SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

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

For the Quarterly Period Ended 6/30/2002 Commission File No. 0-15950

FIRST BUSEY CORPORATION

(Exact name of registrant as specified in its charter)

Nevada	37-1078406
(State or other jurisdiction of Incorporation or organization)	(I.R.S. Employer Identification No.)
201 W. Main St., Urbana, Illinois	61801
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (217) 365-4556

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate the number of shares outstanding of each of the Registrant's classes of common stock, as of the latest practicable date.

Class	Outstanding at August 1, 2002
Common Stock, without par value	13,612,920

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2002 AND DECEMBER 31, 2001
(UNAUDITED)

	June 30, 2002	December 31, 2001
	(Dollars in thousands)	
ASSETS		
Cash and due from banks	$ 43,893	$ 41,580
Federal funds sold	27,700	20,000
Securities available for sale (amortized cost 2002, $203,262; 2001, $197,398)	218,482	210,869
Loans	1,009,151	978,106
Allowance for loan losses	(13,810)	(13,688)
Net loans	$ 995,341	$ 964,418
Premises and equipment	28,258	29,081
Goodwill	9,293	9,293
Other intangible assets	987	1,211
Cash surrender value of bank owned life insurance	10,791	10,111
Other assets	21,820	14,126
Total assets	$ 1,356,565	$ 1,300,689
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Deposits:		
Noninterest bearing	$ 134,671	$ 138,685
Interest bearing	1,001,141	967,314
Total deposits	$ 1,135,812	$ 1,105,999
Securities sold under agreements to repurchase	5,021	9,767
Short-term borrowings	-	2,000
Long-term debt	70,021	47,021
Company obligated mandatorily redeemable preferred securities	25,000	25,000
Other liabilities	9,940	5,112
Total liabilities	$ 1,245,794	$ 1,194,899
STOCKHOLDERS' EQUITY		
Preferred stock	$ -	$ -
Common stock	6,291	6,291
Surplus	20,906	21,170
Retained earnings	86,764	81,861
Accumulated other comprehensive income	9,182	8,128
Total stockholders' equity before treasury stock, unearned ESOP shares and deferred compensation for stock grants	$ 123,143	$ 117,450
Treasury stock, at cost	(10,205)	(9,639)
Unearned ESOP shares and deferred compensation for stock grants	(2,167)	(2,021)
Total stockholders' equity	$ 110,771	$ 105,790
Total liabilities and stockholders' equity	$ 1,356,565	$ 1,300,689
Common Shares outstanding at period end	13,650,920	13,677,688

See notes to unaudited consolidated financial statements.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2002 AND 2001
(UNAUDITED)

	2002	2001
	(Dollars in thousands, except per share amounts)	
INTEREST INCOME:		
Interest and fees on loans	$ 32,637	$ 40,513
Interest and dividends on investment securities:		
Taxable interest income	3,659	5,278
Non-taxable interest income	977	1,038
Dividends	61	59
Interest on federal funds sold	86	749
Total interest income	$ 37,420	$ 47,637
INTEREST EXPENSE:		
Deposits	$ 12,366	$ 23,083
Short-term borrowings	265	1,457
Long-term debt	1,405	1,393
Company obligated mandatorily redeemable preferred securities	1,125	72
Total interest expense	$ 15,161	$ 26,005
Net interest income	$ 22,259	$ 21,632
Provision for loan losses	1,480	895
Net interest income after provision for loan losses	$ 20,779	$ 20,737
OTHER INCOME:		
Trust	$ 2,499	$ 2,406
Commissions and brokers fees, net	1,095	1,164
Service charges on deposit accounts	3,411	2,907
Other service charges and fees	862	815
Security gains, net	473	872
Gain on sales of loans	1,356	966
Net commissions from travel services	-	526
Other operating income	1,354	1,448
Total other income	$ 11,050	$ 11,104
OTHER EXPENSES:		
Salaries and wages	$ 8,640	$ 8,641
Employee benefits	1,823	1,803
Net occupancy expense of premises	1,557	1,533
Furniture and equipment expenses	1,672	1,968
Data processing	417	391
Stationery, supplies and printing	490	541
Amortization of intangible assets	224	715
Other operating expenses	3,572	3,538
Total other expenses	$ 18,395	$ 19,130
Income before income taxes	$ 13,434	$ 12,711
Income taxes	4,457	4,586
NET INCOME	$ 8,977	$ 8,125
BASIC EARNINGS PER SHARE	$ 0.66	$ 0.60
DILUTED EARNINGS PER SHARE	$ 0.66	$ 0.60
DIVIDENDS DECLARED PER SHARE OF COMMON STOCK	$ 0.30	$ 0.26

