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): April 23, 2024

First Busey Corporation

(Exact name of Registrant as specified in its charter)

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

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

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

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

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

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

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

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

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

Item 2.02 Results of Operations and Financial Condition.

On April 23, 2024, First Busey Corporation ("Busey") issued a press release ("Earnings Release") disclosing financial results for the quarter ended March 31, 2024. A copy of the Earnings Release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

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

Item 7.01 Regulation FD Disclosure.

On April 23, 2024, Busey published its Earnings Investor Presentation discussing financial results for the quarter ended March 31, 2024. A copy is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

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

Item 9.01. Financial Statements and Exhibits.

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

Signature

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

FIRST BUSEY CORPORATION

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

FIRST BUSEY CORPORATION

ANNOUNCES

2024 FIRST QUARTER

EARNINGS

Q1 | 2024

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

Net Income of $26.2 million
Diluted EPS of $0.46

FIRST QUARTER 2024 HIGHLIGHTS

- Adjusted net income[1] of $26.5 million, or $0.47 per diluted common share
- Net interest margin[1] increased by 5 basis points during the first quarter of 2024 to 2.79%
- Executed a two-part balance sheet repositioning expected to be both capital and earnings accretive
- Adjusted noninterest income[1] of $33.9 million, or 30.9% of operating revenue[2]
- Record high revenue for FirsTech during the first quarter of 2024, and second-best quarter in Wealth Management division history
- Received regulatory and shareholder approvals needed to finalize the acquisition of Merchants & Manufacturers Bank Corporation and its wholly owned subsidiary Merchants & Manufacturers Bank, which was completed on April 1, 2024
- Tangible book value per common share[1] of $16.84 at March 31, 2024, compared to $16.62 at December 31, 2023, and $15.14 at March 31, 2023, a year-over-year increase of 11.2%
- Tangible common equity[1] increased to 8.12% of tangible assets at March 31, 2024, compared to 7.75% at December 31, 2023, and 7.05% at March 31, 2023

For additional information, please refer to the 1Q24 Earnings Investor Presentation

MESSAGE FROM OUR CHAIRMAN & CEO

First Quarter Financial Results

Net income for First Busey Corporation ("Busey," "Company," "we," "us," or "our") was $26.2 million for the first quarter of 2024, or $0.46 per diluted common share, compared to $25.7 million, or $0.46 per diluted common share, for the fourth quarter of 2023, and $36.8 million, or $0.65 per diluted common share, for the first quarter of 2023. Adjusted net income[1] was $26.5 million, or $0.47 per diluted common share, for the first quarter of 2024, compared to $29.1 million, or $0.52 per diluted common share, for the fourth quarter of 2023, and $36.8 million, or $0.65 per diluted common share, for the first quarter of 2023. Annualized return on average assets and annualized return on average tangible common equity[1] were 0.88% and 11.43%, respectively, for the first quarter of 2024. Annualized adjusted return on average assets[1] and annualized adjusted return on average tangible common equity[1] were 0.89% and 11.56%, respectively, for the first quarter of 2024.

Pre-provision net revenue[1] was $46.4 million for the first quarter of 2024, compared to $32.9 million for the fourth quarter of 2023 and $47.9 million for the first quarter of 2023. Pre-provision net revenue to average assets[1] was 1.55% for the first quarter of 2024, compared to 1.06% for the fourth quarter of 2023, and 1.58% for the first quarter of 2023. The $13.5 million increase in pre-provision net revenue in the first quarter, compared to the fourth quarter, was primarily the result of a $7.5 million gain on sale of mortgage servicing rights realized in connection with our strategic two-part balance sheet repositioning completed during the first quarter of 2024, as well as a decrease of $4.2 million in noninterest expense.

Adjusted pre-provision net revenue[1] was $38.6 million for the first quarter of 2024, compared to $40.2 million for the fourth quarter of 2023 and $49.5 million for the first quarter of 2023. Adjusted pre-provision net revenue to average assets[1] was 1.29% for the first quarter of 2024, compared to 1.30% for the fourth quarter of 2023 and 1.64% for the first quarter of 2023.

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[1] See "*Non-GAAP Financial Information*" for a reconciliation.
[2] Operating revenue consists of net interest income plus noninterest income excluding net securities gains and losses and excluding gain on sale of mortgage servicing rights.

Our fee-based businesses continue to add revenue diversification. Total noninterest income was $35.0 million for the first quarter of 2024, compared to $31.5 million for the fourth quarter of 2023 and $31.8 million for the first quarter of 2023. Adjusted noninterest income[3] was $33.9 million, or 30.9% of operating revenue[4], during the first quarter of 2024, compared to $30.8 million, or 28.5% of total operating revenue, for the fourth quarter of 2023 and $32.5 million, or 27.4% of total operating revenue, for the first quarter of 2023. Wealth management fees and payment technology solutions contributed $15.5 million and $5.7 million, respectively, to our consolidated noninterest income for the first quarter of 2024, representing 60.7% of noninterest income on a combined basis.

Busey views certain non-operating items, including acquisition-related and other restructuring charges, as adjustments to net income reported under U.S. generally accepted accounting principles ("GAAP"). Non-operating pretax adjustments for acquisition and other restructuring charges in the first quarter of 2024 were $0.4 million. Busey believes that the following non-GAAP measures facilitate the assessment of its financial results and peer comparability: pre-provision net revenue, adjusted pre-provision net revenue, pre-provision net revenue to average assets, adjusted pre-provision net revenue to average assets, adjusted net income, adjusted diluted earnings per share, adjusted return on average assets, return on average tangible common equity, adjusted return on average tangible common equity, further adjusted net income, further adjusted diluted earnings per share, adjusted net interest income, adjusted net interest margin, adjusted noninterest income, adjusted noninterest expense, adjusted core expense, efficiency ratio, adjusted efficiency ratio, adjusted core efficiency ratio, tangible book value per common share, tangible common equity, tangible common equity to tangible assets, core deposits, and core deposits to total deposits. A reconciliation of these non-GAAP measures is included in tabular form at the end of this release (see "*Non-GAAP Financial Information*").

We have effectively managed our noninterest expense during a time of decades-high inflation and have been purposeful in our efforts to rationalize our expense base given our economic outlook and our view on the future of banking. Noninterest expense was $70.8 million in the first quarter of 2024, compared to $75.0 million in the fourth quarter of 2023 and $70.4 million in the first quarter of 2023. Adjusted noninterest expense[3], which excludes the amortization of intangible assets and acquisition and restructuring related expenses, was $68.0 million in the first quarter of 2024, compared to $68.3 million in the fourth quarter of 2023 and $67.7 million in the first quarter of 2023. Throughout 2024, we expect to continue to prudently manage our expenses.

Acquisition of Merchants and Manufacturers Bank Corporation Completed April 1, 2024

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

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

[3] See "*Non-GAAP Financial Information*" for a reconciliation.
[4] Operating revenue consists of net interest income plus noninterest income excluding net securities gains and losses and excluding gain on sale of mortgage servicing rights.

Busey incurred one-time acquisition-related expenses of $0.3 million in the first quarter of 2024.

Late in the second quarter of 2024, M&M Bank will be merged with and into Busey Bank (the "Bank Merger"). At the time of the Bank Merger, M&M Bank's banking centers will become banking centers of Busey Bank, except for M&M's banking center located at 990 Essington Rd., Joliet, Illinois, which is expected to be closed in connection with the Bank Merger. This partnership adds M&M's Life Equity Loan® products to Busey's existing suite of services and expands Busey's presence in the Chicago Metropolitan Statistical Area.

Busey executed a two-part balance sheet repositioning strategy

During the first quarter of 2024, Busey sold the mortgage servicing rights on approximately $923.5 million of one- to four-family mortgage loans for an estimated pre-tax gain of $7.5 million, which enabled us to sell available-for-sale investment securities with a book value of approximately $108.2 million for a pre-tax loss of $6.8 million with no resulting impact to tangible capital.

At the time of the sale, the securities sold yielded a weighted average rate of 1.98% and had a weighted-average life of 2.3 years. Proceeds from the repositioning were deposited into an interest-bearing account at the Federal Reserve yielding 5.40%. Busey anticipates reinvesting the proceeds into higher yielding organic growth opportunities over time.

The increased net interest spread as a result of the two-part repositioning is expected to increase net interest income by approximately $3.3 million on an annualized basis and improve the net interest margin run rate by 3 basis points. In addition, execution of these transactions further bolsters Busey's liquidity position and balance sheet flexibility, while also strengthening its capital position.

In combination, the gain generated from the sale of mortgage servicing rights and the loss generated from the sale of securities had an immediate positive impact on consolidated stockholders' equity and book value per share. Risk-based regulatory capital ratios increased modestly as a result of the repositioning proceeds rotating into lower risk-weighted assets. Busey expects the above transactions to be accretive to capital and earnings per share in future periods.

Busey's Conservative Banking Strategy

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

The quality of our core deposit franchise is a critical value driver of our institution. Our granular deposit base continues to position us well and as of March 31, 2024, our estimated uninsured and uncollateralized deposits[5] percentage was 29%, and 96.7% of our deposits were core deposits[6]. Our retail deposit base was comprised of more than 253,000 accounts with an average balance of $22 thousand and an average tenure of 16.6 years as of March 31, 2024. Our commercial deposit base was comprised of more than 33,000 accounts with an average balance of $98 thousand and an average tenure of 12.4 years as of March 31, 2024. We have sufficient on- and off-balance sheet liquidity to manage deposit fluctuations and the liquidity needs of our customers.

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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).

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

Asset quality remains strong by both Busey's historical and current industry trends. Non-performing assets increased to $17.6 million during the first quarter of 2024, still representing only 0.15% of total assets. Busey's results for the first quarter of 2024 include a $5.0 million provision expense for credit losses and a $0.7 million provision release for unfunded commitments. The allowance for credit losses was $91.6 million as of March 31, 2024, representing 1.21% of total portfolio loans outstanding, and 521.6% of non-performing loans. Busey recorded net charge offs of $5.2 million in the first quarter of 2024. The increase in non-performing assets and provision expense for credit losses during the first quarter of 2024, as well as the majority of the net charge-offs, were primarily in connection with a single commercial credit relationship. As of March 31, 2024, our commercial real estate loan portfolio of investor-owned office properties within Central Business District[7] areas remained low at $4.7 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 first quarter of 2024, Common Equity Tier 1 and Total Capital to Risk Weighted Assets ratios[8] increased to 13.45% and 17.95%, respectively. In fact, our regulatory capital ratios continue to provide a buffer of more than $540 million above levels required to be designated well-capitalized. Our Tangible Common Equity ratio[9] increased to 8.12% during the first quarter of 2024, compared to 7.75% for the fourth quarter of 2023 and 7.05% for the first quarter of 2023. Busey's tangible book value per common share[9] increased to $16.84 at March 31, 2024, from $16.62 at December 31, 2023 and $15.14 at March 31, 2023, reflecting an 11.2% year-over-year increase. During the first quarter of 2024, we paid a common share dividend of $0.24.

Community Banking

Busey's focus has always been—and will always be—on doing the right thing for our Pillars: our associates, customers, communities, and shareholders. This commitment is the defining aspect of our culture, a vision that is brought to life each day by associates throughout our organization who understand the importance of exceeding customer needs and bettering our vibrant communities. The Busey Impact Report features that purposeful action and civic responsibility. To view the latest Busey Impact Report, visit busey.com/impact.

As we build upon Busey's forward momentum, we are grateful for the opportunities to consistently earn the business of our customers, based on the contributions of our talented associates and the continued support of our loyal shareholders. We are excited to welcome our M&M colleagues into the Busey family and feel confident that the transaction and our continued efforts will lead to attractive financial returns in future periods.

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

7 Central Business District areas within Busey's footprint include downtown St. Louis, downtown Indianapolis, and downtown Chicago.
8 Capital ratios for the first quarter of 2024 are not yet finalized, and are subject to change.
9 See "*Non-GAAP Financial Information*" for a reconciliation.

SELECTED FINANCIAL HIGHLIGHTS *(unaudited)*

(dollars in thousands, except per share amounts)

	Three Months Ended		
	March 31, 2024	December 31, 2023	March 31, 2023
EARNINGS & PER SHARE AMOUNTS			
Net income	$ 26,225	$ 25,749	$ 36,786
Diluted earnings per common share	0.46	0.46	0.65
Cash dividends paid per share	0.24	0.24	0.24
Pre-provision net revenue[1, 2]	46,373	32,909	47,918
Operating revenue[3]	109,677	107,888	118,321
Net income by operating segments:			
Banking	26,492	25,164	36,835
FirsTech	86	325	(38)
Wealth Management	4,998	4,233	4,858
AVERAGE BALANCES			
Cash and cash equivalents	$ 594,193	$ 608,647	$ 223,196
Investment securities	2,907,144	2,995,223	3,359,985
Loans held for sale	4,833	1,679	1,650
Portfolio loans	7,599,316	7,736,010	7,710,876
Interest-earning assets	10,999,903	11,229,326	11,180,562
Total assets	12,024,208	12,308,491	12,263,718
Noninterest bearing deposits	2,708,586	2,827,696	3,272,745
Interest-bearing deposits	7,330,105	7,545,234	6,637,405
Total deposits	10,038,691	10,372,930	9,910,150
Securities sold under agreements to repurchase and federal funds purchased	178,659	182,735	230,351
Interest-bearing liabilities	7,831,655	8,054,663	7,614,930
Total liabilities	10,748,484	11,106,074	11,092,899
Stockholders' equity - common	1,275,724	1,202,417	1,170,819
Tangible common equity[2]	922,710	846,948	807,465
PERFORMANCE RATIOS			
Pre-provision net revenue to average assets[1, 2, 4]	1.55 %	1.06 %	1.58 %
Return on average assets[4]	0.88 %	0.83 %	1.22 %
Return on average common equity[4]	8.27 %	8.50 %	12.74 %
Return on average tangible common equity[2, 4]	11.43 %	12.06 %	18.48 %
Net interest margin[2, 5]	2.79 %	2.74 %	3.13 %
Efficiency ratio[2]	58.13 %	66.89 %	56.93 %
Adjusted noninterest income[2] as a % of operating revenue[3]	30.92 %	28.51 %	27.44 %
NON-GAAP FINANCIAL INFORMATION			
Adjusted pre-provision net revenue[1, 2]	$ 38,638	$ 40,223	$ 49,504
Adjusted net income[2]	26,531	29,123	36,786
Adjusted diluted earnings per share[2]	0.47	0.52	0.65
Adjusted pre-provision net revenue to average assets[2, 4]	1.29 %	1.30 %	1.64 %
Adjusted return on average assets[2, 4]	0.89 %	0.94 %	1.22 %
Adjusted return on average tangible common equity[2, 4]	11.56 %	13.64 %	18.48 %
Adjusted net interest margin[2, 5]	2.78 %	2.73 %	3.12 %
Adjusted efficiency ratio[2]	61.70 %	62.98 %	56.93 %

