Assistance	77,404	1.0 %	5,564
Food Services and Drinking Places	76,413	1.0 %	0
Other Services (except Public Admin.)	68,336	0.9 %	135
Public Administration	62,595	0.8 %	0
Arts, Entertainment, and Recreation	57,038	0.7 %	214
Retail Trade	51,748	0.7 %	2,835
Professional, Scientific, & Tech. Svcs.	32,691	0.4 %	2,536
Administrative and Support Services	15,579	0.2 %	262
Mining, Quarrying, Oil & Gas Extract.	7,599	0.1 %	0
Waste Management Services	6,890	0.1 %	1,353
Information	3,426	0.0 %	0
Management of Cos. and Enterprises	1,125	0.0 %	0
Utilities	1,048	0.0 %	0
Grand Total	**$1,942,777**	**24.6 %**	**$34,363**

[1] Ex-PPP loan totals include purchase accounting, FASB, overdrafts, etc.

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)
- Company-wide attention to changing economic environment and potential impact on credit
- NPAs reduced to $12.1 million (0.10% of assets) and classified assets reduced to $59.6 million (4.1% of Bank Tier 1 Capital + ALLL)
- LTM net charge-offs total $1.8 million, which equates to 0.02% of LTM average loans[1]

NPAs/ Assets



	2019 YE	2020 YE	2021 YE	2022 YE	2023 Q3
NPAs ($)	$32.6	$28.9	$21.3	$16.6	$12.1

Classifieds / Capital [2]

	2019 YE	2020 YE	2021 YE	2022 YE	2023 Q3
Classified Assets ($)	$106.9	$97.8	$91.8	$107.1	$59.6

NCOs / Average Loans

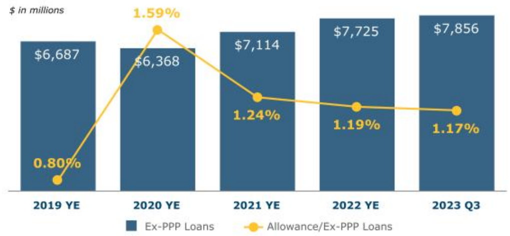
	2019 YE	2020 YE	2021 YE	2022 YE	2023 Q3
NCOs ($)	$7.3	$8.3	$2.2	$0.9	$0.3

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

Reserves Supports Credit & Growth Profile

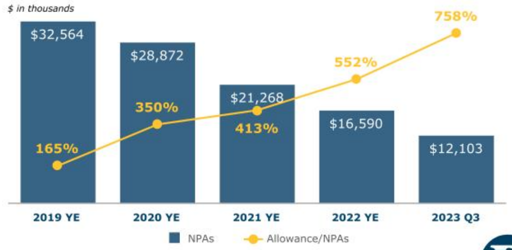
- Reserve to loans of 1.17% (ex-PPP)
  - Day 1 CECL coverage was 1.06%
- Non-performing loan balances decreased by $3.8 million QoQ
- OREO balances total $0.1 million
- Total NPAs declined by $3.7 million QoQ to $12.1 million
  - Reduction driven primarily by payoff of one nursing home credit
- Reserves now equate to 764% of NPLs and 758% of NPAs

Allowance / Loans (ex-PPP)



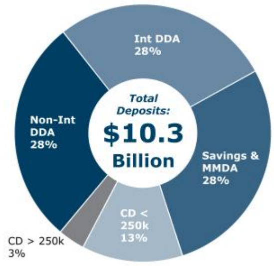
Allowance / NPLs

Allowance / NPAs



Top Tier Core Deposit Franchise

Deposit Portfolio Composition | 3Q23



Core Deposits
97%

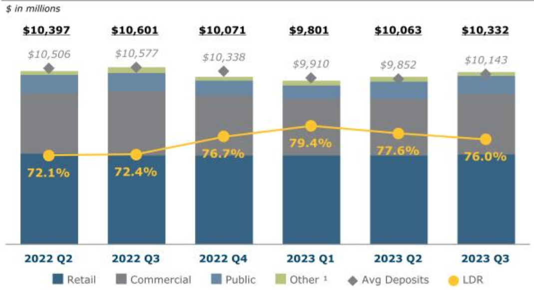
MRQ Avg Cost of Total Deposits
1.45%

MRQ Avg Cost of Non-Time Deposits
1.09%

Avg Deposits per Branch
$178 million

Avg Non Maturity Acct Balance at 9/30/23
$34 thousand

Total Deposits & Loan-to-Deposit Ratio



Core Deposits [2] / Total Deposits

3Q23 Deposit Flows

- Significant inflow from commercial (up $185 million QoQ) accompanied by a meaningful increase in retail deposits (up $98 million QoQ)
- Public deposits were up $26 million QoQ and down $16 million YoY, demonstrating stability as well as typical seasonality. Over the next two quarters, expect seasonal public deposit outflows consistent with prior periods
- Experienced net deposit outflows into Busey Wealth Management as we continue to adapt to client needs while keeping clients in the Busey ecosystem
- Continued rotation from non-interest bearing (down $168 million QoQ) into interest-bearing nonmaturity accounts (up $243 million QoQ)
- Continue to generate production from CD campaigns, with time deposit balances up $195 million QoQ. New production in 3Q23 had a weighted average term of 9.2 months at a rate of 4.45%, 82 bps below our marginal wholesale funding cost during the quarter
- At 9/30/23, our spot deposit cost was 1.19% for non-maturity deposits and 1.59% for total deposits