See notes to unaudited consolidated financial statements.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE QUARTERS ENDED JUNE 30, 2002 AND 2001
(UNAUDITED)

	2002	2001
	(Dollars in thousands, except per share amounts)	
INTEREST INCOME:		
Interest and fees on loans	$ 16,233	$ 19,945
Interest and dividends on investment securities:		
Taxable interest income	1,873	2,554
Non-taxable interest income	493	520
Dividends	30	29
Interest on federal funds sold	28	240
Total interest income	$ 18,657	$ 23,288
INTEREST EXPENSE:		
Deposits	$ 6,101	$ 11,056
Short-term borrowings	126	664
Long-term debt	750	632
Company obligated mandatorily redeemable preferred securities	562	72
Total interest expense	$ 7,539	$ 12,424
Net interest income	$ 11,118	$ 10,864
Provision for loan losses	915	495
Net interest income after provision for loan losses	$ 10,203	$ 10,369
OTHER INCOME:		
Trust	$ 1,249	$ 1,255
Commissions and brokers fees, net	554	567
Service charges on deposit accounts	1,855	1,528
Other service charges and fees	440	418
Security gains, net	199	221
Gains on sales of pooled loans	559	533
Net commissions from travel services	-	254
Other operating income	730	936
Total other income	$ 5,586	$ 5,712
OTHER EXPENSES:		
Salaries and wages	$ 4,342	$ 4,377
Employee benefits	892	835
Net occupancy expense of premises	782	731
Furniture and equipment expenses	840	997
Data processing	222	201
Stationary, supplies and printing	257	284
Amortization of intangible assets	112	357
Other operating expenses	1,953	2,020
Total other expenses	$ 9,400	$ 9,802
Income before income taxes	$ 6,389	$ 6,279
Income taxes	2,102	2,252
NET INCOME	$ 4,287	$ 4,027
BASIC EARNINGS PER SHARE	$ 0.32	$ 0.30
DILUTED EARNINGS PER SHARE	$ 0.32	$ 0.30
DIVIDENDS DECLARED PER SHARE OF COMMON STOCK	$ 0.15	$ 0.13

See notes to unaudited consolidated financial statements.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2002 AND 2001
(UNAUDITED)

	2002	2001
	(Dollars in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 8,977	$ 8,125
Adjustments to reconcile net income to net cash provided by operating activities:		
Stock-based compensation	57	3
Depreciation and amortization	1,961	2,767
Provision for loan losses	1,480	895
Provision for deferred income taxes	766	(1,533)
Amortization of investment security discounts	(212)	(543)
Gain on sales of investment securities, net	(473)	(872)
Proceeds from sales of loans	100,922	98,391
Loans originated for sale	(89,363)	(118,109)
Gain on sale of loans	(1,356)	(966)
Gain on sale and disposition of premises and equipment	(28)	(1)
Change in assets and liabilities:		
Increase in other assets	(1,904)	(723)
Increase in accrued expenses	3,104	1,184
Increase (decrease) in interest payable	264	(1,031)
Decrease in income taxes receivable	22	172
Increase in income taxes payable	-	251
Net cash provided by (used in) operating activities	$ 24,217	$ (11,990)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of securities classified available for sale	17,544	3,213
Proceeds from maturities of securities classified available for sale	36,020	73,762
Purchase of securities classified available for sale	(58,744)	(67,104)
Increase in federal funds sold	(7,700)	(7,800)
(Increase) decrease in loans	(48,418)	35,103
Increase in cash surrender value of bank owned life insurance	(336)	-
Proceeds from sale of premises and equipment	106	2
Purchases of premises and equipment	(992)	(875)
Increase in investment in bank owned life insurance	(344)	-
Net cash (used in) provided by investing activities	$ (62,864)	$ 36,301
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase (decrease) in certificates of deposit	$ 36,320	$ (25,074)
Net (decrease) increase in demand, money market and saving deposits	(6,507)	11,102
Cash dividends paid	(4,074)	(3,494)
Purchase of treasury stock	(1,796)	(2,454)
Proceeds from sale of treasury stock	763	2,886
Net decrease in securities sold under agreement to repurchase & federal funds purchased	(4,746)	(2,488)
Proceeds from short-term borrowings	500	2,500
Principal payments on short-term borrowings	(2,500)	(27,500)
Proceeds from issuance of long-term debt	31,000	-
Proceeds from issuance of trust preferred securities	-	25,000
Principal payments on long-term borrowings	(8,000)	(9,976)
Net cash provided by (used in) financing activities	$ 40,960	$ (29,498)
Net increase (decrease) in cash and due from banks	$ 2,313	$ (5,187)
Cash and due from banks, beginning	41,580	$ 58,585
Cash and due from banks, ending	$ 43,893	$ 53,398