1. Net interest income plus noninterest income, excluding securities gains and losses, less noninterest expense.
2. See "*Non-GAAP Financial Information*" for reconciliation.
3. Operating revenue consists of net interest income plus noninterest income excluding securities gains and losses and excluding gain on sale of mortgage servicing rights.
4. For quarterly periods, measures are annualized.
5. 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		
	March 31, 2024	December 31, 2023	March 31, 2023
ASSETS			
Cash and cash equivalents	$ 591,071	$ 719,581	$ 275,569
Debt securities available for sale	1,898,072	2,087,571	2,383,550
Debt securities held to maturity	862,218	872,628	907,559
Equity securities	9,790	9,812	10,915
Loans held for sale	6,827	2,379	2,714
Commercial loans	5,606,241	5,635,048	5,815,703
Retail real estate and retail other loans	1,981,836	2,015,986	1,968,105
Portfolio loans	7,588,077	7,651,034	7,783,808
Allowance for credit losses	(91,562)	(91,740)	(91,727)
Premises and equipment	121,506	122,594	126,515
Goodwill and other intangible assets, net	351,455	353,864	361,567
Right of use asset	10,590	11,027	12,291
Other assets	539,414	544,665	571,794
Total assets	$ 11,887,458	$ 12,283,415	$ 12,344,555
LIABILITIES & STOCKHOLDERS' EQUITY			
Liabilities			
Noninterest bearing deposits	$ 2,784,338	$ 2,834,655	$ 3,173,783
Interest checking, savings, and money market deposits	5,598,675	5,637,227	5,478,715
Time deposits	1,577,178	1,819,274	1,148,671
Total deposits	9,960,191	10,291,156	9,801,169
Securities sold under agreements to repurchase	147,175	187,396	210,977
Short-term borrowings	—	12,000	615,881
Long-term debt	223,100	240,882	249,245
Junior subordinated debt owed to unconsolidated trusts	72,040	71,993	71,855
Lease liability	10,896	11,308	12,515
Other liabilities	191,405	196,699	184,355
Total liabilities	10,604,807	11,011,434	11,145,997
Stockholders' equity			
Retained earnings	248,412	237,197	191,924
Accumulated other comprehensive income (loss)	(222,190)	(218,803)	(245,784)
Other[1]	1,256,429	1,253,587	1,252,418
Total stockholders' equity	1,282,651	1,271,981	1,198,558
Total liabilities & stockholders' equity	$ 11,887,458	$ 12,283,415	$ 12,344,555
SHARE AND PER SHARE AMOUNTS			
Book value per common share	$ 23.19	$ 23.02	$ 21.68
Tangible book value per common share[2]	$ 16.84	$ 16.62	$ 15.14
Ending number of common shares outstanding	55,300,008	55,244,119	55,294,455

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

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS *(unaudited)*

(dollars in thousands, except per share amounts)

	Three Months Ended		
	March 31, 2024	December 31, 2023	March 31, 2023
INTEREST INCOME			
Interest and fees on loans	$ 99,325	$ 101,425	$ 89,775
Interest on investment securities	19,937	20,634	20,342
Other interest income	6,471	6,641	988
Total interest income	$ 125,733	$ 128,700	$ 111,105
INTEREST EXPENSE			
Interest on deposits	$ 43,968	$ 45,409	$ 14,740
Interest on securities sold under agreements to repurchase and federal funds purchased	1,372	1,431	1,222
Interest on short-term borrowings	232	248	4,822
Interest on long-term debt	3,405	3,475	3,551
Junior subordinated debt owed to unconsolidated trusts	989	1,004	913
Total interest expense	$ 49,966	$ 51,567	$ 25,248
Net interest income	$ 75,767	$ 77,133	$ 85,857
Provision for credit losses	5,038	455	953
Net interest income after provision for credit losses	$ 70,729	$ 76,678	$ 84,904
NONINTEREST INCOME			
Wealth management fees	$ 15,549	$ 13,715	$ 14,797
Fees for customer services	7,056	7,484	6,819
Payment technology solutions	5,709	5,420	5,315
Mortgage revenue	746	218	288
Income on bank owned life insurance	1,419	1,019	1,652
Net securities gains (losses)	(6,375)	761	(616)
Other noninterest income	10,896	2,899	3,593
Total noninterest income	$ 35,000	$ 31,516	$ 31,848
NONINTEREST EXPENSE			
Salaries, wages, and employee benefits	$ 42,090	$ 42,730	$ 40,331
Data processing expense	6,550	6,236	5,640
Net occupancy expense	4,720	4,318	4,762
Furniture and equipment expense	1,813	1,694	1,746
Professional fees	2,253	2,574	2,058
Amortization of intangible assets	2,409	2,479	2,729
Interchange expense	1,611	1,355	1,853
FDIC insurance	1,400	1,167	1,502
Other operating expenses	7,923	12,426	9,782
Total noninterest expense	$ 70,769	$ 74,979	$ 70,403
Income before income taxes	$ 34,960	$ 33,215	$ 46,349
Income taxes	8,735	7,466	9,563
Net income	$ 26,225	$ 25,749	$ 36,786
SHARE AND PER SHARE AMOUNTS			
Basic earnings per common share	$ 0.47	$ 0.46	$ 0.66
Diluted earnings per common share	$ 0.46	$ 0.46	$ 0.65
Average common shares outstanding	55,416,589	55,403,662	55,397,989
Diluted average common shares outstanding	56,406,500	56,333,033	56,179,606

BALANCE SHEET STRENGTH

Our balance sheet remains a source of strength. Total assets were $11.89 billion as of March 31, 2024, compared to $12.28 billion as of December 31, 2023, and $12.34 billion as of March 31, 2023.

As has been our practice, we remain steadfast in our conservative approach to underwriting and disciplined approach to pricing, particularly given our outlook for the economy in the coming quarters, and this approach has impacted loan growth as predicted. Portfolio loans totaled $7.59 billion at March 31, 2024, compared to $7.65 billion at December 31, 2023, and $7.78 billion at March 31, 2023. The $63.0 million decline in portfolio loans during the first quarter of 2024 resulted from lower new origination volume.

Average portfolio loans were $7.60 billion for the first quarter of 2024, compared to $7.74 billion for the fourth quarter of 2023 and $7.71 billion for the first quarter of 2023. Average interest-earning assets were $11.00 billion for the first quarter of 2024, compared to $11.23 billion for the fourth quarter of 2023, and $11.18 billion for the first quarter of 2023.

Total deposits were $9.96 billion at March 31, 2024, compared to $10.29 billion at December 31, 2023, and $9.80 billion at March 31, 2023. Average deposits were $10.04 billion for the first quarter of 2024, compared to $10.37 billion for the fourth quarter of 2023 and $9.91 billion for the first quarter of 2023. Deposit fluctuations over the last several quarters were driven by a number of elements, including (1) seasonal factors, including ordinary course public fund flows and fluctuations in the normal course of business operations of certain core commercial customers, (2) the macroeconomic environment, including prevailing interest rates and anticipated future Federal Open Market Committee ("FOMC") rate moves, as well as inflationary pressures, (3) depositors moving some funds to accounts at competitors offering above-market rates, including state-sponsored investment programs that provide rates in excess of where we can borrow in the wholesale marketplace, and (4) deposits moving within the Busey ecosystem from deposit accounts to our wealth management group. Furthermore, during the first quarter of 2024, we moved $129.7 million of wealth management client funds that had previously been swept into interest-bearing money market accounts at Busey Bank back to money market investments managed by the Wealth Management division. At the time those funds were moved, they were carrying a weighted average interest rate of 5.44%. Core deposits[10] accounted for 96.7% of total deposits as of March 31, 2024. Cost of deposits was 1.76% in the first quarter of 2024, which represents an increase of 2 basis points from the fourth quarter of 2023. Excluding time deposits, Busey's cost of deposits was 1.32% in the first quarter of 2024, an increase of 1 basis point from the fourth quarter of 2023. Spot rates on total deposit costs, including noninterest bearing deposits, decreased by 9 basis points from 1.76% at December 31, 2023, to 1.67% at March 31, 2024. Spot rates on interest bearing deposits decreased by 11 basis points from 2.43% at December 31, 2023 to 2.32% at March 31, 2024.

During the first quarter of 2024 Busey paid off its term loan, which consisted of both short-term borrowings and long-term debt. Short term borrowings were zero at March 31, 2024, compared to $12.0 million at December 31, 2023, and $615.9 million at March 31, 2023. We had no borrowings from the FHLB at the end of the fourth quarter of 2023 or the first quarter of 2024, compared to $603.9 million at the end of the first quarter of 2023. We have sufficient on- and off-balance sheet liquidity[11] to manage deposit fluctuations and the liquidity needs of our customers. As of March 31, 2024, our available sources of on- and off-balance sheet liquidity totaled $6.60 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. New certificate of deposit production in the first quarter of 2024 had a weighted average term of 8.7 months at a rate of 3.26%, 218 basis points below our average marginal wholesale funding cost during the quarter. In total, our deposit initiatives contributed $286 million of retail deposit growth over the last twelve months. 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 $90.1 million in the first quarter of 2024. For the remainder of 2024, cash flows from our securities portfolio are expected to be approximately $239.0 million with a current book yield of 2.04%.

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

[11] 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 strong. Loans 30-89 days past due totaled $7.4 million as of March 31, 2024, compared to $5.8 million as of December 31, 2023, and $5.5 million as of March 31, 2023. Non-performing loans were $17.6 million as of March 31, 2024, compared to $7.8 million as of December 31, 2023, and $15.2 million as of March 31, 2023. The increase in non-performing loans during the first quarter of 2024 can be substantially attributed to a single commercial credit relationship. Continued disciplined credit management resulted in non-performing loans as a percentage of portfolio loans of 0.23% as of March 31, 2024, 0.10% as of December 31, 2023, and 0.20% as of March 31, 2023. Non-performing assets were 0.15% of total assets for first quarter of 2024, compared to 0.06% for the fourth quarter of 2023 and 0.13% for the first quarter of 2023. Our total classified assets increased to $105.4 million at March 31, 2024, from $72.3 million at December 31, 2023, and $103.9 million at March 31, 2023. Our ratio of classified assets to total capital and reserves remains low by historical standards, at 7.2% as of March 31, 2024, compared to 5.0% as of December 31, 2023, and 7.3% as of March 31, 2023.

Net charge-offs were $5.2 million for the first quarter of 2024, compared to $0.4 million for the fourth quarter of 2023, and $0.8 million for the first quarter of 2023. The increase in the first quarter of 2024 was limited to the single commercial credit relationship mentioned above. The allowance as a percentage of portfolio loans was 1.21% as of March 31, 2024, compared to 1.20% as of December 31, 2023, and 1.18% as of March 31, 2023. The allowance as a percentage of non-performing loans was 521.6% as of March 31, 2024, compared to 1,173.7% as of December 31, 2023, and 602.9% as of March 31, 2023.

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

ASSET QUALITY *(unaudited)*

(dollars in thousands)

	As of		
	March 31, 2024	**December 31, 2023**	**March 31, 2023**
Total assets	$ 11,887,458	$ 12,283,415	$ 12,344,555
Portfolio loans	7,588,077	7,651,034	7,783,808
Loans 30 – 89 days past due	7,441	5,779	5,472
Non-performing loans:			
Non-accrual loans	17,465	7,441	14,714
Loans 90+ days past due and still accruing	88	375	500
Non-performing loans	$ 17,553	$ 7,816	$ 15,214
Non-performing loans, segregated by geography:			
Illinois / Indiana	$ 13,553	$ 3,715	$ 10,416
Missouri	3,746	3,836	4,103
Florida	254	265	695
Other non-performing assets	65	125	759
Non-performing assets	$ 17,618	$ 7,941	$ 15,973
Allowance for credit losses	$ 91,562	$ 91,740	$ 91,727
RATIOS			
Non-performing loans to portfolio loans	0.23 %	0.10 %	0.20 %
Non-performing assets to total assets	0.15 %	0.06 %	0.13 %
Non-performing assets to portfolio loans and other non-performing assets	0.23 %	0.10 %	0.21 %
Allowance for credit losses to portfolio loans	1.21 %	1.20 %	1.18 %
Allowance for credit losses as a percentage of non-performing loans	521.63 %	1,173.75 %	602.91 %

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

(dollars in thousands)

	Three Months Ended		
	March 31, 2024	December 31, 2023	March 31, 2023
Net charge-offs (recoveries)	$ 5,216	$ 425	$ 834
Provision expense (release)	5,038	455	953

NET INTEREST MARGIN AND NET INTEREST INCOME

Net interest margin[12] was 2.79% for the first quarter of 2024, compared to 2.74% for the fourth quarter of 2023 and 3.13% for the first quarter of 2023. Excluding purchase accounting accretion, adjusted net interest margin[12] was 2.78% for the first quarter of 2024, compared to 2.73% in the fourth quarter of 2023 and 3.12% in the first quarter of 2023. Net interest income was $75.8 million in the first quarter of 2024, compared to $77.1 million in the fourth quarter of 2023 and $85.9 million in the first quarter of 2023.