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

Granular, Stable Deposit Base

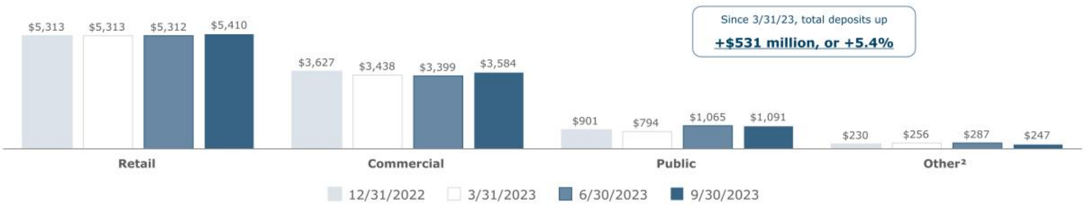
Long-tenured Deposit Relationships that are very granular

As of 9/30/23	**Retail**	**Commercial**
Number of Accounts	257,000+	33,000+
Avg Balance per Account	$21 thousand	$105 thousand
Avg Customer Tenure	16.4 years	12.3 years

Customers with Account Balances totaling $250K+

	2023 Q3
Number of customers	5,603
Median account balance	$401 thousand
Median customer tenure	13.7 years
	2023 Q3
Estimated Uninsured & Uncollateralized Deposits[1]	$2.9 billion
Estimated Uninsured & Uncollateralized Deposits[1] / Total Deposits	28%

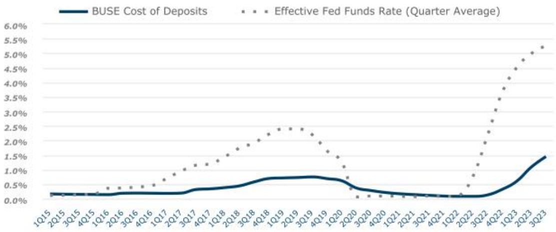
Deposit Flows by Type



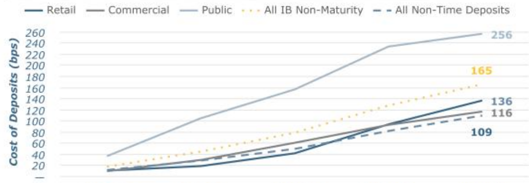
[1] Estimated uninsured & uncollateralized deposits consists of the excess of accounts over $250K FDIC insurance limit, less internal accounts and fully-collateralized accounts (including preferred deposits) | [2] Other deposits include brokered MMA, brokered CDs, ICS Demand & Savings, CDAR CDs

Deposit Cost Trends

Historical Cost of Deposits, 2015 - 3Q23 [1]

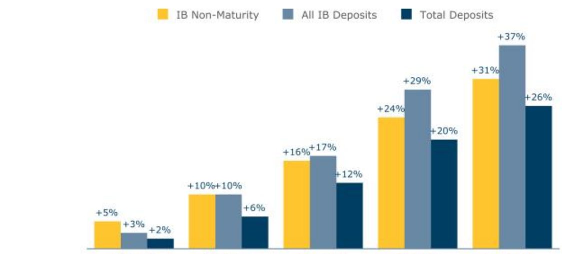


Quarterly Average Cost of Deposits



	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3
IB Non-Maturity	0.17%	0.44%	0.78%	1.27%	1.65%
Non-Time Deposits	0.11%	0.28%	0.49%	0.81%	1.09%
Total Deposits	0.13%	0.32%	0.60%	1.09%	1.45%

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



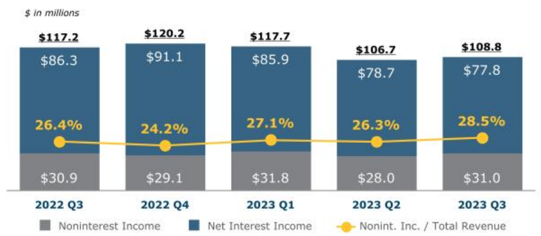
	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3
Retail	-1%	+1%	+6%	+16%	+24%
Commercial	+2%	+7%	+12%	+18%	+21%
Public	+14%	+27%	+33%	+46%	+48%
IB Non-Maturity	+5%	+10%	+16%	+24%	+31%
All IB Deposits	+3%	+10%	+17%	+29%	+37%
Total Deposits	+2%	+6%	+12%	+20%	+26%

[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 0.92% during 2Q22, 2.35% (3Q22), 3.82% (4Q22), 4.69% (1Q23), 5.16% (2Q23), and 5.43% (3Q23).

Diversified and Significant Sources of Fee Income

- Noninterest income represented 28.7% of revenue (ex-securities gains/losses) in 3Q23
- Key businesses of wealth management and payment technology solutions contributed 62.2% of noninterest income (ex-securities gains/losses) in 3Q23
  - On a combined basis, 10.6% YoY growth in quarterly consolidated revenue from 3Q22 to 3Q23 in these two critical fee income business lines
- YoY decline in other noninterest income primarily attributable to lower swap origination fees

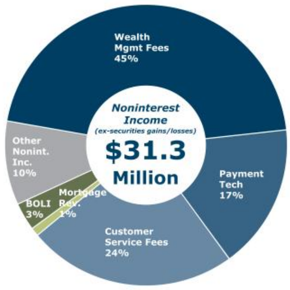
Noninterest Income / Total Revenue [1]



Sources of Noninterest Income

$ in thousands

Noninterest Income Detail	2022 Q3	2023 Q3	YoY Change
Wealth Management Fees	$12,508	$14,235	+14%
Fees for Customer Services	7,627	7,502	-2%
Payment Technology Solutions	5,080	5,226	+3%
Mortgage Revenue	438	311	-29%
Income on Bank Owned Life Insurance	958	1,001	+4%
Other Noninterest Income	4,318	3,018	-30%
Noninterest Income (ex-securities gains/losses)	**$30,929**	**$31,293**	**+1%**
Net Securities Gains (Losses)	4	(285)	NM
Total Noninterest Income	**$30,933**	**$31,008**	**0%**