FIRST BUSEY CORPORATION AND SUBSIDIARIES
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING ACTIVITIES
FOR THE SIX MONTHS ENDED JUNE 30, 2002 AND 2001
(UNAUDITED)

	2002	2001
	(Dollars in thousands)	
Other real estate acquired in settlement of loans	$ 5,812	$ -

See notes to unaudited consolidated financial statements.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2002 AND 2001

	2002	2001
	(Dollars in thousands, except per share amounts)	
Net income	$ 8,977	$ 8,125
Other comprehensive income, before tax:		
Unrealized gains on securities:		
Unrealized holding gains arising during period	$ 2,221	$ 2,874
Less reclassification adjustment for gains included in net income	(473)	(872)
Other comprehensive income, before tax	$ 1,748	$ 2,002
Income tax expense related to items of other comprehensive income	694	794
Other comprehensive income, net of tax	$ 1,054	$ 1,208
Comprehensive income	$ 10,031	$ 9,333

FIRST BUSEY CORPORATION AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: INTERIM FINANCIAL STATEMENTS

The consolidated interim financial statements of First Busey Corporation and Subsidiaries are unaudited, but in the opinion of management reflect all necessary adjustments, consisting only of normal recurring accruals, for a fair presentation of results as of the dates and for the periods covered by the financial statements. In preparing the consolidated financial statements, the Corporation's management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from those estimates. The results for the interim periods are not necessarily indicative of the results of operations that may be expected for the fiscal year.

NOTE 2: LOANS

The major classifications of loans at June 30, 2002 and December 31, 2001 were as follows:

	June 30, 2002	December 31, 2001
	(Dollars in thousands)	
Commercial	$ 117,379	$ 121,694
Real estate construction	96,482	83,701
Real estate - farmland	12,991	14,414
Real estate - 1-4 family residential mortgage	383,031	371,154
Real estate - multifamily mortgage	53,972	54,265
Real estate - non-farm nonresidential mortgage	268,061	253,932
Installment	56,873	57,924
Agricultural	20,362	21,022
	$ 1,009,151	$ 978,106
Less:		
Allowance for loan losses	(13,810)	(13,688)
Net loans	$ 995,341	$ 964,418

The real estate-mortgage category includes loans held for sale with carrying values of $11,681,000 at June 30, 2002 and $21,884,000 at December 31, 2001; these loans had fair market values of $11,866,000 and $22,069,000 respectively.

The following table sets forth the maturities of the loan portfolio:

	1 year or less	Over 1 year through 5 years	Over 5 years	Total
		(Dollars in thousands)		
Commercial and agricultural	$ 87,310	$ 33,397	$ 17,034	$ 137,741
Real Estate	159,987	329,710	324,840	814,537
Installment	12,613	41,182	3,078	56,873
	$ 259,910	$ 404,289	$ 344,952	$ 1,009,151
Fixed Rate	$ 89,456	$ 265,514	$ 86,310	$ 441,280
Floating Rate	170,454	138,775	258,642	567,871
	$ 259,910	$ 404,289	$ 344,952	$ 1,009,151

NOTE 3: EARNINGS PER SHARE

Net income per common share has been computed as follows:

	Three Months Ended June 30, 2002	Three Months Ended June 30, 2001	Six Months Ended June 30, 2002	Six Months Ended June 30, 2001
Net income	$ 4,287,000	$ 4,027,000	$ 8,977,000	$ 8,125,000
Shares:				
Weighted average common shares outstanding	13,564,129	13,500,603	13,572,538	13,435,161
Dilutive effect of outstanding options, as determined by the application of the treasury stock method	78,589	51,339	77,066	161,879
Weighted average common shares outstanding, as adjusted for diluted earnings per share calculation	13,642,718	13,551,942	13,649,604	13,597,040
Basic earnings per share	$ 0.32	$ 0.30	$ 0.66	$ 0.60
Diluted earnings per share	$ 0.32	$ 0.30	$ 0.66	$ 0.60

NEW ACCOUNTING PRONOUNCEMENTS

Effective January 1, 2002, First Busey Corporation applied FASB Statement No. 142, Goodwill and Other Intangible Assets. Among its provisions is a requirement to disclose what reported net income would have been in all periods presented exclusive of amortization expense, net of related income tax effects, recognized in those periods related to goodwill, intangible assets no longer being amortized, and changes in amortization periods for intangible assets that will continue to be amortized together with related per share amounts.

	Three Months Ended June 30, 2002	Three Months Ended June 30, 2001	Six Months Ended June 30, 2002	Six Months Ended June 30, 2001
Reported net income	$ 4,287	$ 4,027	$ 8,977	$ 8,125
Add goodwill amortization	-	234	-	467
Adjusted net income	$ 4,287	$ 4,261	$ 8,977	$ 8,592
BASIC EARNINGS PER SHARE				
Reported net income	$ 0.32	$ 0.30	$ 0.66	$ 0.60
Goodwill amortization	-	0.02	-	0.04
Adjusted net income	$ 0.32	$ 0.32	$ 0.66	$ 0.64
DILUTED EARNINGS PER SHARE				
Reported net income	$ 0.32	$ 0.30	$ 0.66	$ 0.60
Goodwill amortization	-	0.01	-	0.03
Adjusted net income	$ 0.32	$ 0.31	$ 0.66	$ 0.63

In June, 2001, Statement of Financial Accounting Standards No. 143, "Accounting for Asset Retirement Obligations," was issued to address financial reporting and obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. This Statement applies to all entities and to legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development or normal operations of a long-lived asset, except for certain obligations of lessees. Statement No. 143 is effective for financial statements issued for fiscal years beginning after June 15, 2002. The Corporation does not believe the adoption of the Standard will have a material impact on the consolidated financial statements.

In August, 2001, Statement on Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-lived Assets," was issued to supercede Statement No. 121, "Accounting for Impairment and for Long-lived Assets to Be Disposed Of," and the accounting and reporting provisions of APB Opinion No. 30, "Reporting the Results of Operations - Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions." Statement No. 144 is effective for financial statements issued for fiscal years beginning after December 15, 2002, and interim periods within those fiscal years, with early application encouraged. The Corporation does not believe the adoption of the Standard will have a material impact on the consolidated financial statements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is management's discussion and analysis of the financial condition of First Busey Corporation and Subsidiaries ("Corporation") at June 30, 2002 (unaudited) as compared with December 31, 2001 and the results of operations for the six months ended June 30, 2002 and 2001 (unaudited) and the results of operations for the three months ended June 30, 2002 and 2001 (unaudited). This discussion and analysis should be read in conjunction with the Corporation's consolidated financial statements and notes thereto appearing elsewhere in this quarterly report. The accompanying unaudited financial statements should be read in conjunction with the First Busey Corporation consolidated financial statements and related notes appearing in the 2001 annual report previously filed on Form 10-K.

FINANCIAL CONDITION AT JUNE 30, 2002 AS COMPARED TO DECEMBER 31, 2001

Total assets increased $55,876,000 or 4.3%, to $1,356,565,000 at June 30, 2002 from $1,300,689,000 at December 31, 2001. Securities available for sale increased $7,613,000, or 3.6%, to $218,482,000 at June 30, 2002 from $210,869,000 at December 31, 2001. Loans increased $31,045,000, or 3.2%, to $1,009,151,000 at June 30, 2002 from $978,106,000 at December 31, 2001, primarily due to increases in real estate construction, 1-4 family mortgages, and non-farm nonresidential mortgages. These increases were partially offset by a decrease in commercial loan balances.

Total deposits increased $29,813,000, or 2.7%, to $1,135,812,000 at June 30, 2002 from $1,105,999,000 at December 31, 2001. Noninterest-bearing deposits decreased 2.9% to $134,671,000 at June 30, 2002 from $138,685,000 at December 31, 2001. Interest-bearing deposits increased 3.5% to $1,001,141,000 at June 30, 2002 from $967,314,000 at December 31, 2001.