The FOMC raised rates by a total of 525 basis points since the onset of the current FOMC tightening cycle that began in the first quarter of 2022, with no further increases during the first quarter of 2024. Rising rates initially have a positive impact on net interest margin, as assets, in particular commercial loans, reprice more quickly and to a greater extent than liabilities. As deposit and funding costs increase in response to the tightening rate cycle, and we experience deposit migration into higher cost offerings and funding alternatives, some of the net interest margin expansion is reversed, which we began to experience in the first quarter of 2023. As lower yielding securities and loans continue to mature or renew at higher current market rates, expansion in asset yields has outpaced any remaining lagged pressure on funding costs. Our deposit cost of funds peaked in the beginning of the first quarter of 2024, and we have been able to reduce interest expense by offering lower CD specials as well as applying rate management on higher exception priced non-maturity deposit products. We have also begun to benefit from recent actions taken to proactively bolster our net interest margin, including the targeted repositionings completed in both the fourth quarter of 2023 and the first quarter of 2024, the reversal of the wealth management sweep accounts, and the pay down of our outstanding term debt at the holding company. The collective benefit of these actions on a full run-rate basis will not be realized until the second quarter of 2024. Components of the 5 basis point increase in net interest margin[12] during the first quarter of 2024 include:

- Increased loan portfolio yield, offset by lower average balances, contributed +5 basis points
- Increased securities loss trade interest income contributed +3 basis points
- Reduced non-maturity deposit funding costs contributed +2 basis points
- Increased time deposit funding costs contributed -2 basis points
- Reduced cash and securities portfolio yield contributed -2 basis points
- Reduced impact from swaps and decreased purchase accounting contributed -1 basis point

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 2.1% over the subsequent twelve-month period. Market competition for deposits continues and deposit betas are likely to rise marginally during the first half of 2024, which is factored into our ALCO model and margin forecast. Busey continues to evaluate off-balance sheet hedging and balance sheet restructuring strategies as well as embedding rate protection in our asset originations to provide stabilization to net interest income in lower rate environments. Time deposit specials and retail incentive campaigns continue to provide sufficient funding flows and we maintained excess earning cash levels throughout the quarter. Since the onset of the current FOMC tightening cycle that began in the first quarter of 2022, our cumulative interest-bearing non-maturity deposit beta has been 36%. Our cycle-to-date total deposit beta has been 32% through March 31, 2024. Deposit betas are calculated based on an average federal funds rate of 5.50% during the first quarter of 2024, representing no change from the average federal funds rate for the fourth quarter of 2023.

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

NONINTEREST INCOME

Noninterest income was $35.0 million for the first quarter of 2024, as compared to $31.5 million for the fourth quarter of 2023 and $31.8 million for the first quarter of 2023. Excluding the impact of the mortgage servicing rights sale and net securities gains and losses, adjusted noninterest income[13] was $33.9 million or 30.9% of operating revenue, during the first quarter of 2024, compared to $30.8 million, or 28.5% of total operating revenue, for the fourth quarter of 2023 and $32.5 million, or 27.4% of total operating revenue, for the first quarter of 2023.

Consolidated wealth management fees were $15.5 million for the first quarter of 2024, compared to $13.7 million for the fourth quarter of 2023 and $14.8 million for the first quarter of 2023. On a segment basis, Wealth Management generated $15.7 million in revenue during the first quarter of 2024, a 5.3% increase over the $14.9 million reported in the first quarter of 2023. The Wealth Management operating segment generated net income of $5.0 million in first quarter of 2024, compared to $4.2 million in the fourth quarter of 2023 and $4.9 million in the first quarter of 2023. Busey's Wealth Management division ended the first quarter of 2024 with $12.76 billion in assets under care, compared to $12.14 billion at the end of the fourth quarter of 2023 and $11.21 billion at the end of the first quarter of 2023. Our portfolio management team continues to focus on long-term returns and managing risk in the face of volatile markets and has outperformed its blended benchmark[14] over the last three and five years.

Payment technology solutions revenue was $5.7 million for the first quarter of 2024, compared to $5.4 million for the fourth quarter of 2023 and $5.3 million for the first quarter of 2023. Excluding intracompany eliminations, the FirsTech operating segment generated revenue of $6.0 million during the first quarter of 2024, compared to $5.8 million in the fourth quarter of 2023 and $5.7 million in the first quarter of 2023. First quarter of 2024 results marked a new record high reported quarterly revenue for the FirsTech operating segment. The FirsTech operating segment generated net income of $0.1 million for the first quarter of 2024, compared to $0.3 million fourth quarter of 2023 and an insignificant amount of net losses of in the first quarter of 2023.

Revenues from wealth management fees and payment technology solutions activities represented 62.7% of Busey's adjusted noninterest income[13] for the quarter ended March 31, 2024, providing a balance to spread-based revenue from traditional banking activities.

Fees for customer services were $7.1 million for the first quarter of 2024, compared to $7.5 million for fourth quarter of 2023 and $6.8 million in the first quarter of 2023.

Net securities losses were $6.4 million for the first quarter of 2024, which were comprised of $6.8 million in realized net losses as a result of our targeted balance sheet repositioning during the quarter, and $0.4 million in unrealized gains on equity securities.

Other noninterest income was $10.9 million in the first quarter of 2024, compared to $2.9 million in the fourth quarter of 2023 and $3.6 million in the first quarter of 2023. Other noninterest income for the first quarter of 2024 included $7.5 million in gains realized on the sale of mortgage servicing rights in connection with our strategic two-part balance sheet repositioning completed during the first quarter of 2024, and $1.3 million in gains on venture capital investments.

OPERATING EFFICIENCY

Noninterest expense was $70.8 million in the first quarter of 2024, compared to $75.0 million in the fourth quarter of 2023 and $70.4 million for the first quarter of 2023. The efficiency ratio[13] was 58.1% for the first quarter of 2024, compared to 66.9% for the fourth quarter of 2023, and 56.9% for the first quarter of 2023. Busey remains focused on expense discipline.

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13 See "Non-GAAP Financial Information" for a reconciliation.
14 The blended benchmark consists of 60% MSCI All Country World Index and 40% Bloomberg Intermediate US Government/Credit Total Return Index.

Noteworthy components of noninterest expense are as follows:

- Salaries, wages, and employee benefits expenses were $42.1 million in the first quarter of 2024, compared to $42.7 million in the fourth quarter of 2023 and $40.3 million in the first quarter of 2023. Busey recorded $0.1 million of non-operating salaries, wages, and employee benefit expenses in the first quarter of 2024, compared to $3.8 million in the fourth quarter of 2023 and none in the first quarter of 2023. Our associate-base consisted of 1,464 full-time equivalents as of March 31, 2024, compared to 1,479 as of December 31, 2023, and 1,473 as of March 31, 2023.
- Data processing expense was $6.6 million in the first quarter of 2024, compared to $6.2 million in the fourth quarter of 2023 and $5.6 million in the first quarter of 2023. Busey recorded $0.1 million of non-operating data processing expenses in the first quarter of 2024, compared to none in the fourth and first quarters of 2023. Busey continues to make investments in technology enhancements and continues to experience inflation-driven price increases.
- Professional fees were $2.3 million in the first quarter of 2024, compared to $2.6 million in the fourth quarter of 2023 and $2.1 million in the first quarter of 2023. Busey recorded $0.1 million of non-operating professional fees in the first quarter of 2024, as compared to $0.4 million in the fourth quarter of 2023 and none in the first quarter of 2023.
- Amortization of intangible assets was $2.4 million in the first quarter of 2024, compared to $2.5 million in the fourth quarter of 2023 and $2.7 million in the first quarter of 2023.
- FDIC insurance expense was $1.4 million in the first quarter of 2024, compared to $1.2 million in the fourth quarter of 2023 and $1.5 million in the first quarter of 2023.
- Other operating expenses were $7.9 million for the first quarter of 2024, compared to $12.4 million in the fourth quarter of 2023 and $9.8 million in the first quarter of 2023. In connection with Busey's adoption of ASU 2023-02 on January 1, 2024, Busey began recording amortization of New Markets Tax Credits as income tax expense instead of other operating expense, which resulted in a decrease to other operating expenses of $2.3 million compared to the fourth quarter of 2023, and $2.2 million compared to the first quarter of 2023. Further changes in other operating expenses are attributable to multiple items, including the provision for unfunded commitments, sales of other real estate owned, marketing, and business development expenses.

Busey's effective tax rate for the first quarter of 2024 was 25.0%, 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. The effective tax rate was higher in the first quarter of 2024 compared to previous quarters due to the adoption of ASU 2023-02 in January 2024. ASU 2023-02 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 April 26, 2024, Busey will pay a cash dividend of $0.24 per common share to stockholders of record as of April 19, 2024. Busey has consistently paid dividends to its common stockholders since the bank holding company was organized in 1980.

As of March 31, 2024, Busey continued to exceed the capital adequacy requirements necessary to be considered "well-capitalized" under applicable regulatory guidelines. Busey's Common Equity Tier 1 ratio is estimated[15] to be 13.45% at March 31, 2024, compared to 13.09% at December 31, 2023, and 12.18% at March 31, 2023. Our Total Capital to Risk Weighted Assets ratio is estimated[15] to be 17.95% at March 31, 2024, compared to 17.44% at December 31, 2023, and 16.40% at March 31, 2023.

Busey's tangible common equity[16] was $937.6 million at March 31, 2024, compared to $925.0 million at December 31, 2023, and $845.3 million at March 31, 2023. Tangible common equity[16] represented 8.12% of tangible assets at March 31, 2024, compared to 7.75% at December 31, 2023, and 7.05% at March 31, 2023. Busey's tangible book value per common share[16] increased to $16.84 at March 31, 2024, from $16.62 at December 31, 2023 and $15.14 at March 31, 2023, reflecting an 11.2% year-over-year increase. 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.

1Q24 EARNINGS INVESTOR PRESENTATION

For additional information on Busey's financial condition and operating results, please refer to the 1Q24 Earnings Investor Presentation furnished via Form 8-K on April 23, 2024, in connection with this earnings release.

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[15] Capital ratios for the first quarter of 2024 are not yet finalized, and are subject to change.
[16] See *"Non-GAAP Financial Information"* for a reconciliation.

CORPORATE PROFILE

As of March 31, 2024, First Busey Corporation (Nasdaq: BUSE) was a $11.89 billion financial holding company headquartered in Champaign, Illinois.

Busey Bank, a wholly-owned bank subsidiary of First Busey Corporation, had total assets of $11.86 billion as of March 31, 2024, and is headquartered in Champaign, Illinois. Busey Bank currently has 58 banking centers, with 21 in Central Illinois markets, 13 in suburban Chicago markets, 20 in the St. Louis Metropolitan Statistical Area, three in Southwest Florida, and one in Indianapolis. More information about Busey Bank can be found at busey.com.

Through Busey's Wealth Management division, the Company provides a full range of asset management, investment, brokerage, fiduciary, philanthropic advisory, tax preparation, and farm management services to individuals, businesses, and foundations. Assets under care totaled $12.76 billion as of March 31, 2024. More information about Busey's Wealth Management services can be found at busey.com/wealth-management.

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

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

For more information about us, visit busey.com.

Category: Financial
Source: First Busey Corporation

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NON-GAAP FINANCIAL INFORMATION

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

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

These non-GAAP disclosures have inherent limitations and are not audited. They should not be considered in isolation or as a substitute for operating results reported in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. Tax effected numbers included in these non-GAAP disclosures are based on estimated statutory rates 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		
		March 31, 2024	December 31, 2023	March 31, 2023
PRE-PROVISION NET REVENUE				
Net interest income		$ 75,767	$ 77,133	$ 85,857
Total noninterest income		35,000	31,516	31,848
Net security (gains) losses		6,375	(761)	616
Total noninterest expense		(70,769)	(74,979)	(70,403)
Pre-provision net revenue		46,373	32,909	47,918
Non-GAAP adjustments:				
Acquisition and other restructuring expenses		408	4,237	—
Provision for unfunded commitments		(678)	818	(635)
Amortization of New Markets Tax Credits		—	2,259	2,221
Gain on sale of mortgage service rights		(7,465)	—	—
Adjusted pre-provision net revenue		$ 38,638	$ 40,223	$ 49,504
Pre-provision net revenue, annualized	[a]	$ 186,511	$ 130,563	$ 194,334
Adjusted pre-provision net revenue, annualized	[b]	155,401	159,580	200,766
Average total assets	[c]	12,024,208	12,308,491	12,263,718
Reported: Pre-provision net revenue to average assets[1]	[a÷c]	1.55 %	1.06 %	1.58 %
Adjusted: Pre-provision net revenue to average assets[1]	[b÷c]	1.29 %	1.30 %	1.64 %

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		
		March 31, 2024	December 31, 2023	March 31, 2023
NET INCOME ADJUSTED FOR NON-OPERATING ITEMS				
Net income	[a]	$ 26,225	$ 25,749	$ 36,786
Non-GAAP adjustments:				
Acquisition expenses:				
Data processing		100	—	—
Professional fees, occupancy, furniture and fixtures, and other		185	266	—
Other restructuring expenses:				
Salaries, wages, and employee benefits		123	3,760	—
Professional fees, occupancy, furniture and fixtures, and other		—	211	—
Related tax benefit[1]		(102)	(863)	—
Adjusted net income	[b]	$ 26,531	$ 29,123	$ 36,786
DILUTED EARNINGS PER SHARE				
Diluted average common shares outstanding	[c]	56,406,500	56,333,033	56,179,606
Reported: Diluted earnings per share	[a÷c]	$ 0.46	$ 0.46	$ 0.65
Adjusted: Diluted earnings per share	[b÷c]	$ 0.47	$ 0.52	$ 0.65
RETURN ON AVERAGE ASSETS				
Net income, annualized	[d]	$ 105,476	$ 102,156	$ 149,188
Adjusted net income, annualized	[e]	106,707	115,542	149,188
Average total assets	[f]	12,024,208	12,308,491	12,263,718
Reported: Return on average assets[2]	[d÷f]	0.88 %	0.83 %	1.22 %
Adjusted: Return on average assets[2]	[e÷f]	0.89 %	0.94 %	1.22 %
RETURN ON AVERAGE TANGIBLE COMMON EQUITY				
Average common equity		$ 1,275,724	$ 1,202,417	$ 1,170,819
Average goodwill and other intangible assets, net		(353,014)	(355,469)	(363,354)
Average tangible common equity	[g]	$ 922,710	$ 846,948	$ 807,465
Reported: Return on average tangible common equity[2]	[d÷g]	11.43 %	12.06 %	18.48 %
Adjusted: Return on average tangible common equity[2]	[e÷g]	11.56 %	13.64 %	18.48 %

1. Tax benefits were calculated by multiplying acquisition expenses and other restructuring expenses by the effective tax rate for each period. Effective tax rates used in this calculation were 25.0% for the three months ended March 31, 2024, 20.4% for the three months ended December 31, 2023, and 20.6% for the three months ended March 31, 2023.
2. Annualized measure.