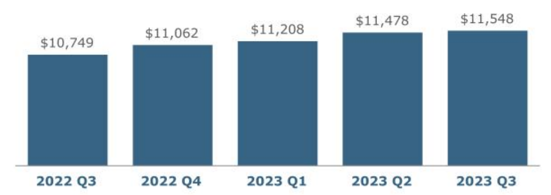


[1] Includes net security gains and losses

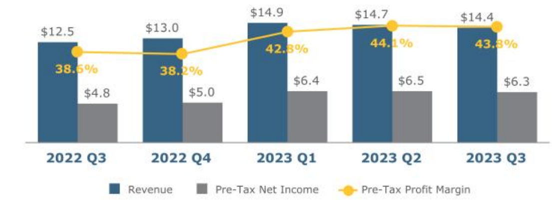
Wealth Management

- Assets Under Care (AUC) of $11.5 billion, a QoQ increase of $70 million
- Wealth revenue[1] of $14.4 million, a YoY increase of 14.7% and pre-tax net income of $6.3 million, a YoY increase of 30.2%
- Pre-tax profit margin of 43.8% in 3Q23 and 42.4% over the last twelve months
- Our fully internalized investment team continues to produce excellent returns, outperforming benchmarks over multiple measurement periods
  - The team's blended portfolio has outperformed the blended benchmark[2] over the last 12 months, over the last 3 years, and over the last 5 years
- Rate environment attracting more fixed income assets – our fixed income management capabilities are very deep and a real differentiator
  - Bank + Wealth partnership allows us to better keep customer funds inside our overall ecosystem depending on client needs
- Recently completed fee structure initiatives positively impacting revenue at approximately $2.3 - $2.5 million annually

Assets Under Care



Wealth - Revenue and Pre-tax Income [1]



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

FirsTech

- LTM revenue of $22.4 million, an increase of 5% over the prior twelve-month period
- Key competencies of electronic payments and merchant services have been the primary drivers of growth YTD
- Targeted initiatives to improve profitability include shifting customers to fully integrate into the merchant services platform and optimization of existing customer fee structures
- Pipeline has been building in recent quarters – have honed our service & delivery to go-to-market with a full cohesive offering
- The value of customized payments-enabled software platforms from an ODFI[2]-sponsored company resonates with potential customers
- Targeting launch of a refreshed Loan Pay module featuring additional capabilities over the next couple quarters

$11 billion *Payments processed in last twelve months*

40 million *Transactions processed in last twelve months*

Revenue Growth [1]

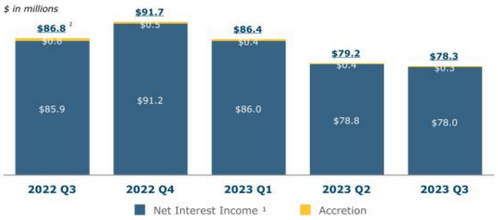
$21.3 million *LTM 9/30/22* → *+5.0%* → **$22.4 million** *LTM 9/30/23*

Average Revenue Per Processing Day Trend

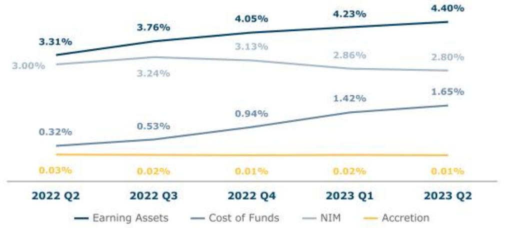
[1] Revenue equates to all revenue sources tied to FirsTech and excludes intracompany eliminations | [2] Originating Depository Financial Institution

Net Interest Margin

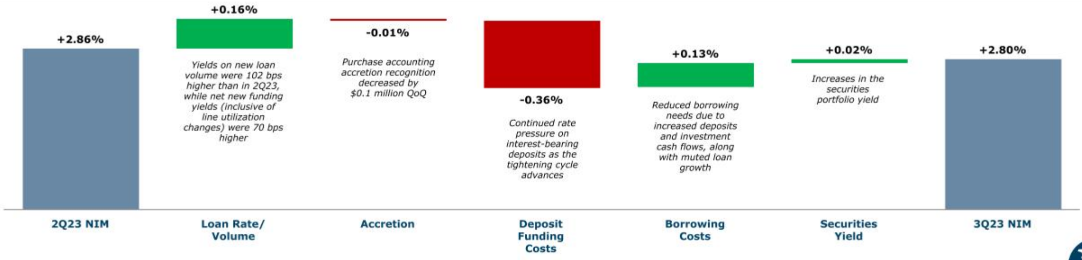
Net Interest Income Trend [1]



Net Interest Margin Trend [1]



Net Interest Margin Bridge - *Factors contributing to 6 bps NIM compression during quarter*

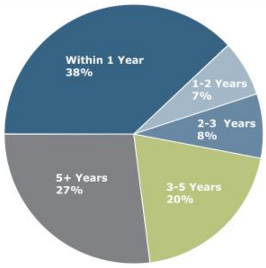


[1] Tax-equivalent adjusted amounts; Non-GAAP, see Appendix | [2] $0.1 million of PPP Income (net fees + coupon) in 2022 Q3 not charted

Actively Managing Asset-Sensitive Balance Sheet

- Balance sheet remains asset-sensitive, progressing towards becoming more rate neutral
  - A +100 bps rate shock for Year 1 is down to +1.6% from +2.2% in 2Q23
  - A -100 bps rate shock for Year 1 is -1.9%; up from -2.6% in 2Q23
- 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 for both loans and deposits
  - 7% of deposits are indexed/floating rate
  - 38% of loan portfolio reprices in less than one year