There were no short-term borrowings as of June 30, 2002 as compared to $2,000,000 at December 31, 2001. Long-term debt increased $23,000,000 or 48.9% to $70,021,000 at June 30, 2002, as compared to $47,021,000 at December 31, 2001. The increase in long-term debt is due to increases in Federal Home Loan Bank (FHLB) advances outstanding which were used primarily to fund loan growth.

In the first six months of 2002, the Corporation repurchased 84,868 shares of its common stock at an aggregate cost of $1,796,000. The Corporation is purchasing shares for the treasury as they become available in order to meet future issuance requirements of previously granted non-qualified stock options. As of June 30, 2002, there were 236,200 outstanding options currently exercisable. There were an additional 353,192 stock options outstanding but not currently exercisable.

ASSET QUALITY

The following table sets forth the components of non-performing assets and past due loans.

	June 30, 2002	December 31, 2001
	(Dollars in thousands)	
Non-accrual loans	$ 1,169	$ 1,265
Loans 90 days past due, still accruing	484	959
Restructured loans	-	-
Other real estate owned	5,281	30
Non-performing other assets	1	1
Total non-performing assets	$ 6,935	$ 2,255
Total non-performing assets as a percentage of total assets	0.51%	0.17%
Total non-performing assets as a percentage of loans plus non-performing assets	0.68%	0.23%

The ratio of non-performing assets to loans plus non-performing assets increased to 0.68% at June 30, 2002, from 0.23% at December 31, 2001. This was due to an increase in other real estate owned. The increase in other real estate owned was due primarily to the addition of $4 million for one large commercial credit in the hotel industry. Busey Bank became mortgagee in possession on June 28, 2002, and will remain so pending the completion of foreclosure proceedings.

Loans 90 days past due and still accruing at June 30, 2002, were $484,000 or 0.05% of total loans, compared to $959,000, or 0.10% of total loans as of December 31, 2001. These loans are in the process of collection, and management believes that sufficient collateral value securing these loans exists to cover contractual interest and principal payments on the loans.

RESERVE FOR LOAN LOSSES

The Corporation maintains its allowance for loan losses at a level management believes will be adequate to absorb estimated losses on existing loans based on an evaluation of the collectibility of loans and prior loss experience. The allowance is calculated using a risk rating system which involves judgments, estimates, and uncertainties that are susceptible to change. This risk rating system is based on continuous credit reviews of the loan portfolio and considers changes in the nature and volume of the loan portfolio, overall portfolio quality, loan concentrations, specific problem loans, current and anticipated economic conditions that may affect the borrowers' ability to pay, historical loan loss experience and other factors, which, in management's opinion, deserve current recognition in estimating loan losses. Changes in these factors or conditions could have significant impact on the Corporation's financial condition or results of operation.

POTENTIAL PROBLEM LOANS

Potential problem loans are those loans which are not categorized as impaired, non-accrual, past due or restructured, but where current information indicates that the borrower may not be able to comply with present loan repayment terms. Management assesses the potential for loss on such loans as it would with other problem loans and has considered the effect of any potential loss in determining its provision for possible loan losses. Potential problem loans totaled $534,000 at June 30, 2002. There are no other loans identified which management believes represent or result from trends or uncertainties which management reasonably expects will materially impact future operating results, liquidity or capital resources. There are no other credits identified about which management is aware of any information which causes management to have serious doubts as to the ability of such borrower(s) to comply with the loan repayment terms.

RESULTS OF OPERATIONS
SIX MONTHS ENDED JUNE 30, 2002 AS COMPARED TO JUNE 30, 2001

SUMMARY

Net income for the six months ended June 30, 2002 increased 10.5% to $8,977,000 as compared to $8,125,000 for the comparable period in 2001. Year-to-date diluted earnings per share increased 10.0% to $.66 at June 30, 2002 as compared to $.60 for the same period in 2001.

Operating earnings, which exclude security gains and the related tax expense, were $8,692,000, or $.64 per share for the six months ended June 30, 2002, as compared to $7,599,000, or $.56 per share for the same period in 2001.