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

Further Adjusted Net Income and Further Adjusted Diluted Earnings Per Share

(dollars in thousands, except per share amounts)

		Three Months Ended		
		March 31, 2024	December 31, 2023	March 31, 2023
Adjusted net income[1]	[a]	$ 26,531	$ 29,123	$ 36,786
Further non-GAAP adjustments:				
Net securities (gains) losses		6,375	(761)	616
Gain on sale of mortgage servicing rights		(7,465)	—	—
Tax effect for further non-GAAP adjustments[2]		272	171	(127)
Tax effected further non-GAAP adjustments[3]		(818)	(590)	489
Further adjusted net income[3]	[b]	$ 25,713	$ 28,533	$ 37,275
Diluted average common shares outstanding	[c]	56,406,500	56,333,033	56,179,606
Adjusted: Diluted earnings per share	[a÷c]	$ 0.47	$ 0.52	$ 0.65
Further Adjusted: Diluted earnings per share[3]	[b÷c]	$ 0.46	$ 0.51	$ 0.66

1. Adjusted net income is a non-GAAP measure. See the table on the previous page for a reconciliation to the nearest GAAP measure.
2. Tax effects for further non-GAAP adjustments were calculated by multiplying further non-GAAP adjustments by the effective income tax rates for the periods indicated. Effective tax rates were 25.0%, 22.5%, and 20.6% for the three months ended March 31, 2024, December 31, 2023, and March 31, 2023, respectively.
3. Tax-effected measure.

Adjusted Net Interest Income and Adjusted Net Interest Margin

(dollars in thousands)

		Three Months Ended		
		March 31, 2024	December 31, 2023	March 31, 2023
Net interest income		$ 75,767	$ 77,133	$ 85,857
Non-GAAP adjustments:				
Tax-equivalent adjustment[1]		449	501	558
Tax-equivalent net interest income		76,216	77,634	86,415
Purchase accounting accretion related to business combinations		(204)	(384)	(403)
Adjusted net interest income		$ 76,012	$ 77,250	$ 86,012
Tax-equivalent net interest income, annualized	[a]	$ 306,539	$ 308,004	$ 350,461
Adjusted net interest income, annualized	[b]	305,719	306,481	348,826
Average interest-earning assets	[c]	10,999,903	11,229,326	11,180,562
Reported: Net interest margin[2]	[a÷c]	2.79 %	2.74 %	3.13 %
Adjusted: Net interest margin[2]	[b÷c]	2.78 %	2.73 %	3.12 %

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

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

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		
		March 31, 2024	December 31, 2023	March 31, 2023
Net interest income		$ 75,767	$ 77,133	$ 85,857
Non-GAAP adjustments:				
Tax-equivalent adjustment[1]		449	501	558
Tax-equivalent net interest income	[a]	76,216	77,634	86,415
Total noninterest income		35,000	31,516	31,848
Non-GAAP adjustments:				
Net security (gains) losses		6,375	(761)	616
Noninterest income excluding net securities gains and losses	[b]	41,375	30,755	32,464
Further adjustments:				
Gain on sale of mortgage servicing rights		(7,465)	—	—
Adjusted noninterest income	[c]	$ 33,910	$ 30,755	$ 32,464
Tax-equivalent revenue	[d = a+b]	$ 117,591	$ 108,389	$ 118,879
Adjusted Tax-equivalent revenue	[e = a+c]	$ 110,126	$ 108,389	$ 118,879
Total noninterest expense		$ 70,769	$ 74,979	$ 70,403
Non-GAAP adjustments:				
Amortization of intangible assets	[f]	(2,409)	(2,479)	(2,729)
Noninterest expense excluding amortization of intangible assets	[g]	68,360	72,500	67,674
Non-operating adjustments:				
Salaries, wages, and employee benefits		(123)	(3,760)	—
Data processing		(100)	—	—
Professional fees, occupancy, furniture and fixtures, and other		(185)	(477)	—
Adjusted noninterest expense	[h]	67,952	68,263	67,674
Provision for unfunded commitments		678	(818)	635
Amortization of New Markets Tax Credits		—	(2,259)	(2,221)
Adjusted core expense	[i]	$ 68,630	$ 65,186	$ 66,088
Noninterest expense, excluding non-operating adjustments	[h-f]	$ 70,361	$ 70,742	$ 70,403
Reported: Efficiency ratio	[g÷d]	58.13 %	66.89 %	56.93 %
Adjusted: Efficiency ratio	[h÷e]	61.70 %	62.98 %	56.93 %
Adjusted: Core efficiency ratio	[i÷e]	62.32 %	60.14 %	55.59 %

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

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

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

		As of		
		March 31, 2024	**December 31, 2023**	**March 31, 2023**
Total stockholders' equity		$ 1,282,651	$ 1,271,981	$ 1,198,558
Non-GAAP adjustments:				
Goodwill and other intangible assets, net		(351,455)	(353,864)	(361,567)
Tangible book value	[a]	$ 931,196	$ 918,117	$ 836,991
Ending number of common shares outstanding	[b]	55,300,008	55,244,119	55,294,455
Tangible book value per common share	[a÷b]	$ 16.84	$ 16.62	$ 15.14

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

		As of		
		March 31, 2024	**December 31, 2023**	**March 31, 2023**
Total assets		$ 11,887,458	$ 12,283,415	$ 12,344,555
Non-GAAP adjustments:				
Goodwill and other intangible assets, net		(351,455)	(353,864)	(361,567)
Tax effect of other intangible assets[1]		6,434	6,888	8,335
Tangible assets[2]	[a]	$ 11,542,437	$ 11,936,439	$ 11,991,323
Total stockholders' equity		$ 1,282,651	$ 1,271,981	$ 1,198,558
Non-GAAP adjustments:				
Goodwill and other intangible assets, net		(351,455)	(353,864)	(361,567)
Tax effect of other intangible assets[1]		6,434	6,888	8,335
Tangible common equity[2]	[b]	$ 937,630	$ 925,005	$ 845,326
Tangible common equity to tangible assets[2]	[b÷a]	8.12 %	7.75 %	7.05 %

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

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

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

(dollars in thousands)

		As of		
		March 31, 2024	December 31, 2023	March 31, 2023
Portfolio loans	[a]	$ 7,588,077	$ 7,651,034	$ 7,783,808
Total deposits	[b]	$ 9,960,191	$ 10,291,156	$ 9,801,169
Non-GAAP adjustments:				
Brokered transaction accounts		(6,001)	(6,001)	(6,005)
Time deposits of $250,000 or more		(326,795)	(386,286)	(200,898)
Core deposits	[c]	$ 9,627,395	$ 9,898,869	$ 9,594,266
RATIOS				
Core deposits to total deposits	[c÷b]	96.66 %	96.19 %	97.89 %
Portfolio loans to core deposits	[a÷c]	78.82 %	77.29 %	81.13 %

SPECIAL NOTE CONCERNING FORWARD-LOOKING STATEMENTS

This document may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to Busey's financial condition, results of operations, plans, objectives, future performance, and business. Forward-looking statements, which may be based upon beliefs, expectations and assumptions of Busey's management and on information currently available to management, are generally identifiable by the use of words such as "believe," "expect," "anticipate," "plan," "intend," "estimate," "may," "will," "would," "could," "should" or other similar expressions. Additionally, all statements in this document, including forward-looking statements, speak only as of the date they are made, and Busey undertakes no obligation to update any statement in light of new information or future events. A number of factors, many of which are beyond Busey's ability to control or predict, could cause actual results to differ materially from those in any forward-looking statements. These factors include, among others, the following: (1) the strength of the local, state, national, and international economy (including effects of inflationary pressures and supply chain constraints); (2) the economic impact of any future terrorist threats or attacks, widespread disease or pandemics, or other adverse external events that could cause economic deterioration or instability in credit markets (including Russia's invasion of Ukraine and the Israeli-Palestinian conflict); (3) changes in state and federal laws, regulations, and governmental policies concerning Busey's general business (including changes in response to the failures of other banks or as a result of the upcoming 2024 presidential election); (4) changes in accounting policies and practices; (5) changes in interest rates and prepayment rates of Busey's assets (including the impact of the significant rate increases by the Federal Reserve since 2022); (6) increased competition in the financial services sector (including from non-bank competitors such as credit unions and fintech companies) and the inability to attract new customers; (7) changes in technology and the ability to develop and maintain secure and reliable electronic systems; (8) the loss of key executives or associates; (9) changes in consumer spending; (10) unexpected results of acquisitions (including the acquisition of Merchants and Manufacturers Bank Corporation); (11) unexpected outcomes of existing or new litigation, investigations, or inquiries involving Busey (including with respect to Busey's Illinois franchise taxes); (12) fluctuations in the value of securities held in Busey's securities portfolio; (13) concentrations within Busey's loan portfolio, large loans to certain borrowers, and large deposits from certain clients; (14) the concentration of large deposits from certain clients who have balances above current FDIC insurance limits and may withdraw deposits to diversify their exposure; (15) the level of non-performing assets on Busey's balance sheets; (16) interruptions involving information technology and communications systems or third-party servicers; (17) breaches or failures of information security controls or cybersecurity-related incidents; and (18) the economic impact of exceptional weather occurrences such as tornadoes, hurricanes, floods, blizzards, and droughts. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements.

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

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

Busey's Financial Suite of Services

BuseyBANK
Business | Wealth Management | Personal

firstech


Q1 2024
EARNINGS
INVESTOR
PRESENTATION
April 23, 2024
busey.com
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Busey
FIRST BUSEY CORPORATION

Forward-Looking Statements and Non-GAAP Financial Information

Special Note Concerning Forward-Looking Statements

This presentation may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations, plans, objectives, future performance and business of First Busey Corporation ("Busey"). Forward-looking statements, which may be based upon beliefs, expectations and assumptions of Busey's management and on information currently available to management, are generally identifiable by the use of words such as "believe," "expect," "anticipate," "plan," "intend," "estimate," "may," "will," "would," "could," "should" or other similar expressions. Additionally, all statements in this presentation, including forward-looking statements, speak only as of the date they are made, and Busey undertakes no obligation to update any statement in light of new information or future events. A number of factors, many of which are beyond Busey's ability to control or predict, could cause actual results to differ materially from those in Busey's forward-looking statements. These factors include, among others, the following: (1) the strength of the local, state, national, and international economy (including effects of inflationary pressures and supply chain constraints); (2) the economic impact of any future terrorist threats or attacks, widespread disease or pandemics, or other adverse external events that could cause economic deterioration or instability in credit markets (including Russia's invasion of Ukraine and the Israeli-Palestinian conflict); (3) changes in state and federal laws, regulations, and governmental policies concerning Busey's general business (including changes in response to the failures of other banks or as a result of the upcoming 2024 presidential election); (4) changes in accounting policies and practices; (5) changes in interest rates and prepayment rates of Busey's assets (including the impact of the significant rate increases by the Federal Reserve since 2022); (6) increased competition in the financial services sector (including from non-bank competitors such as credit unions and fintech companies) and the inability to attract new customers; (7) changes in technology and the ability to develop and maintain secure and reliable electronic systems; (8) the loss of key executives or associates; (9) changes in consumer spending; (10) unexpected results of acquisitions (including the acquisition of Merchants and Manufacturers Bank Corporation); (11) unexpected outcomes of existing or new litigation, investigations, or inquiries involving Busey (including with respect to Busey's Illinois franchise taxes); (12) fluctuations in the value of securities held in Busey's securities portfolio; (13) concentrations within Busey's loan portfolio, large loans to certain borrowers, and large deposits from certain clients; (14) the concentration of large deposits from certain clients who have balances above current FDIC insurance limits and may withdraw deposits to diversify their exposure; (15) the level of non-performing assets on Busey's balance sheets; (16) interruptions involving information technology and communications systems or third-party servicers; (17) breaches or failures of information security controls or cybersecurity-related incidents; and (18) the economic impact of exceptional weather occurrences such as tornadoes, hurricanes, floods, blizzards, and droughts. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. Additional information concerning Busey and its business, including additional factors that could materially affect its financial results, is included in Busey's filings with the Securities and Exchange Commission ("SEC").

Non-GAAP Financial Information

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

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

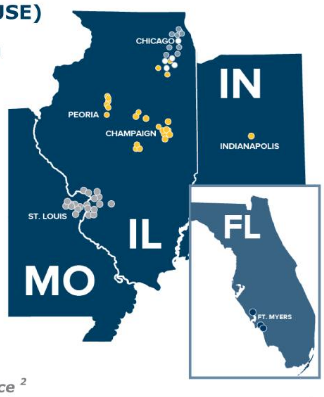
155+ YEARS

155+ year old financial institution headquartered in Champaign, IL

Among the Best: Forbes America's Best Banks | American Banker 2023 Best Banks to Work For | Best Places to Work in Illinois 2023 | Pensions & Investments Best Places to Work in Money Management 2023 | Florida Trend Best Companies to Work For in Florida 2023 Winner | St. Louis Business Journal

Regional operating model serving four regions

- Northern (IL)
- Central (IL/IN)
- Gateway (MO/IL)
- Florida
- M&M Bank[4]



Financial Highlights

$ in millions	2022	2023	2024 YTD
Total Assets	$12,337	$12,283	$11,887
Total Loans	$7,726	$7,651	$7,588
Total Deposits	$10,071	$10,291	$9,960
Total Equity	$1,146	$1,272	$1,283
Total Wealth AUC	$11,062	$12,137	$12,763
NPA/Assets	0.13 %	0.06 %	0.15 %
Net Interest Margin [1]	2.84 %	2.88 %	2.79 %
Adj. Nonint. Income % of Total Revenue [1]	28.5 %	28.1 %	30.9 %
Adj. PPNR ROAA [1]	1.44 %	1.41 %	1.29 %
Adj. ROAA [1]	1.06 %	1.03 %	0.89 %
Adj. ROATCE [1]	15.99 %	15.03 %	11.56 %

BUSE Stock Price [2]

Market Cap	Price Per Share	Dividend Yield	Price/TBV	Price/2024E [3]
$1.3B	$22.89	4.2%	1.4x	11.1x

[1] Non-GAAP calculation, see Appendix | [2] Market Data for BUSE updated to close on 4/22/24, per Nasdaq | [3] Based on consensus median net income of covering analysts as of 4/22/24
[4] Pro Forma locations reflecting announced acquisition of Merchants & Manufacturers Bank Corp. on 11/27/23. Acquisition closed 4/1/24, anticipated to merge banks during 2Q24

Diversified Company with Comprehensive & Innovative Financial Solutions

Busey BANK

Full suite of diversified financial products for individuals and businesses

$11.9 Billion
Assets [1]

$372.7 Million
LTM Revenue [2]

13.4%
Adj. ROATCE (LTM) [3]

Busey WEALTH MANAGEMENT

Wealth & asset management services for individuals and businesses

$12.8 Billion
Assets Under Care

$58.6 Million
LTM Revenue [4]

42.5%
PT Margin (LTM)

firstech

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

$11 Billion
Payments Processed [5]

$23.1 Million
LTM Revenue [6]

+7%
3-Year CAGR Quarterly Revenue [6]

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

Compelling Regional Operating Model

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

Regions	*Central*	*Gateway*	*Northern*	*Florida*
Banking Centers	25 	20 	10 	3 
Deposits (As of 3/31/24)	$5.3 billion	$2.4 billion	$1.8 billion	$0.5 billion
Loans	$3.2 billion	$1.9 billion	$2.1 billion	$0.4 billion
AUC	$9.0 billion	$1.5 billion	$1.2 billion	$1.1 billion
Legacy Institutions	Busey Main Street Herget South Side	Pulaski Bank of Edwardsville	First Community Glenview State Bank	Busey Investors' Security Trust

Note: Does not include merger of Merchants & Manufacturers Bank. Acquisition closed 4/1/2024 and bank merger anticipated to be completed during 2Q24

Merchants and Manufacturers Bank Corp.