Repricing / Maturity Structures of Portfolio Loans

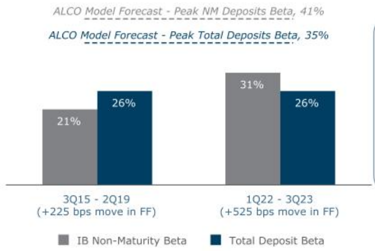


Annual % Change in Net Interest Income under Shock Scenarios

Rate Shock	Year 1	Year 2
+200 bps	+3.2%	+3.8%
+100 bps	+1.6%	+1.9%
-100 bps	-1.9%	-2.7%
-200 bps	-3.7%	-5.3%

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

Deposit Betas [1] in last Tightening Cycle vs. Current ALCO Model Forecast



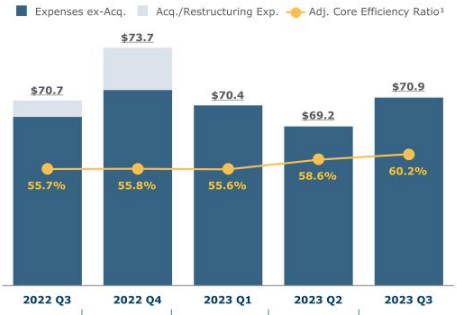
- Peak IB NM deposit beta increased from 36% to 41% and peak total deposit beta increased from 32% to 35%
- Increase in estimated betas driven by continued shift in deposit mix and persistent deposit competition
- Peak beta expected to occur in late 2024

[1] Deposit betas are calculated based on an average fed funds target rate of 5.43% during 3Q23

Focused Control on Expenses

Noninterest Expense

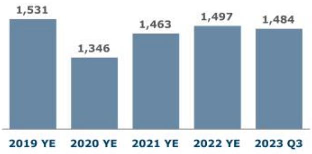
$ in millions



	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3
Noninterest Exp.	$70.7	$73.7	$70.4	$69.2	$70.9
Unfunded Provision	-$0.3	-$0.5	-$0.6	$0.3	$0.0
Acq./Restructuring Exp.	$1.0	$2.4	$0.0	$0.0	$0.1
Intangible Amort.	$2.9	$2.8	$2.7	$2.7	$2.6
NMTC Amort.	$1.7	$1.7	$2.2	$2.3	$2.3
Adj. Core Exp.[1]	$65.6	$67.2	$66.1	$64.0	$66.0

- Adjusted core expenses[1] of $66.0 million in 3Q23, up from $65.6 million in 3Q22, a less than 1% increase in quarterly expense YoY
- 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
- YoY increase in adjusted core expense less than 1% despite 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 production volumes
- Over the prior 2+ years, we have been purposeful in our efforts to rationalize our expense base, including:
  - During 4Q22, implemented a targeted restructuring & efficiency optimization plan (generating annual salary & benefits savings of $4.0 to $4.1 million)
  - Reduced branch count from 87 (proforma for Glenview State Bank) to 58, while increasing average deposits per branch from $113 million at 9/30/20 to $178 million at 9/30/23
- $7.5 million of average earning assets per employee for 3Q23

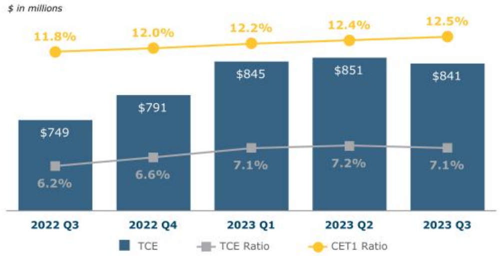
Full-Time Equivalents (FTE)



[1] Non-GAAP, see Appendix; adjusted core expenses exclude amortization of intangible assets, provision for unfunded commitments, acquisition/restructuring related charges, and NMTC amortization

Robust Capital Foundation

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



Total Capital Ratio [2]

Leverage Ratio [2]

Consolidated Capital as of 9/30/23 [2]

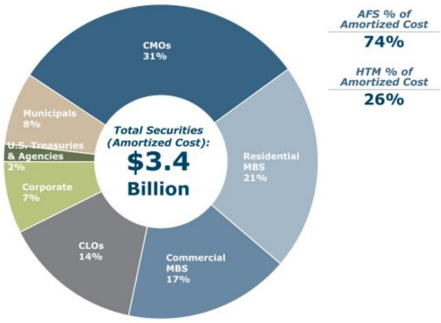
$ in millions

	Common Equity Tier 1 Ratio	Tier 1 Capital Ratio	Total Capital Ratio
Capital Ratio	12.5 %	13.3 %	16.7 %
Minimum Well Capitalized Ratio	*6.5 %*	*8.0 %*	*10.0 %*
Amount of Capital	$1,144	$1,218	$1,528
Well Capitalized Minimum	*$594*	*$731*	*$914*
Excess over Well Capitalized Minimum	$550	$487	$614

[1] Non-GAAP calculation, see Appendix | [2] 3Q23 capital ratios are preliminary estimates

Balanced, Low-Risk, Short Duration Investment Portfolio

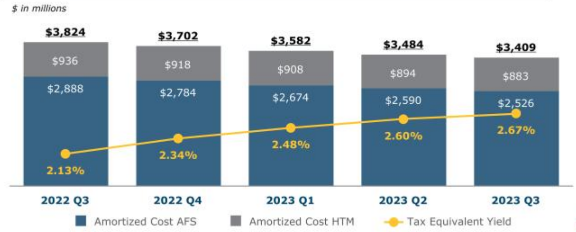
Investment Portfolio Composition | 3Q23



- All Mortgage-Backed Securities & Collateralized Mortgage Obligations are Agency
- 91% of Municipal holdings rated AA or better and 8% rated A
- 100% of Corporate holdings are investment grade
- Collateralized Loan Obligation portfolio consists of 86% rated AAA and 14% rated AA