The Corporation's return on average assets was 1.40% for the six months ended June 30, 2002, as compared to 1.24% for the comparable period in 2001. The return on average assets from operations of 1.35% for the six months ended June 30, 2002 was 19 basis points higher than the 1.16% level achieved in the comparable period of 2001.
During the six months ended June 30, 2002, the Corporation recognized net security gains of approximately $285,000, after income taxes, representing 3.2% of net income. During the same period in 2001, net security gains of $526,000, after income taxes, were recognized, representing 6.5% of net income.

EARNING ASSETS, SOURCES OF FUNDS, AND NET INTEREST MARGIN

The Corporation's net interest margin expressed as a percentage of average earning assets stated on a fully taxable equivalent basis, was 3.82% for the six months ended June 30, 2002, as compared to 3.61% for the same period in 2001. The net interest margin expressed as a percentage of average total assets, also on a fully taxable equivalent basis, was 3.56% for the six months ended June 30, 2002, compared to 3.40% for the same period in 2001.

Interest income, on a tax equivalent basis, for the six months ended June 30, 2002 decreased $10,255,000 or 21.2% to $38,056,000 from $48,311,000 for the comparable period in 2001. The decrease in interest income resulted partially from a decrease in average earning assets but more significantly in the rates paid on average earning assets for the period ended June 30, 2002, as compared to the same period of 2001. The average yield on interest-earning assets decreased from 7.83% for the six months ended June 30, 2001 to 6.35% for the same period in 2002 due to decreases in the yields on all categories of interest-earning assets.

Average earnings assets for the first six months of 2002 were $1,208,862,000, down $35,764,000 or 2.9% from $1,244,626,000 for the same period in 2001. Average interest-bearing liabilities were $1,050,672,000 for the six months ending June 30, 2002, a decrease of $53,246,000 or 4.8% from $1,103,918,000 for the same period in 2001. Runoff in higher-costing time deposit category was replaced by growth in savings and money market deposits.

Total interest expense decreased $10,844,000 or 41.7% for the six months ended June 30, 2002 as compared to the prior year period. This decrease resulted from changes in the mix of funding sources primarily from the lower rates paid on all categories of interest-bearing liabilities.

PROVISION FOR LOAN LOSSES

The provision for loan losses of $1,480,000 for the six months ended June 30, 2002 is $585,000 higher than the provision for the comparable period in 2001. The provision and expense level of net charge-offs for the period resulted in the reserve representing 1.37% of total loans and 835% of non-performing loans at June 30, 2002, as compared to the reserve representing 1.40% of total loans and 615% of non-performing loans at December 31, 2001. The adequacy of the reserve for loan losses is consistent with management's consideration of the composition of the portfolio, non-performing asset levels, recent credit quality experience, historic charge-off trends, prevailing economic conditions among other factors.

The net chargeoff ratio (net chargeoffs as percentage of average loans) was 0.14% for the six months ending June 30, 2002, which increased from 0.02% for the same period in 2001.

Like many other financial institutions, the corporation is concerned about the continued weakening of the economy in 2002. Should the economic climate continue to deteriorate, borrowers may experience difficulty, and the level of non-performing loans, charge-offs, and delinquencies could rise and require further increases in the provision for loan losses which may cause the Corporation's net income to decrease.

OTHER INCOME, OTHER EXPENSE AND INCOME TAXES

Total other income, excluding security gains, increased $345,000 or 3.4% for the six months ended June 30, 2002 as compared to the same period in 2001. Growth in service charge income and gains on the sale of loans offset declines in commissions and brokers' fees and net commissions from travel services. In December, 2001, the Corporation sold the customer list of its travel agency subsidiary. As a result of this sale, no commissions from travel services were recognized in the six months ending June 30, 2002, as compared to $526,000 for the comparable period in 2001.

Gains of $1,356,000 were recognized on the sale of $99,566,000 of loans for the six months ended June 30, 2002 as compared to gains of $966,000 on the sale of $97,425,000 of pooled loans in the prior year period. Management anticipates continued sales from the current mortgage loan production in order to maintain the asset/liability structure that the Corporation is trying to effect. The Corporation may realize gains and/or losses on these sales dependent upon interest rate movements and upon how receptive the debt markets are to mortgage backed securities.

Total other expenses decreased 3.8% or $735,000 to $18,395,000 for the six months ended June 30, 2002 as compared to $19,130,000 for the same period in 2001.