Busey closed the acquisition of Merchants & Manufacturers Bank Corp. on April 1

As of 3/31/24

Pro Forma Busey + M&M	$12.4 Billion *Assets*	$8.0 Billion *Loans*	$10.4 Billion *Deposits*

Compelling Life Equity Loan® Line of Business

- Defensible, scalable niche as established market leader in providing loans secured by cash value life insurance policies and related credit products
- Enhances the unique product set offered to Busey's well-capitalized client base
- Attractive economics – strong yield (7.68% MRQ) and no historical loss experience
- Busey's strong balance sheet position and investments in technology will enhance Life Equity Loan capabilities and financial outcomes

Further Enhances Key Market Profile

- Complements and extends Busey's growing Chicagoland market presence
- Bolsters Busey's deposit position among regional and community banks to #4 in M&M's markets of operation and #8 in the Chicago MSA[1]
- Adds presence in attractive and commercially important Oak Brook market

Attractive Deal Metrics [2]

- < 1.5% TBV dilution
- 2.0 year TBV earnback
- 6%+ EPS accretion in 2025 & 2026; long-term GAAP & Cash EPS accretion of ~5.5%
- Pro Forma capital & liquidity positions remain robust

11/27/23	12/18/23	1/12/24	Feb./Mar. 2024	3/20/24	4/1/24	June 2024
M&M Acquisition Announced	Filed applications with regulators	Filed S-4	Regulatory approvals received	M&M shareholders voted approval	Completed legal & financial close of transaction	Anticipated bank merger & core system conversion

Actions Taken → *Next Steps*

[1] Deposit data as of 6/30/23 per the 2023 FDIC Summary of Deposits and excludes banks with $100 billion+ in consolidated assets | [2] Metrics as announced 11/27/23

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 (96.7%)[1], low cost non-time deposits (132 bps) in 1Q24, and low level of uninsured & uncollateralized deposits[2] (29%) at 3/31/24 • Substantial investments in technology enterprise-wide, deep leadership bench, and risk management infrastructure
Disciplined Growth Strategy Driven by Regional Operating Model	• Organic growth across key business lines driven by regional operating model that aligns commercial, wealth and FirsTech operations • Efficient and right-sized branch network (average deposits per branch of $172 million) • Leverage track record as proven successful acquirer to expand through disciplined M&A; completed acquisition of Merchants & Manufacturers Bank Corp. on 4/1/24
Powerful Combination of Three Business Lines Drives Strong Noninterest Income	• Significant revenue derived from diverse and complementary fee income sources • Noninterest income represented 30.9% (excluding gain on sale of mortgage servicing rights and net securities losses) of total revenue for 1Q24 • Wealth management and payment tech solutions account for 62.7% of noninterest income (excluding MSR gain and net securities losses) in 1Q24 • Sizable business lines provide for a full suite of solutions for our clients across their lifecycle
Attractive Profitability and Returns	• Adjusted ROAA of 0.89%[1] and Adjusted ROATCE of 11.56%[1] for 1Q24 • 1Q24 NIM of 2.79%[1], an increase of 5 basis points from 4Q23 • Adjusted Core Efficiency Ratio of 62.3%[1] for 1Q24 • Adjusted diluted EPS of $0.47[1] for 1Q24 • Quarterly dividend of $0.24 (4.2% yield)[3]

BUILT ON A FORTRESS BALANCE SHEET

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

[1] Non-GAAP calculation, see Appendix | [2] Estimated uninsured & uncollateralized deposits consists of the excess of accounts over $250K FDIC insurance limit, less internal accounts and fully-collateralized accounts (incl. preferred deposits) | [3] Based on BUSE closing stock price on 4/22/24

Fortress Balance Sheet

High Quality, Resilient Loan Portfolio

- Diversified portfolio, conservatively underwritten with low levels of concentration
- Non-performing (0.15% of total assets) and classified assets (7.2% of capital[1]) both remain low
- Reserves remain above initial Day 1 CECL coverage of 1.06%: ACL/Loans: 1.21% | ACL/NPLs: 522%
- 100 / 300 Test: 31% C&D | 200% CRE-I
- Minimal office CRE-I located in metro central business districts; substantial majority of office properties are in suburban locations and 41% of the office CRE-I portfolio is medical office

Strong Core Deposit Franchise & Ample Liquidity

- Robust holding company and bank-level liquidity
- Strong core deposit franchise
  - 76.2% loan-to-deposit ratio, 96.7% core deposits[2]
  - 28.0% of total deposits are noninterest-bearing
  - Low level of estimated uninsured & uncollateralized deposits[3] at 29% of total deposits at 3/31/24
- Cash & Equivalents + Available-For-Sale Securities carrying value represents 86% of estimated uninsured & uncollateralized deposits[3]
- Substantial sources of available off-balance sheet contingent funding totaling $4.1 billion, representing an additional 1.4x coverage of estimated uninsured & uncollateralized deposits[3] at 3/31/24
  - Untapped borrowing capacity ($4.1 billion in aggregate): $2.0 billion with FHLB, $0.6 billion with FRB discount window, $0.5 billion with Unsecured Fed Funds lines, and $1.0 billion brokered deposit capacity
  - Brokered deposit market continues to remain untapped
  - Accelerated payoff of term loan in 1Q24; borrowings reduced by approximately $30 million from 4Q23
  - No borrowings from FHLB as of 3/31/24

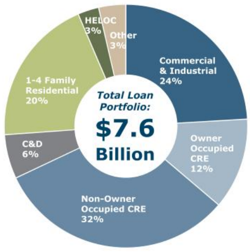
Robust Capital Foundation

- Capital ratios significantly in excess of well-capitalized minimums
- Total RBC of 17.9% and CET1 ratio of 13.4% at 3/31/24[4]
- TCE/TA ratio of 8.12% at 3/31/24[2], up from 7.05% at 3/31/23
- TBV per share of $16.84 at 3/31/24[2], an increase of 11.2% from $15.14 at 3/31/23

[1] Capital calculated as Bank Tier 1 Capital + Allowance for credit losses | [2] Non-GAAP calculation, see Appendix | [3] 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) | [4] Capital ratios are preliminary estimates

High Quality Loan Portfolio

Loan Portfolio Composition | 1Q24



MRQ Yield on Loans

5.27%

+5 bps from 4Q23

1Q24 Net New Funding Yield

7.91%

+51 bps from 4Q23

Classified Loans / Capital [1]

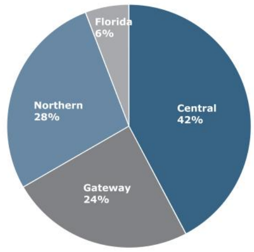
7.2%

LTM New Originations

Approx. 82% of new commercial production was growth within existing bank relationships

New CRE-I originations had a weighted-average LTV of 60%

Loan Portfolio Regional Segmentation [2]



Ex-PPP Loans Trends

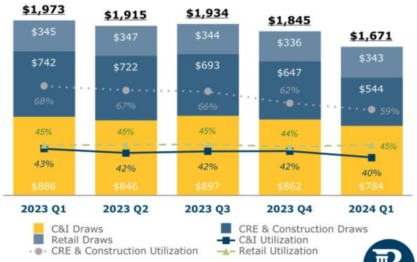
$ in millions

Loan growth has softened in the current environment and as we evaluate new originations and renewals within a tight credit box

Funded Draws & Line Utilization Rate [3]

$ in millions

Line utilization declined $303 million LTM - mostly due to limited capital investment in the current environment



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

High Quality Loan Portfolio: CRE

Investor Owned CRE Loans by Property Type [1]

$ in thousands Property Type	3/31/24 Balances	% of Total Loans	3/31/24 Classified Balances
Apartments	$614,930	8.1 %	$0
Retail	515,501	6.8 %	5,308
Industrial/Warehouse	343,185	4.5 %	416
Traditional Office	264,196	3.5 %	19,068
Student Housing	250,202	3.3 %	3,773
Hotel	186,106	2.5 %	3,174
Medical Office	182,830	2.4 %	0
Senior Housing	162,600	2.1 %	0
LAD	143,322	1.9 %	0
Specialty	82,976	1.1 %	127
Restaurant	26,744	0.4 %	0
Nursing Homes	23,711	0.3 %	0
1-4 Family	22,810	0.3 %	0
Health Care	20,000	0.3 %	0
Other	533	0.0 %	0
Grand Total	**$2,839,646**	**37.4 %**	**$31,866**

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

- Only 1.1% of total CRE-I loans are classified
- Low levels of concentrated exposure - continue to actively monitor CRE-I concentrations vs. internally-defined appetite thresholds
  - 100/300 Test: 31% C&D | 200% CRE-I
- Apartments & Student Housing represents 30% of CRE-I
  - 56% WAvg Loan-to-Value (LTV) & 53% have been Busey customers for 5+ years
- Most recent stress testing demonstrated WAvg DSCRs[2] above 1.20x under severe stress scenarios for tested property types of Apartments, Student Housing, Retail, Industrial/Warehouse, Traditional Office, and Hotel, representing approximately 77% of total CRE-I balances at 3/31/24

Owner Occupied CRE Loans by Property Type

$ in thousands Property Type	3/31/24 Balances	% of Total Loans	3/31/24 Classified Balances
Industrial/Warehouse	$351,980	4.6 %	$7,747
Specialty	238,538	3.1 %	530
Traditional Office	113,708	1.5 %	522
Medical Office	88,682	1.2 %	0
Retail	77,200	1.0 %	1,514
Restaurant	45,681	0.6 %	173
Nursing Homes	1,388	0.0 %	0
Health Care	683	0.0 %	0
Hotel	598	0.0 %	0
Other	199	0.0 %	0
Grand Total	**$918,657**	**12.1 %**	**$10,486**

Owner Occupied CRE Portfolio (OOCRE)

- Only 1.1% of total OOCRE loans are classified
- Owner occupied loans are not considered regulatory CRE
- OOCRE properties are underwritten to operating cash flow and guidance requires a 1.20x FCCR[3]
- OOCRE have lower risk profiles as they are underwritten to the primary occupying business and are not as exposed to lease turnover risks
- Industrial/Warehouse properties are the largest OOCRE segment, comprising 38% of the OOCRE portfolio while only 4.6% of total loans

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

Office Investor Owned CRE Portfolio

All data as of 3/31/24

$ in thousands Metric	Traditional Office	Medical Office	Top Ten Largest Office Loans	CBD Office Exposure
Total Balances	$264,196	$182,830	$126,205	$4,662
% of Total CRE-I	9.3 %	6.4 %	4.4 %	0.2 %
% of Total Office CRE-I	59.1 %	40.9 %	28.2 %	1.0 %
# of Loans	194	73	10	4
Average Loan Size	$1,362	$2,505	$12,621	$1,166
Total Classified Balances	$19,068	$0	$17,999	$0
Weighted Avg Current LTV	56 %	65 %	64%	66%

Top Ten Largest Office Loans

Weighted Average DSCR:	**1.32**
Weighted Average Debt Yield:	**9.8%**
WAvg 1-Year Lease Rollover:	**7.9%**
WAvg 2-Year Lease Rollover:	**10.0%**

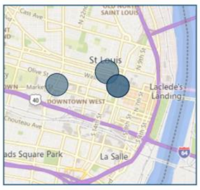
Limited Metro Central Business District Exposure

Downtown Chicago

No outstanding Office CRE-I in Downtown Chicago

Downtown St. Louis

3 Properties with
$4.3 million in balances



Downtown Indy

1 Property with
$0.3 million in balances

High Quality Loan Portfolio: C&I

- 23.9% of total loan portfolio
  - 69% of C&I borrowers have been Busey customers for 5+ years
- All C&I loans are underwritten to 1.20x FCCR requirement and RLOCs greater than $1 million require a monthly borrowing base
- C&I lines of credits have an overall utilization of 40%, demonstrating substantial borrowing capacity and appropriate revolving of most lines
- Diversified portfolio results in low levels of concentrated exposure
  - Top concentration in one industry (manufacturing) is 15% of C&I loans, or 4% of total loans
- 3.1% of C&I loans are classified, compared to 1.7% in 4Q23 and 3.2% in 1Q23
  - Portfolio Management process resulted in taking a deep dive into select credits after year-end financials were received and proactive immediate actions were taken to address any issues
  - Weaknesses emerged among select credits that experienced cash flow issues due to increasing interest rate environment, cyclical business models, and management issues
  - Most borrowing bases remain in compliance, with continued monitoring indicating some slower collection of receivables and turnover of inventory that resulted in inability to properly revolve certain lines of credit

C&I Loans by Sector

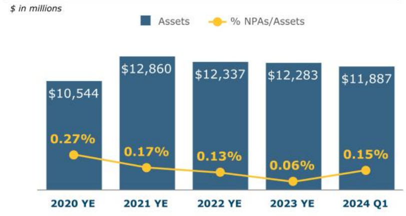
$ in thousands NAICS Sector	3/31/24 Balances	% of Total Loans	3/31/24 Classified Balances
Manufacturing	$266,358	3.5 %	$20,840
Finance and Insurance	257,022	3.4 %	0
Real Estate Rental & Leasing	225,649	3.0 %	1,796
Wholesale Trade	177,538	2.3 %	10,134
Construction	144,161	1.9 %	11,039
Transportation	138,549	1.8 %	0
Educational Services	124,441	1.6 %	74
Agriculture, Forestry, Fishing, Hunting	85,628	1.1 %	1,406
Food Services and Drinking Places	75,245	1.0 %	0
Health Care and Social Assistance	67,795	0.9 %	5,285
Other Services (except Public Admin.)	58,338	0.8 %	108
Public Administration	56,199	0.7 %	0
Retail Trade	49,197	0.6 %	253
Arts, Entertainment, and Recreation	41,446	0.5 %	855
Professional, Scientific, Technical Svcs.	32,877	0.4 %	2,925
Administrative and Support Services	11,866	0.2 %	183
Mining, Quarrying, Oil/Gas Extraction	7,405	0.1 %	0
Waste Management Services	4,303	0.1 %	1,300
Information	3,184	0.0 %	0
Utilities	531	0.0 %	0
Grand Total[1]	**$1,827,732**	**23.9 %**	**$56,198**