- BUSE carried $883 million in held-to-maturity (HTM) securities as of 9/30/23
  - Transferred a portion of the portfolio comprised of Agency RMBS & CMBS from available-for-sale (AFS) to HTM during 1Q22
- The duration of the securities portfolio including HTM is 4.0 years and our fair value duration, which excludes the HTM portfolio, is 3.7 years
- After-tax net AFS unrealized loss position of $239 million
- Projected AOCI burn down through the end of 2024 is $65 million, or 22% of total AOCI at 9/30/23 ($10 million burn down in 4Q23 and $55 million in 2024)
- Carrying value of investment portfolio is 25% of total assets
- Projected remaining 2023 roll off cash flow (based on static rates) of $83 million at ~1.56% yield. Proj. 2024 roll off cash flow of $356 million at ~1.67% yield.
- Over the last four quarters, the size of the investment portfolio has decreased by $416 million as balance sheet rotation into loans continues

Securities Portfolio - Amortized Cost vs. TE Yield



3Q23 Earnings Review

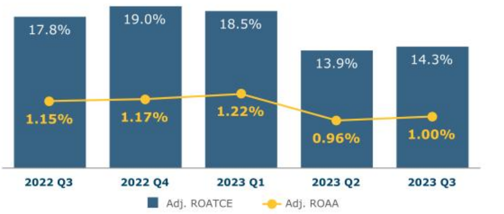
Net Interest Income	• Net interest income was $77.8 million in 3Q23 vs. $78.7 million in 2Q23 and $86.3 million in 3Q22 • Net interest margin[1] was 2.80% in 3Q23, a decrease of 6 bps vs. 2.86% in 2Q23 • The primary factor contributing to the quarter's NIM compression was increased funding costs on interest-bearing deposits (36 bps decrease), offset partially by higher new volume rates & repricing rates (16 bps increase) and decreased borrowing costs (13 bps increase)
Noninterest Income	• Noninterest income (ex-securities gains/losses)[1] of $31 million in 3Q23, representing 29% of revenue • Wealth management fees of $14.2 million in 3Q23, down from $14.6 million in 2Q23 but +14% YoY • Payment tech solutions revenue of $5.2 million in 3Q23, flat from $5.2 million in 2Q23 but +3% YoY • Fees for customer services of $7.5 million in 3Q23, up from $7.2 million in 2Q23 and down 2% YoY
Noninterest Expense	• Adjusted noninterest expense[1] (ex-amortization of intangibles, one-time acquisition and restructuring related items) of $68.3 million in 3Q23, resulting in a 62.3% adjusted efficiency ratio[1] • Adjusted core expense[1] of $66.0 million (ex-amortization of intangible assets, one-time items, unfunded commitment provision, and NMTC amortization) in 3Q23, equating to 60.2% adjusted core efficiency ratio[1]
Provision	• $0.4 million loan loss provision expense • Immaterial provision for unfunded commitments (captured in other noninterest expense) • Net charge offs of $0.3 million in 3Q23
Taxes	• 3Q23 effective tax rate of 18.2%
Earnings	• Adjusted net income of $30.7 million or $0.55 per diluted share[1] • Adjusted pre-provision net revenue of $40.5 million (1.32% PPNR ROAA) in 3Q23 [1] • 1.00% Adjusted ROAA and 14.34% Adjusted ROATCE in 3Q23 [1]

[1] Non-GAAP, see Appendix

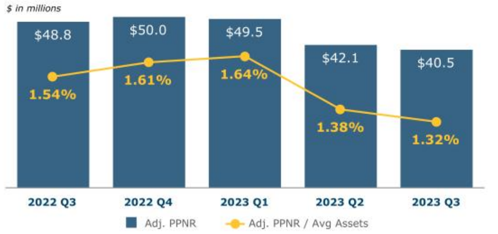
Earnings Performance

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, President & CEO

Has served as President & CEO of First Busey since 2007 and became Chairman of the Board effective July 2020. Additionally, he serves as Chairman, President & CEO of Busey Bank. Mr. Dukeman was President & CEO of Main Street Trust from 1998 until its merger with First Busey in 2007. His 40 years of diverse financial services experience and extensive board involvement brings a conservative operating philosophy and a management style that focuses on Busey's associates, customers, communities and shareholders.

Jeffrey D. Jones
EVP & CFO

Joined Busey in August 2019, bringing his nearly 20 years of investment banking and financial services experience to Busey. Mr. Jones 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.

Amy L. Randolph
EVP & COO

Joined Busey in 2008 and now leads many areas, including: human resources, executive administration, branding, corporate communications and the Busey experience, as well as consumer & digital banking, technology services & business operating systems, and FirsTech, the company's payment processing subsidiary. Prior to joining Busey, Mrs. Randolph worked for 10+ years with CliftonLarsonAllen LLP.

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.

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.

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. Previously, he served as Vice President of Sales Operations for Fisher Investments in Woodside, California.

Chip Jorstad
EVP & President of Credit and Bank Administration

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.

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.

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 at LaSalle Bank. Mr. Sheils brings seasoned expertise in consumer and small business strategy, call center management, retail operations, deposit and income growth, product development and enhancing digital options.