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

Pristine Credit Quality

- Conservative underwriting leads to pristine credit quality
  - CRE factors of DSCR, Debt Yield, & LTV stressed for effective gross income decline and interest & cap rate stress
  - C&I factors including core, operating, traditional cash flows, working capital, and leverage ratios that each are stressed for rate hikes, historical revenue volatility, and a rigorous breakeven analysis
- Strong portfolio management that identifies early warning indicators and proactively engages the special assets group early in the credit review process (special assets group has remained intact since the 2008-2009 recession)
- 1Q24 net charge-offs totaled $5.2 million, bringing NCOs over the last 12 months to $6.6 million, or 0.09% of average loans[1]
  - Charge-off substantially related to one C&I credit that also accounted for the QoQ increase in non-performing balances

NPAs/ Assets



	2020 YE	2021 YE	2022 YE	2023 YE	2024 Q1
NPAs	$28.9	$21.3	$16.6	$7.9	$17.6

Classifieds / Capital [2]

	2020 YE	2021 YE	2022 YE	2023 YE	2024 Q1
Classified Assets	$97.8	$91.8	$107.1	$72.3	$105.4

NCOs / Average Loans

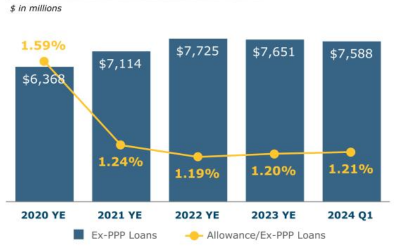
	2020 YE	2021 YE	2022 YE	2023 YE	LTM
NCOs	$8.3	$2.2	$0.9	$2.3	$6.6

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

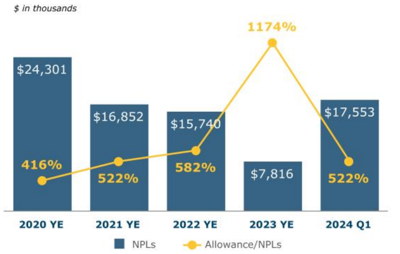
Credit Profile Bolstered by Strong Reserves

- Reserve to loans of 1.21% (ex-PPP)
  - Day 1 CECL coverage was 1.06%
- Non-performing loan balances increased by $9.7 million QoQ, with the increase attributable to a single C&I credit relationship
  - NPLs were $17.6 million at 3/31/24 compared to $15.2 million at 3/31/23
- OREO balances total $0.1 million
- Reserves now equate to 522% of NPLs and 520% of NPAs

Allowance / Loans (ex-PPP)



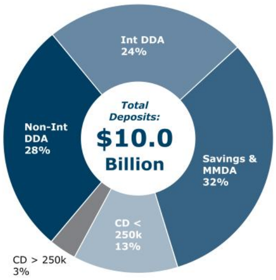
Allowance / NPLs



Allowance / NPAs

Top Tier Core Deposit Franchise

Deposit Portfolio Composition | 1Q24



Core Deposits
97%

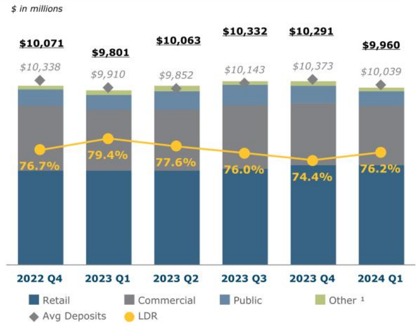
MRQ Avg Cost of Total Deposits
1.76%
+2 bps from 4Q23

MRQ Avg Cost of Non-Time Deposits
1.32%
+1 bp from 4Q23

Avg Deposits per Branch
$172 million

Avg Non Maturity Acct Balance at 3/31/24
$33 thousand

Total Deposits & Loan-to-Deposit Ratio



Core Deposits [2] / Total Deposits

1Q24 Deposit Flows

- Commercial QoQ decline of $149 million largely attributable to the movement of $130 million of wealth management client funds that had been swept into IB money market accounts at the Bank (carrying a WAvg interest rate of 5.44%) back to money market investments in Busey Wealth Management
- Public deposits were down $173 million QoQ demonstrating typical seasonality. Public deposits were $798 million at 3/31/2024 compared to $794 million at 3/31/2023. Historically, net inflows of public funds occur in 2Q and 3Q.
- Net deposit outflows into Busey Wealth Management as we continue to adapt to client needs while keeping clients in the Busey ecosystem
- Time deposits decrease of $213 million QoQ was offset by an increase of $239 million QoQ in Savings account balances, as many customers chose to shift funds into our premium savings account options
- At 3/31/24, our spot deposit cost was 1.28% for non-maturity deposits and 1.67% for total deposits as compared to 1.28% and 1.76%, respectively, at 12/31/23

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

Granular, Stable Deposit Base

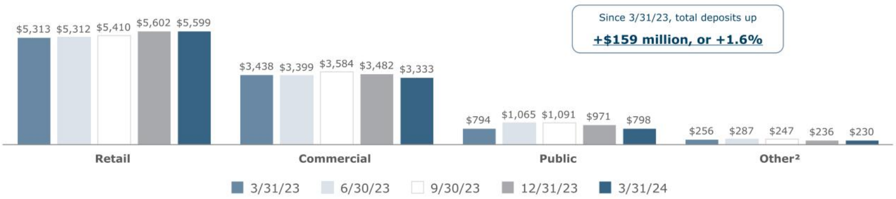
Long-tenured Deposit Relationships that are very granular

As of 3/31/24	**Retail**	**Commercial**
Number of Accounts	253,000+	33,000+
Avg Balance per Account	$22 thousand	$98 thousand
Avg Customer Tenure	16.6 years	12.4 years

Customers with Account Balances totaling $250K+

	2024 Q1
Number of customers	5,777
Median account balance	$401 thousand
Median customer tenure	13.9 years
	2024 Q1
Estimated Uninsured & Uncollateralized Deposits[1]	$2.9 billion
Estimated Uninsured & Uncollateralized Deposits[1] / Total Deposits	29%

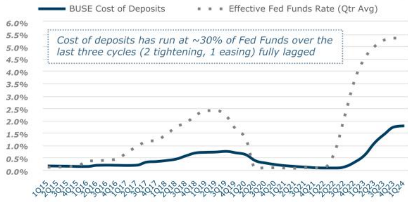
Deposit Flows by Type



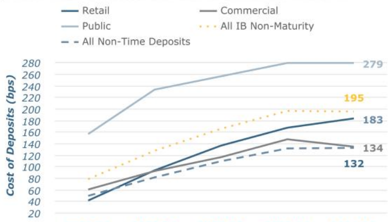
[1] Estimated uninsured & uncollateralized deposits consists of the excess of accounts over $250K FDIC insurance limit, less internal accounts and fully-collateralized accounts (including preferred deposits) | [2] Other deposits include brokered MMA, brokered CDs, ICS Demand & Savings, CDAR CDs

Deposit Cost Trends

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



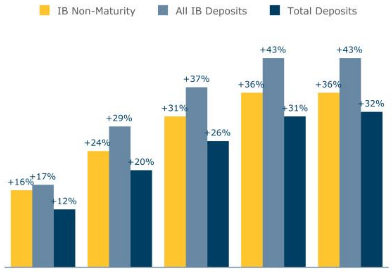
Quarterly Average Cost of Deposits



	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1
IB Non-Maturity	0.78%	1.27%	1.65%	1.96%	1.95%
Non-Time Deposits	0.49%	0.81%	1.09%	1.31%	1.32%
Total Deposits	0.60%	1.09%	1.45%	1.74%	1.76%

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

1Q24 results showed stabilization of funding costs and deceleration of deposit betas

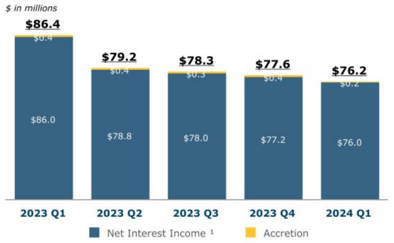


	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1
Retail	+6%	+16%	+24%	+29%	+32%
Commercial	+12%	+18%	+21%	+27%	+25%
Public	+33%	+46%	+48%	+52%	+52%
IB Non-Maturity	+16%	+24%	+31%	+36%	+36%
All IB Deposits	+17%	+29%	+37%	+43%	+43%
Total Deposits	+12%	+20%	+26%	+31%	+32%

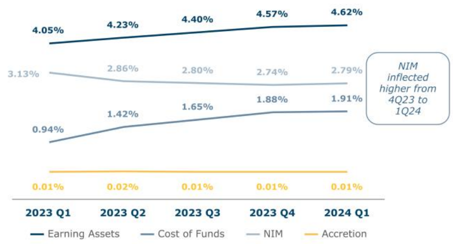
[1] Quarterly effective fed funds per FRED, Federal Reserve Bank of St. Louis. Average during quarter, not seasonally adjusted | [2] Deposit betas are calculated based on an average fed funds target rate of 4.69% during 1Q23, 5.16% (2Q23), 5.43% (3Q23), 5.50% (4Q23), and 5.50% (1Q24).

Net Interest Margin

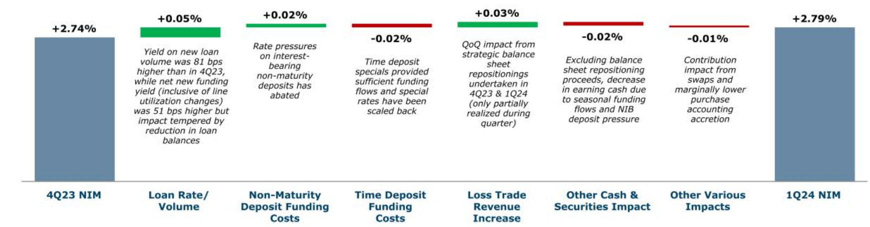
Net Interest Income Trend [1]



Net Interest Margin Trend [1]



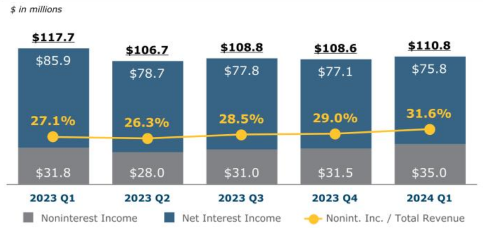
Net Interest Margin Bridge - Factors contributing to 5 bps NIM expansion during quarter



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

Diversified and Significant Sources of Fee Income

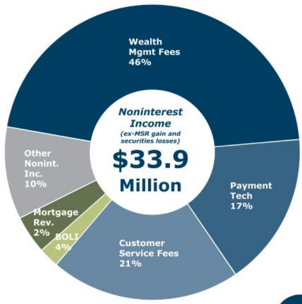
- Noninterest income represented 31.6% of revenue in 1Q24 (30.9% excluding gain on sale of mortgage servicing rights and net securities losses)
- Key businesses of wealth management and payment technology solutions contributed 62.7% of noninterest income (excluding MSR gain and net securities losses) in 1Q24
  - On a combined basis, 5.7% YoY growth in quarterly consolidated revenue from 1Q23 to 1Q24 in these two critical fee income business lines
- Other noninterest income included a $7.5 million one-time net gain from the sale of mortgage servicing rights in connection with a strategic two-part balance sheet repositioning completed during the quarter
  - MSR gain partially offset by $6.8 million in realized losses on the sale of AFS securities, the second part of a strategic balance sheet repositioning completed during the quarter
- Net securities gains/losses also included $0.4 million in unrealized gains on equity securities



Sources of Noninterest Income

$ in thousands

Noninterest Income Detail	2023 Q1	2024 Q1	YoY Change
Wealth Management Fees	$14,797	$15,549	+5 %
Fees for Customer Services	6,819	7,056	+3 %
Payment Technology Solutions	5,315	5,709	+7 %
Mortgage Revenue	288	746	+159 %
Income on Bank Owned Life Insurance	1,652	1,419	-14 %
Other Noninterest Income (ex-Gain on MSR Sale)	3,593	3,431	-5 %
Noninterest Income (ex-securities gains/losses)	**$32,464**	**$33,910**	**+4%**
Gain on Sale of Mortgage Servicing Rights	0	$7,465	NM
Net Securities Gains (Losses)	(616)	(6,375)	NM
Total Noninterest Income	**$31,848**	**$35,000**	**+10%**

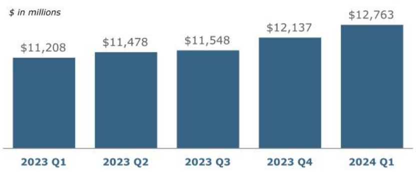


[1] Includes net securities gains/losses and gain on sale of MSR

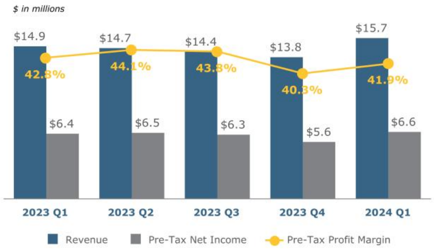
Wealth Management

- Assets Under Care (AUC) of $12.8 billion, a QoQ increase of $0.6 billion and a YoY increase of $1.6 billion, or +13.9%
- 1Q24 Wealth segment revenue of $15.7 million, the second-best quarterly revenue in company history, a YoY increase of +5.3%
- Pre-tax net income of $6.6 million, a YoY increase of +2.9%
- Pre-tax profit margin of 41.9% in 1Q24 and 42.5% over the last twelve months
- Our fully internalized investment team continues to produce excellent returns, focused on long-term outperformance of benchmarks
  - The team's blended portfolio has outperformed the blended benchmark[2] over the last 3 years and over the last 5 years
- Bank + Wealth partnership allows us to better keep customer funds inside our overall ecosystem depending on client needs
- Substantial growth in assets under care during the quarter was the result of both market appreciation and net new asset generation