Fully Integrated Wealth Platform

As of 9/30/23

Busey Wealth Management	$11.5 Billion	$57.0 Million	43.8%
	Assets Under Care	*LTM Revenue*	*PT Margin MRQ*

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

Continued Investment in Technology Enterprise-Wide

LTM Tech Investment Highlights

Investment Legend
- Enhanced Customer Experience
- Scale & Efficiency Upgrades

2022 Q4
- Debuted an incentivized program that allows associates to "pitch" their ideas for efficiency improvements to Busey leaders, who will select winning applicants each quarter
- Implemented software & hardware management databases, enhancing monitoring of assets & licenses and automating ongoing maintenance & ordering

2023

Q1
- Migrated all telephony infrastructure to the cloud, enhancing video & audio quality and reducing telecom expenses & the amount of internal hardware/resources needed to support our telephony system
- Completed final phase of disaster recovery environment migration to the cloud

Q2
- Implemented automated doc, imaging, & indexing solution that further reduces reliance on manual intervention for organizing documents
- Completed Phase 1 enhancements for nCino platform optimization, continually improving our commercial lending and treasury management processes
- Launched "always on" VPN for associates, streamlining computer remote worker onboarding and software update processes enterprise-wide

Q3
- Consolidated ATM fleet to a single hardware and service provider, which included updating ATMs to a modern user interface, further enhancing security and functionality
- Upgraded 117 network switches, achieving a substantial reduction in power consumption that translates into approximately $30 thousand in annual cost savings, while also supporting our continuing commitment to environmental sustainability

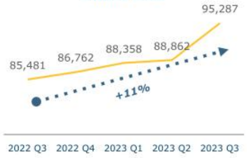
Future Pending Projects
- Procure and implement a robotic process automation tool to automate manual & repetitive processes, freeing up resources and improving associate & customer experience
- Implement a virtual service agent to expand self-service opportunities and improve chat capabilities for retail customer care
- Introduce advanced reporting and analytics that will empower our business lines to offer better solutions by providing associates with enhanced knowledge of their customers' behaviors

Digital Banking Adoption

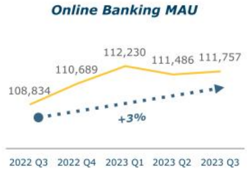
Mobile engagement of customers continues growth trajectory as online banking reaches maturity stage

Consumer Monthly Active Users [1]

Mobile MAU



Online Banking MAU



Commercial Quarterly Active Users [2]

Mobile QAU

Online Banking QAU

Customer base increasingly relying on self-service features

Interactive Voice Response Activity

489 thousand

total IVR calls over the last 12 months, handling a wide array of customer inquires immediately & efficiently

Mortgage eClosings

60%

of mortgage closings completed via eClose since launch of offering in 2Q22 - eClosings greatly enhance CX, reducing avg closing time to 10 minutes vs. 1 hour

[1] Customer has logged in at least once in the 30 days preceding period-end | [2] Customer has logged in at least once in the 90 days preceding period-end

Busey Impact: ESG and Corporate Responsibility

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

With a strong and unwavering commitment to our **Pillars**—associates, customers, shareholders and communities—First Busey is committed to strong ethics and governance, social responsibility and environmental sustainability.

***3Q23 Featured Impact* | Community Banking Team Launches New, BankON Certified Checking and Savings Products:** Busey's Community Banking team introduced new second chance checking and savings products—which are proudly BankON certified—offering hassle-free, affordable options with digital banking access designed to provide peace of mind. With a suite of online tools that make it easy to track and manage money, these products offer qualified customers tools to build financial strength, improve banking history and avoid monthly maintenance fees.

Commitment to our Planet

- Providing over $25 million in green financing since 2021, including energy efficiency improvements, historic preservation and commercial solar development.
- Through its robust Corporate Sustainability Program, between 2021 and 2022 First Busey recycled over 16,000 pounds of waste and conserved over 60,000 gallons of water.
- First Busey participated in several climate change initiatives, including installing solar panel systems at 11 First Busey facilities, avoiding over 800 tons of carbon emissions over the past decade.

Commitment to our People

- Through many philanthropic efforts, including many associate-driven initiatives, annual charitable donations total over $1.6 million.
- In 2021 and 2022, associates generously gave over 25,000 hours of their time to hundreds of causes.
- First Busey boasts a high level of associate engagement, scoring a 4.28 (out of 5) in 2022 based on 12 critical measures of engagement.
- First Busey launched the Busey Bank Bridge in 2022, a community collective in Peoria, IL, offering fundamental access to economic opportunity for all individuals and small businesses.

Commitment to Strong Governance

- Leadership at the Board and Executive level includes a team of diverse backgrounds. Women comprise one-third of the executive team.
- Executives, Directors and Officers are expected to follow a stringent code of ethics.
- Leadership prioritizes strong corporate governance, employing processes, policies, and customs that exceed industry metrics on risk management, data security and more.
- First Busey boasts over 7% of First Busey common stock beneficially owned by directors and insiders.

**Further information on all cited metrics can be found in the 2022 Busey Impact Report*

To view the full 2022 Busey Impact Report, visit busey.com/impact

Non-GAAP Financial Information

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			Nine Months Ended	
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
PRE-PROVISION NET REVENUE						
Net interest income		$ 77,791	$ 78,670	$ 86,305	$ 242,318	$ 232,289
Total noninterest income		31,008	28,012	30,933	90,868	97,724
Net security (gains) losses		285	2,059	(4)	2,960	2,324
Total noninterest expense		(70,945)	(69,205)	(70,736)	(210,553)	(210,204)
Pre-provision net revenue		38,139	39,536	46,498	125,593	122,133
Non-GAAP adjustments:						
Acquisition and other restructuring expenses		79	12	957	91	2,095
Provision for unfunded commitments		13	265	(320)	(357)	525
Amortization of New Markets Tax Credits		2,260	2,259	1,665	6,740	4,668
Adjusted pre-provision net revenue		$ 40,491	$ 42,072	$ 48,800	$ 132,067	$ 129,421
Pre-provision net revenue, annualized	[a]	$ 151,312	$ 158,578	$ 184,476	$ 167,917	$ 163,291
Adjusted pre-provision net revenue, annualized	[b]	160,644	168,750	193,609	176,573	173,035
Average total assets	[c]	12,202,783	12,209,865	12,531,856	12,225,232	12,547,816
Reported: Pre-provision net revenue to average assets[1]	[a÷c]	1.24 %	1.30 %	1.47 %	1.37 %	1.30 %
Adjusted: Pre-provision net revenue to average assets[1]	[b÷c]	1.32 %	1.38 %	1.54 %	1.44 %	1.38 %