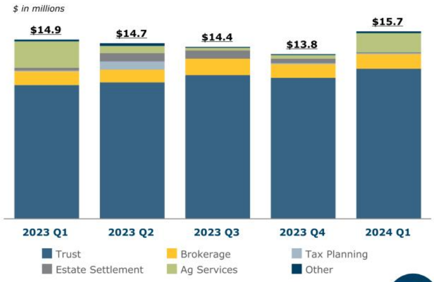
Assets Under Care



Wealth - Revenue and Pre-tax Income [1]



Wealth Revenue Composition



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

FirsTech

- LTM segment revenue of $23.1 million, an increase of 5% over the prior twelve-month period
- 1Q24 segment revenue of $6.0 million was the highest quarterly revenue in company history
- Key competencies of online payments and merchant services have been the primary drivers of growth
  - Significant customer win in the utility industry during 1Q24
  - Average merchant deal size continues to grow compared to prior periods
- Targeted initiatives to improve profitability include shifting customers to fully integrate into the merchant services platform and optimization of existing customer fee structures
- Have built a solid pipeline aligned with go-to-market focus on enterprise, financial institution, and merchant services clients
  - Focused go-to-market activity aligned with the regional operating model is demonstrating strong financial outcomes

$11 billion *Payments processed in last twelve months*

41 million *Transactions processed in last twelve months*

Revenue Growth [1]

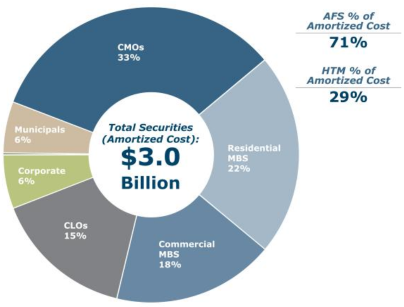
$22.0 million *LTM 3/31/23* → *+4.8%* → **$23.1 million** *LTM 3/31/24*

Average Revenue Per Processing Day Trend

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

Balanced, Low-Risk, Short Duration Investment Portfolio

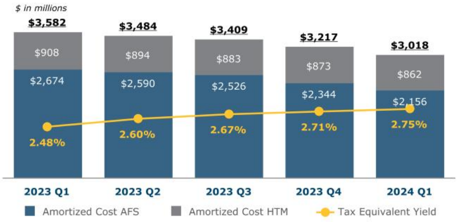
Investment Portfolio Composition | 1Q24



- All Mortgage-Backed Securities & Collateralized Mortgage Obligations are Agency
- 91% of Municipal holdings rated AA or better and 8% rated A
- 99% of Corporate holdings are investment grade
- Collateralized Loan Obligation portfolio consists of 87% rated AAA and 13% rated AA

- Carrying value of investment portfolio is 25% of total assets
- BUSE carried $862 million in held-to-maturity (HTM) securities as of 3/31/24 (HTM AOCI of -$25 million at 3/31/24)
- $108 million of available-for-sale securities sold during 1Q24 as portion of two-part balance sheet repositioning *(detailed on next page)*
- The duration of the securities portfolio including HTM is 4.1 years and our fair value duration, which excludes the HTM portfolio, is 3.8 years
- After-tax net AFS unrealized loss position of $177 million and accumulated loss position of $20 million on cash flow hedges (captured in total AOCI)
- Projected roll off cash flow (based on static rates) of $239 million at ~2.04% yield for the remainder of 2024 and $339 million at ~1.59% yield for 2025
- Over the last four quarters, the size of the investment portfolio has decreased by $564 million due to strategic restructuring actions and principal roll off

Securities Portfolio - Amortized Cost vs. TE Yield



1Q24 Strategic Balance Sheet Repositioning

BUSE completed a two-part balance sheet repositioning strategy during 1Q24

Securities Sold
- $108 million of available-for-sales securities sold
  - Pre-tax loss of $6.8 million
  - Approximate yield of 1.98% and weighted-average life of 2.3 years at the time of sale

Select Portion of Mortgage Servicing Rights Sold
- Sold mortgage servicing rights on approximately $923 million of one- to four-family mortgage loans
  - Pre-tax gain of $7.5 million, net of transaction-related expenses

Net Gain from combined transactions
- Immediate positive impact on consolidated stockholders' equity and book value per share
- Expected to be accretive to capital and earnings per share in future periods

Use of Proceeds
- Proceeds deposited into an interest-bearing account at the Federal Reserve yielding 5.40%
- Anticipate reinvesting the proceeds into loan and investment security opportunities over time

Net Interest Income Impact
- Expected to increase net interest income by approximately $3.3 million on annualized run rate basis
  - Repositioning actions improves net interest margin run rate by approximately 3 bps

Regulatory Capital Impact
- Risk-based regulatory capital ratios will increase modestly as a result of the proceeds rotating into lower risk-weighted assets

Previously announced a two-part balance sheet repositioning in a separate set of transactions during 4Q23 involving selling $110 million of AFS securities for pre-tax loss of $5.3 million and selling Visa Class B common shares for pre-tax gain of $5.5 million

Actively Managing Asset-Sensitive Balance Sheet

- Balance sheet remains asset-sensitive
  - A +100 bps rate shock for Year 1 is slightly up to +2.1% from +1.8% in 4Q23
  - A -100 bps rate shock for Year 1 is -1.9%; unchanged from 4Q23
- 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
  - 39% of loan portfolio reprices in less than one year

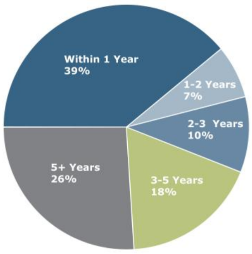
Annual % Change in Net Interest Income under Shock Scenarios

Based on Static Balance Sheet

Rate Shock	Year 1	Year 2
+200 bps	+4.2%	+4.5%
+100 bps	+2.1%	+2.2%
-100 bps	-1.9%	-2.9%
-200 bps	-3.8%	-5.9%

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

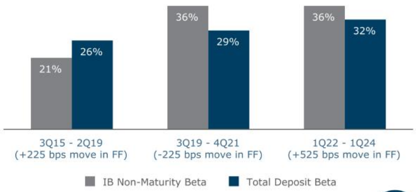
Repricing / Maturity Structures of Portfolio Loans



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

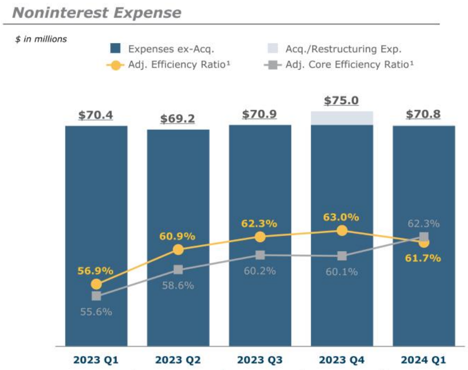
ALCO uses a conservative 40% total deposit beta for rate shocks

History has proven to be less sensitive and 1Q24 betas have been decelerating. During 1Q24, funding mix continued slow rotation from time deposits into higher beta non-maturity products where the Bank can be more nimble on pricing under an easing rate cycle.



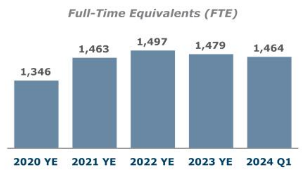
[1] Deposit betas are calculated based on an average fed funds target rate of 5.50% during 1Q24

Focused Control on Expenses



	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1
Noninterest Exp.	**$70.4**	**$69.2**	**$70.9**	**$75.0**	**$70.8**
Intangible Amort.	$2.7	$2.7	$2.6	$2.5	$2.4
Acq./Restructuring Exp.	$0.0	$0.0	$0.1	$4.2	$0.4
Adj. Exp. [1]	**$67.7**	**$66.5**	**$68.3**	**$68.3**	**$68.0**
Unfunded Provision	-$0.6	$0.3	$0.0	$0.8	-$0.7
NMTC Amort.	$2.2	$2.3	$2.3	$2.3	$0.0
Adj. Core Exp. [1]	**$66.1**	**$64.0**	**$66.0**	**$65.2**	**$68.6**

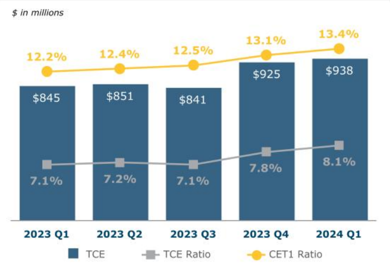
- Adjusted core expenses[1] of $68.6 million in 1Q24
- Adopted accounting standard update 2023-02 on 1/1/24 and began recording amortization of New Markets Tax Credits as income tax expense instead of other operating expense, which resulted in a decrease to other operating expenses of $2.3 million compared to 4Q23
- Continue to be mindful and diligent on expenses, restricting new hires by targeting critical replacements and selective adds; focusing on harvesting investments made over the last several quarters
- Continue to diligently manage expenses through the headwinds of higher FDIC insurance costs (FDIC rule that increased assessment rate by 2 bps), data processing costs (investments in tech enhancements and inflation-driven price increases), and reduced FAS 91 offset to compensation expense as a result of lower loan volumes
- $7.5 million of average earning assets per employee for 1Q24



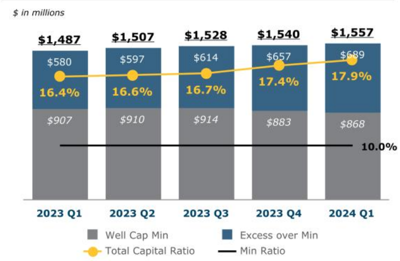
Note: Certain totals above may not tie exactly due to rounding. Detail amounts can be found in Non-GAAP table within Appendix
[1] Non-GAAP, see Appendix.

Robust Capital Foundation

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



Total Capital Ratio [2]



Leverage Ratio [2]

Consolidated Capital as of 3/31/24 [2]

$ in millions

	Common Equity Tier 1 Ratio	Tier 1 Capital Ratio	Total Capital Ratio
Capital Ratio	13.4 %	14.3 %	17.9 %
Minimum Well Capitalized Ratio	*6.5 %*	*8.0 %*	*10.0 %*
Amount of Capital	$1,167	$1,241	$1,557
Well Capitalized Minimum	*$564*	*$694*	*$868*
Excess over Well Capitalized Minimum	$603	$547	$689

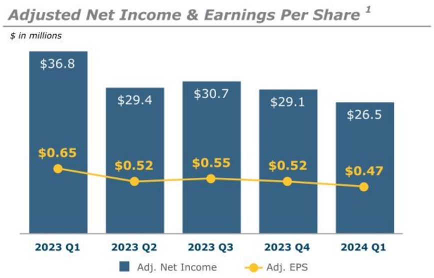
[1] Non-GAAP calculation, see Appendix | [2] 1Q24 capital ratios are preliminary estimates

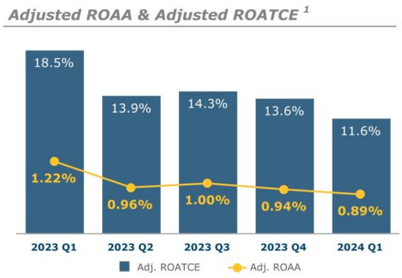
1Q24 Earnings Review

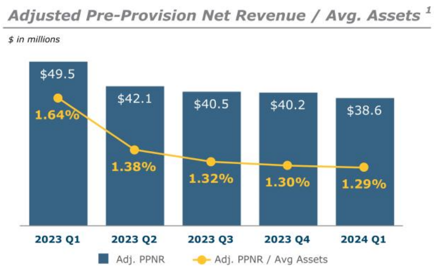
Net Interest Income	• Net interest income was $75.8 million in 1Q24 vs. $77.1 million in 4Q23 and $85.9 million in 1Q23 • Net interest margin[1] was 2.79% in 1Q24, an increase of 5 bps vs. 2.74% in 4Q23 • The primary factors contributing to the quarter's NIM expansion were improved loan yields on new volume (5 bps increase) and effects of strategic balance sheet repositioning actions (3 bps increase), offset partially by slowing time deposit pressures (2 bps decrease)
Noninterest Income	• Noninterest income of $35 million in 1Q24, representing 31.6% of revenue • Wealth management fees of $15.5 million in 1Q24, an increase from $13.7 million in 4Q23 and +5% YoY • Payment tech solutions revenue of $5.7 million in 1Q24, an increase from $5.4 million in 4Q23 and +7% YoY • Fees for customer services of $7.1 million in 1Q24, a decrease from $7.5 million in 4Q23 but +3% YoY • Other noninterest income included a $7.5 million one-time net gain from the sale of mortgage servicing rights that offset $6.8 million in realized securities losses related to a strategic two-part balance sheet repositioning completed during the quarter
Noninterest Expense	• Adjusted noninterest expense[1] (ex-amortization of intangibles, one-time acquisition and restructuring related items) of $68.0 million in 1Q24, resulting in a 61.7% adjusted efficiency ratio[1] • Adjusted core expense[1] of $68.6 million (ex-amortization of intangible assets, one-time items, and unfunded commitment provision release) in 1Q24, equating to 62.3% adjusted core efficiency ratio[1]
Provision	• $5.0 million loan loss provision expense related to one credit downgraded to an NPL during quarter • $(0.7) million provision release for unfunded commitments (captured in other noninterest expense) • Net charge offs of $5.2 million in 1Q24
Taxes	• 1Q24 effective tax rate of 25.0% (vs. combined federal and state statutory rate of approximately 28.0%)
Earnings	• Adjusted net income of $26.5 million or $0.47 per diluted share[1] • $0.46 per diluted share excluding one-time gains/losses related to strategic securities repositioning • Adjusted pre-provision net revenue of $38.6 million (1.29% PPNR ROAA) in 1Q24 [1] • 0.89% Adjusted ROAA and 11.56% Adjusted ROATCE in 1Q24 [1]

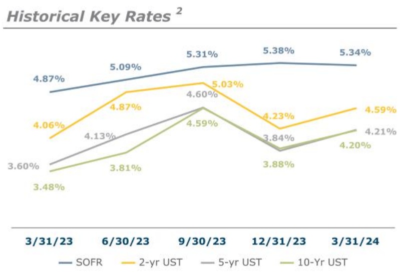
[1] Non-GAAP, see Appendix

Earnings Performance









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

Appendix

Experienced Management Team

Van A. Dukeman
Chairman & CEO

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

Jeffrey D. Jones
EVP & CFO

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

Amy L. Randolph
EVP & COO

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

Monica L. Bowe
EVP & Chief Risk Officer

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

John J. Powers
EVP & General Counsel

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

Jeff D. Burgess
EVP & President of Busey Wealth Management

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

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

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

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

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

Chip Jorstad
EVP & President of Credit and Bank Admin.

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

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

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

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

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

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

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

Fully Integrated Wealth Platform

As of 3/31/24

Busey Wealth Management	$12.8 Billion	$58.6 Million	42.5%
	Assets Under Care	LTM Revenue	PT Margin LTM

Core Principles

I. Client-Focused Strategy

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

II. Team-Based Approach

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

III. Comprehensive Wealth Management

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

Wealth Client Segments

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

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

Integrated Core Capabilities to Service Personal & Institutional Clients

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

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

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

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

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

AG SERVICES
- Farm management and brokerage

FirsTech, A Uniquely Positioned Payment Technology Company

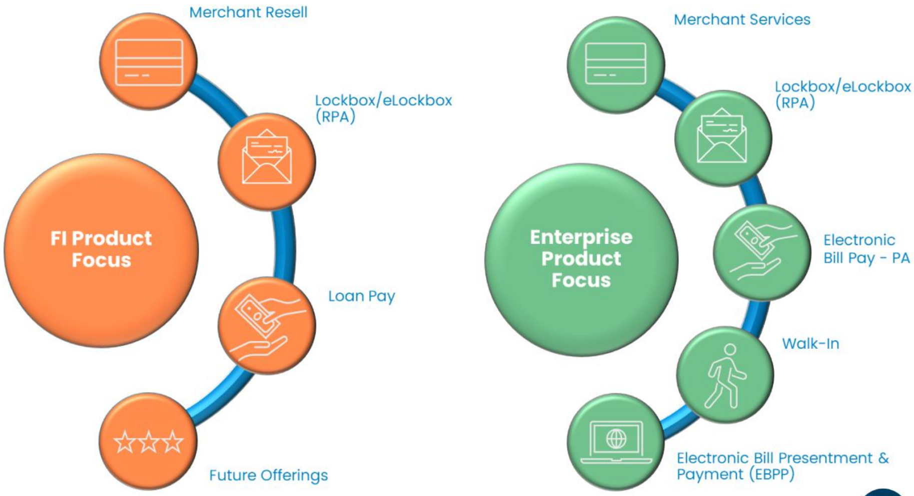
Payments Segments

Traditional Receivables	Electronic Payments	Merchant Services
Services	**Services**	**Services**
• Lockbox • eLockbox	• Online (Core) • Customer Service Rep., Mobile, Interactive Voice Response (IVR) • Internet Agent Service, Walk-in • Statement of Work (SOW), Time & Materials	• Point of Sale • Online
Sales Channels	**Sales Channels**	**Sales Channels**
• Enterprise Sales Team • Financial Institutions (FI) Sales Team • FI Reseller Sales • Partnerships	• Enterprise Sales Team • FI Sales Team • FI Reseller Sales • Partnerships	• Merchant Sales Team • Agent Referrals • FI Reseller Sales • Partnerships
Lines of Business	**Lines of Business**	**Lines of Business**
• Financial Institutions • Municipalities, Government • Utilities, Telecom, Insurance • Health	• Financial Institutions • Municipalities, Government • Utilities, Telecom, Insurance • Health • Small and medium-sized businesses (SMB)	• Financial Institutions • Municipalities, Government • Utilities, Telecom, Insurance • Health • SMB

FirsTech, A Uniquely Positioned Payment Technology Company

Verticals & Products

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



Busey Impact: ESG and Corporate Responsibility

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

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

Environmental Sustainability

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

Associates, Customers and Communities

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

Ethical and Strong Governance

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

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

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

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

Non-GAAP Financial Information *(Unaudited)*

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

(dollars in thousands)

		Three Months Ended		
		March 31, 2024	December 31, 2023	March 31, 2023
PRE-PROVISION NET REVENUE				
Net interest income		$ 75,767	$ 77,133	$ 85,857
Total noninterest income		35,000	31,516	31,848
Net security (gains) losses		6,375	(761)	616
Total noninterest expense		(70,769)	(74,979)	(70,403)
Pre-provision net revenue		46,373	32,909	47,918
Non-GAAP adjustments:				
Acquisition and other restructuring expenses		408	4,237	—
Provision for unfunded commitments		(678)	818	(635)
Amortization of New Markets Tax Credits		—	2,259	2,221
Gain on sale of mortgage service rights		(7,465)	—	—
Adjusted pre-provision net revenue		$ 38,638	$ 40,223	$ 49,504
Pre-provision net revenue, annualized	[a]	$ 186,511	$ 130,563	$ 194,334
Adjusted pre-provision net revenue, annualized	[b]	155,401	159,580	200,766
Average total assets	[c]	12,024,208	12,308,491	12,263,718
Reported: Pre-provision net revenue to average assets[1]	[a÷c]	1.55 %	1.06 %	1.58 %
Adjusted: Pre-provision net revenue to average assets[1]	[b÷c]	1.29 %	1.30 %	1.64 %

1. Annualized measure.

Non-GAAP Financial Information *(Unaudited)*

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

(dollars in thousands, except per share amounts)

		Three Months Ended		
		March 31, 2024	December 31, 2023	March 31, 2023
NET INCOME ADJUSTED FOR NON-OPERATING ITEMS				
Net income	[a]	$ 26,225	$ 25,749	$ 36,786
Non-GAAP adjustments:				
Acquisition expenses:				
Salaries, wages, and employee benefits		—	—	—
Data processing		100	—	—
Professional fees, occupancy, furniture and fixtures, and other		185	266	—
Other restructuring expenses:				
Salaries, wages, and employee benefits		123	3,760	—
Professional fees, occupancy, furniture and fixtures, and other		—	211	—
Related tax benefit[1]		(102)	(863)	—
Adjusted net income	[b]	$ 26,531	$ 29,123	$ 36,786
DILUTED EARNINGS PER SHARE				
Diluted average common shares outstanding	[c]	56,406,500	56,333,033	56,179,606
Reported: Diluted earnings per share	[a÷c]	$ 0.46	$ 0.46	$ 0.65
Adjusted: Diluted earnings per share	[b÷c]	$ 0.47	$ 0.52	$ 0.65
RETURN ON AVERAGE ASSETS				
Net income, annualized	[d]	$ 105,476	$ 102,156	$ 149,188
Adjusted net income, annualized	[e]	106,707	115,542	149,188
Average total assets	[f]	12,024,208	12,308,491	12,263,718
Reported: Return on average assets[2]	[d÷f]	0.88 %	0.83 %	1.22 %
Adjusted: Return on average assets[2]	[e÷f]	0.89 %	0.94 %	1.22 %
RETURN ON AVERAGE TANGIBLE COMMON EQUITY				
Average common equity		$ 1,275,724	$ 1,202,417	$ 1,170,819
Average goodwill and other intangible assets, net		(353,014)	(355,469)	(363,354)
Average tangible common equity	[g]	$ 922,710	$ 846,948	$ 807,465
Reported: Return on average tangible common equity[2]	[d÷g]	11.43 %	12.06 %	18.48 %
Adjusted: Return on average tangible common equity[2]	[e÷g]	11.56 %	13.64 %	18.48 %

1. Tax benefits were calculated by multiplying acquisition expenses and other restructuring expenses by the effective tax rate for each period. Effective tax rates used in this calculation were 25.0% for the three months ended March 31, 2024, 20.4% for the three months ended December 31, 2023, and 20.6% for the three months ended March 31, 2023.
2. Annualized measure.

Non-GAAP Financial Information *(Unaudited)*

Further Adjusted Net Income and Further Adjusted Diluted Earnings Per Share

(dollars in thousands, except per share amounts)

		Three Months Ended		
		March 31, 2024	December 31, 2023	March 31, 2023
Adjusted net income[1]	[a]	$ 26,531	$ 29,123	$ 36,786
Further non-GAAP adjustments:				
Net securities (gains) losses		6,375	(761)	616
Gain on sale of mortgage servicing rights		(7,465)	—	—
Tax effect for further non-GAAP adjustments[2]		272	171	(127)
Tax effected further non-GAAP adjustments[3]		(818)	(590)	489
Further adjusted net income[3]	[b]	$ 25,713	$ 28,533	$ 37,275
Diluted average common shares outstanding	[c]	56,406,500	56,333,033	56,179,606
Adjusted: Diluted earnings per share	[a÷c]	$ 0.47	$ 0.52	$ 0.65
Further Adjusted: Diluted earnings per share[3]	[b÷c]	$ 0.46	$ 0.51	$ 0.66

Adjusted Net Interest Income and Adjusted Net Interest Margin

(dollars in thousands)

		Three Months Ended		
		March 31, 2024	December 31, 2023	March 31, 2023
Net interest income		$ 75,767	$ 77,133	$ 85,857
Non-GAAP adjustments:				
Tax-equivalent adjustment[1]		449	501	558
Tax-equivalent net interest income		76,216	77,634	86,415
Purchase accounting accretion related to business combinations		(204)	(384)	(403)
Adjusted net interest income		$ 76,012	$ 77,250	$ 86,012
Tax-equivalent net interest income, annualized	[a]	$ 306,539	$ 308,004	$ 350,461
Adjusted net interest income, annualized	[b]	305,719	306,481	348,826
Average interest-earning assets	[c]	10,999,903	11,229,326	11,180,562
Reported: Net interest margin[2]	[a÷c]	2.79 %	2.74 %	3.13 %
Adjusted: Net interest margin[2]	[b÷c]	2.78 %	2.73 %	3.12 %

1. Adjusted net income is a non-GAAP measure. See the table on the previous slide for a reconciliation to the nearest GAAP measure.
2. Tax effects for further non-GAAP adjustments were calculated by multiplying further non-GAAP adjustments by the effective income tax rates for the periods indicated. Effective tax rates were 25.0%, 22.5%, and 20.6% for the three months ended March 31, 2024, December 31, 2023, and March 31, 2023, respectively.
3. Tax-effected measure.

Non-GAAP Financial Information *(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		
		March 31, 2024	December 31, 2023	March 31, 2023
Net interest income		$ 75,767	$ 77,133	$ 85,857
Non-GAAP adjustments:				
Tax-equivalent adjustment[1]		449	501	558
Tax-equivalent net interest income	[a]	76,216	77,634	86,415
Total noninterest income		35,000	31,516	31,848
Non-GAAP adjustments:				
Net security (gains) losses		6,375	(761)	616
Noninterest income excluding net securities gains and losses	[b]	41,375	30,755	32,464
Further adjustments:				
Gain on sale of mortgage servicing rights		(7,465)	—	—
Adjusted noninterest income	[c]	$ 33,910	$ 30,755	$ 32,464
Tax-equivalent revenue	[d = a+b]	$ 117,591	$ 108,389	$ 118,879
Adjusted Tax-equivalent revenue	[e = a+c]	$ 110,126	$ 108,389	$ 118,879
Total noninterest expense		$ 70,769	$ 74,979	$ 70,403
Non-GAAP adjustments:				
Amortization of intangible assets	[f]	(2,409)	(2,479)	(2,729)
Noninterest expense excluding amortization of intangible assets	[g]	68,360	72,500	67,674
Non-operating adjustments:				
Salaries, wages, and employee benefits		(123)	(3,760)	—
Data processing		(100)	—	—
Professional fees, occupancy, furniture and fixtures, and other		(185)	(477)	—
Adjusted noninterest expense	[h]	67,952	68,263	67,674
Provision for unfunded commitments		678	(818)	635
Amortization of New Markets Tax Credits		—	(2,259)	(2,221)
Adjusted core expense	[i]	$ 68,630	$ 65,186	$ 66,088
Noninterest expense, excluding non-operating adjustments	[h-f]	$ 70,361	$ 70,742	$ 70,403
Reported: Efficiency ratio	[g÷d]	58.13 %	66.89 %	56.93 %
Adjusted: Efficiency ratio	[h÷e]	61.70 %	62.98 %	56.93 %
Adjusted: Core efficiency ratio	[i÷e]	62.32 %	60.14 %	55.59 %

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

Non-GAAP Financial Information *(Unaudited)*

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

		As of March 31, 2024	As of December 31, 2023	As of March 31, 2023
Total stockholders' equity		$ 1,282,651	$ 1,271,981	$ 1,198,558
Goodwill and other intangible assets, net		(351,455)	(353,864)	(361,567)
Tangible book value	[a]	$ 931,196	$ 918,117	$ 836,991
Ending number of common shares outstanding	[b]	55,300,008	55,244,119	55,294,455
Tangible book value per common share	[a÷b]	$ 16.84	$ 16.62	$ 15.14

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

		As of March 31, 2024	As of December 31, 2023	As of March 31, 2023
Total assets		$ 11,887,458	$ 12,283,415	$ 12,344,555
Non-GAAP adjustments:				
Goodwill and other intangible assets, net		(351,455)	(353,864)	(361,567)
Tax effect of other intangible assets[1]		6,434	6,888	8,335
Tangible assets[2]	[a]	$ 11,542,437	$ 11,936,439	$ 11,991,323
Total stockholders' equity		$ 1,282,651	$ 1,271,981	$ 1,198,558
Non-GAAP adjustments:				
Goodwill and other intangible assets, net		(351,455)	(353,864)	(361,567)
Tax effect of other intangible assets[1]		6,434	6,888	8,335
Tangible common equity[2]	[b]	$ 937,630	$ 925,005	$ 845,326
Tangible common equity to tangible assets[2]	[b÷a]	8.12 %	7.75 %	7.05 %

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

Non-GAAP Financial Information *(Unaudited)*

Core Deposits, Core Deposits to Total Deposits, and Portfolio Loans to Core Deposits
(dollars in thousands)

		As of		
		March 31, 2024	**December 31, 2023**	**March 31, 2023**
Portfolio loans	[a]	$ 7,588,077	$ 7,651,034	$ 7,783,808
Total deposits	[b]	$ 9,960,191	$ 10,291,156	$ 9,801,169
Non-GAAP adjustments:				
Brokered transaction accounts		(6,001)	(6,001)	(6,005)
Time deposits of $250,000 or more		(326,795)	(386,286)	(200,898)
Core deposits	[c]	$ 9,627,395	$ 9,898,869	$ 9,594,266
RATIOS				
Core deposits to total deposits	[c÷b]	96.66 %	96.19 %	97.89 %
Portfolio loans to core deposits	[a÷c]	78.82 %	77.29 %	81.13 %