1. Annualized measure.

Non-GAAP Financial Information

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			Nine Months Ended	
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
NET INCOME ADJUSTED FOR NON-OPERATING ITEMS						
Net income	[a]	$ 30,666	$ 29,364	$ 35,661	$ 96,816	$ 93,924
Non-GAAP adjustments:						
Acquisition expenses:						
Salaries, wages, and employee benefits		—	—	—	—	587
Data processing		—	—	—	—	214
Professional fees, occupancy, and other		79	12	4	91	242
Other restructuring expenses:						
Loss on leases or fixed asset impairment		—	—	877	—	976
Professional fees, occupancy, and other		—	—	76	—	76
Related tax benefit[1]		(15)	(3)	(183)	(18)	(399)
Adjusted net income	[b]	$ 30,730	$ 29,373	$ 36,435	$ 96,889	$ 95,620
DILUTED EARNINGS PER SHARE						
Diluted average common shares outstanding	[c]	56,315,492	56,195,801	56,073,164	56,230,624	56,123,756
Reported: Diluted earnings per share	[a÷c]	$ 0.54	$ 0.52	$ 0.64	$ 1.72	$ 1.67
Adjusted: Diluted earnings per share	[b÷c]	$ 0.55	$ 0.52	$ 0.65	$ 1.72	$ 1.70
RETURN ON AVERAGE ASSETS						
Net income, annualized	[d]	$ 121,664	$ 117,779	$ 141,481	$ 129,443	$ 125,576
Adjusted net income, annualized	[e]	121,918	117,815	144,552	129,540	127,844
Average total assets	[f]	12,202,783	12,209,865	12,531,856	12,225,232	12,547,816
Reported: Return on average assets[2]	[d÷f]	1.00 %	0.96 %	1.13 %	1.06 %	1.00 %
Adjusted: Return on average assets[2]	[e÷f]	1.00 %	0.96 %	1.15 %	1.06 %	1.02 %
RETURN ON AVERAGE TANGIBLE COMMON EQUITY						
Average common equity		$ 1,208,407	$ 1,207,935	$ 1,181,448	$ 1,195,858	$ 1,219,645
Average goodwill and other intangible assets, net		(358,025)	(360,641)	(368,981)	(360,654)	(371,873)
Average tangible common equity	[g]	$ 850,382	$ 847,294	$ 812,467	$ 835,204	$ 847,772
Reported: Return on average tangible common equity[2]	[d÷g]	14.31 %	13.90 %	17.41 %	15.50 %	14.81 %
Adjusted: Return on average tangible common equity[2]	[e÷g]	14.34 %	13.90 %	17.79 %	15.51 %	15.08 %

1. The year-to-date tax benefits were calculated by multiplying year-to-date acquisition expenses and other restructuring expenses by the effective tax rates for the year-to-date periods. The annual effective tax rates used in this calculation were 19.8% for the nine months ended September 30, 2023, and 19.1% for the nine months ended September 30, 2022. Quarterly tax benefits were calculated as the year-to-date amounts less the sum of amounts applied to previous quarters.
2. Annualized measure.

Non-GAAP Financial Information

Net Income Excluding Net Securities Gains and Losses and Diluted Earnings Per Share Excluding Net Securities Gains and Losses

(dollars in thousands)

		Three Months Ended			Nine Months Ended	
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net income	[a]	$ 30,666	$ 29,364	$ 35,661	$ 96,816	$ 93,924
Non-GAAP adjustments:						
Net securities (gains) losses		285	2,059	(4)	2,960	2,324
Tax effect for net securities (gains) losses[1]		(52)	(418)	1	(585)	(443)
Net income excluding net securities (gains) losses[2]	[b]	$ 30,899	$ 31,005	$ 35,658	$ 99,191	$ 95,805
Diluted average common shares outstanding	[c]	56,315,492	56,195,801	56,073,164	56,230,624	56,123,756
Reported: Diluted earnings per share	[a÷c]	$ 0.54	$ 0.52	$ 0.64	$ 1.72	$ 1.67
Adjusted: Diluted earnings per share, excluding net securities (gains) losses[2]	[b÷c]	$ 0.55	$ 0.55	$ 0.64	$ 1.76	$ 1.71

1. The tax effects for net securities gains and losses were calculated by multiplying net securities gains and losses by the effective income tax rates for the periods indicated. Effective tax rates were 18.2%, 20.3%, and 19.2% for the three months ended September 30, 2023, June 30, 2023, and September 30, 2022, respectively, and were 19.8% and 19.1% for the nine months ended September 30, 2023, and September 30, 2022, respectively.
2. Tax-effected measure.

Non-GAAP Financial Information

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

		Three Months Ended			Nine Months Ended	
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net interest income		$ 77,791	$ 78,670	$ 86,305	$ 242,318	$ 232,289
Non-GAAP adjustments:						
Tax-equivalent adjustment[1]		553	561	543	1,672	1,635
Tax-equivalent net interest income		78,344	79,231	86,848	243,990	233,924
Purchase accounting accretion related to business combinations		(277)	(413)	(830)	(1,093)	(2,588)
Adjusted net interest income		$ 78,067	$ 78,818	$ 86,018	$ 242,897	$ 231,336
Tax-equivalent net interest income, annualized	[a]	$ 310,821	$ 317,795	$ 344,560	$ 326,214	$ 312,756
Adjusted net interest income, annualized	[b]	309,722	316,138	341,267	324,752	309,295
Average interest-earning assets	[c]	11,118,167	11,130,298	11,497,783	11,142,780	11,550,887
Reported: Net interest margin[2]	[a÷c]	2.80 %	2.86 %	3.00 %	2.93 %	2.71 %
Adjusted: Net interest margin[2]	[b÷c]	2.79 %	2.84 %	2.97 %	2.91 %	2.68 %

1. The 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.

Non-GAAP Financial Information

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			Nine Months Ended	
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net interest income		$ 77,791	$ 78,670	$ 86,305	$ 242,318	$ 232,289
Non-GAAP adjustments:						
Tax-equivalent adjustment[1]		553	561	543	1,672	1,635
Tax-equivalent net interest income		78,344	79,231	86,848	243,990	233,924
Total noninterest income		31,008	28,012	30,933	90,868	97,724
Non-GAAP adjustments:						
Net security (gains) losses		285	2,059	(4)	2,960	2,324
Noninterest income excluding net securities gains and losses		31,293	30,071	30,929	93,828	100,048
Tax-equivalent revenue	[a]	$ 109,637	$ 109,302	$ 117,777	$ 337,818	$ 333,972
Total noninterest expense		$ 70,945	$ 69,205	$ 70,736	$ 210,553	$ 210,204
Non-GAAP adjustments:						
Amortization of intangible assets	[b]	(2,555)	(2,669)	(2,871)	(7,953)	(8,833)
Non-interest expense excluding amortization of intangible assets	[c]	68,390	66,536	67,865	202,600	201,371
Non-operating adjustments:						
Salaries, wages, and employee benefits		—	—	—	—	(587)
Data processing		—	—	—	—	(214)
Impairment, professional fees, occupancy, and other		(79)	(12)	(957)	(91)	(1,294)
Adjusted noninterest expense	[f]	68,311	66,524	66,908	202,509	199,276
Provision for unfunded commitments		(13)	(265)	320	357	(525)
Amortization of New Markets Tax Credits		(2,260)	(2,259)	(1,665)	(6,740)	(4,668)
Adjusted core expense	[g]	$ 66,038	$ 64,000	$ 65,563	$ 196,126	$ 194,083
Noninterest expense, excluding non-operating adjustments	[f-b]	$ 70,866	$ 69,193	$ 69,779	$ 210,462	$ 208,109
Reported: Efficiency ratio	[c÷a]	62.38 %	60.87 %	57.62 %	59.97 %	60.30 %
Adjusted: Efficiency ratio	[f÷a]	62.31 %	60.86 %	56.81 %	59.95 %	59.67 %
Adjusted: Core efficiency ratio	[g÷a]	60.23 %	58.55 %	55.67 %	58.06 %	58.11 %

1. The 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

Tangible Book Value and Tangible Book Value Per Common Share

(dollars in thousands, except per share amounts)

		As of				
		September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Total stockholders' equity		$ 1,190,158	$ 1,201,948	$ 1,198,558	$ 1,145,977	$ 1,106,588
Goodwill and other intangible assets, net		(356,343)	(358,898)	(361,567)	(364,296)	(367,091)
Tangible book value	[a]	$ 833,815	$ 843,050	$ 836,991	$ 781,681	$ 739,497
Ending number of common shares outstanding	[b]	55,342,017	55,290,847	55,294,455	55,279,124	55,232,434
Tangible book value per common share	[a÷b]	$ 15.07	$ 15.25	$ 15.14	$ 14.14	$ 13.39

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

(dollars in thousands)

		As of				
		September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Total assets		$ 12,258,250	$ 12,209,029	$ 12,344,555	$ 12,336,677	$ 12,497,388
Non-GAAP adjustments:						
Goodwill and other intangible assets, net		(356,343)	(358,898)	(361,567)	(364,296)	(367,091)
Tax effect of other intangible assets[1]		7,354	7,833	8,335	8,847	9,369
Tangible assets[2]	[a]	$ 11,909,261	$ 11,857,964	$ 11,991,323	$ 11,981,228	$ 12,139,666
Total stockholders' equity		$ 1,190,158	$ 1,201,948	$ 1,198,558	$ 1,145,977	$ 1,106,588
Non-GAAP adjustments:						
Goodwill and other intangible assets, net		(356,343)	(358,898)	(361,567)	(364,296)	(367,091)
Tax effect of other intangible assets[1]		7,354	7,833	8,335	8,847	9,369
Tangible common equity[2]	[b]	$ 841,169	$ 850,883	$ 845,326	$ 790,528	$ 748,866
Tangible common equity to tangible assets[2]	[b÷a]	7.06 %	7.18 %	7.05 %	6.60 %	6.17 %

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

Non-GAAP Financial Information

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

(dollars in thousands)

		As of				
		September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Portfolio loans	[a]	$ 7,856,160	$ 7,805,284	$ 7,783,808	$ 7,725,702	$ 7,670,114
Non-GAAP adjustments:						
PPP loans amortized cost		(598)	(667)	(750)	(845)	(1,426)
Core loans	[b]	$ 7,855,562	$ 7,804,617	$ 7,783,058	$ 7,724,857	$ 7,668,688
Total deposits	[c]	$ 10,332,362	$ 10,062,755	$ 9,801,169	$ 10,071,280	$ 10,601,397
Non-GAAP adjustments:						
Brokered transaction accounts		(6,055)	(6,055)	(6,005)	(1,303)	(2,006)
Time deposits of $250,000 or more		(350,276)	(297,967)	(200,898)	(120,377)	(103,534)
Core deposits	[d]	$ 9,976,031	$ 9,758,733	$ 9,594,266	$ 9,949,600	$ 10,495,857
RATIOS						
Core loans to portfolio loans	[b÷a]	99.99 %	99.99 %	99.99 %	99.99 %	99.98 %
Core deposits to total deposits	[d÷c]	96.55 %	96.98 %	97.89 %	98.79 %	99.00 %
Core loans to core deposits	[b÷d]	78.74 %	79.98 %	81.12 %	77.64 %	73.06 %