Salaries and wages expense remained relatively constant for the first six months of 2002 as compared to the same period in 2001. Employee benefits expense increased $20,000 to $1,823,000 for the first six months of 2002 as compared to $1,803,000 in the same period in 2001. The Corporation had 473 and 502 full-time equivalent employees as of June 30, 2002 and 2001, respectively.

Occupancy and furniture and equipment expenses decreased 7.8% to $3,229,000 for the six months ended June 30, 2002 from $3,501,000 in the prior year period.

The Corporation's net overhead expense, total non-interest expense less non-interest income divided by average assets, decreased to 1.14% for the six months ended June 30, 2002 from 1.22% in the prior year period as a result of the changes in the income and expense items described above.

The Corporation's efficiency ratio is defined as operating expenses divided by net revenue. (More specifically it is defined as non interest expense expressed as a percentage of the sum of tax equivalent net interest income and non interest income, excluding security gains). The consolidated efficiency ratio for the six months ended June 30, 2002, was 55.0% as compared to 58.8% for the same period in 2001.

Income taxes for the six months ended June 30, 2002 decreased to $4,457,000 as compared to $4,586,000 for the comparable period in 2001. As a percent of income before taxes, the provision for income taxes decreased to 33.2% for the six months ended June 30, 2002 from 36.1% for the same period in 2001. The provision for income taxes as a percentage of income before taxes has decreased due to the addition of income from bank owned life insurance which is nontaxable to the Corporation and to the reduction in nondeductible amortization expense.

RESULTS OF OPERATIONS
THREE MONTHS ENDED JUNE 30, 2002 AS COMPARED TO JUNE 30, 2001

SUMMARY

Net income for the three months ended June 30, 2002 increased 6.5% to $4,287,000 as compared to $4,027,000 for the comparable period in 2001. Diluted earnings per share increased 6.7% to $.32 at June 30, 2002 as compared to $.30 for the same period in 2001.

Operating earnings, which exclude security gains and the related tax expense, were $4,167,000, or $.31 per share for the three months ended June 30, 2002, as compared to $3,894,000, or $.29 per share for the same period in 2001.

The Corporation's return on average assets was 1.32% for the three months ended June 30, 2002, as compared to 1.23% achieved for the comparable period in 2001. The return on average assets from operations for the three months ended June 30, 2002 of 1.28% was nine basis points higher than the 1.19% level achieved in the comparable period of 2001.

EARNING ASSETS, SOURCES OF FUNDS, AND NET INTEREST MARGIN

The net interest margin expressed as a percentage of average earning assets was 3.77% for the three months ended June 30, 2002, an increase of 14 basis points from the level achieved for the like period in 2001. The net interest margin expressed as a percentage of average total assets increased 10 basis points to 3.52% for the three months ended June 30, 2002, compared to 3.42% for the same period in 2001. The increase in the net interest margin resulted from a 140 basis point decrease in the yield on interest-earning assets offset by a 154 basis point decrease in the rates paid on interest-bearing liabilities.

Interest income on a fully taxable equivalent basis decreased $4,654,000, or 19.7% for the three months ended June 30, 2002 from the same period in 2001. The decrease resulted primarily from the decline in market interest rates.

Total interest expense decreased $4,885,000 or 39.3% for the three months ended June 30, 2002 as compared to the prior year period. This decline is primarily due to the decline in rates paid on interest-bearing liabilities combined with a change in the mix of funding sources.

OTHER INCOME, OTHER EXPENSE AND INCOME TAXES

During the three months ended June 30, 2002, the Corporation recognized security gains of approximately $120,000, after income taxes, representing 2.8% of net income. During the same period in 2001, security gains of approximately $133,000, after income taxes, were recognized, representing 3.3% of net income.

Total other income, excluding security transactions, decreased 1.9% to $5,387,000 for the three months ended June 30, 2002 as compared to $5,491,000 for the same period in 2001. This was a combination of the loss of net commissions from travel services, and lower other income offset by an increase in service charge income. Gains of $559,000 were recognized on the sale of $39,844,000 of pooled loans for the three months ended June 30, 2002 as compared to gains of $533,000 on the sale of $62,019,000 of pooled loans in the prior year period.

Total other expense decreased 4.1% or $402,000 to $9,400,000 for the three months ended June 30, 2002 as compared to the same period in 2001. Salaries and wages expense decreased $35,000 or 0.8% and employee benefits expense increased $57,000 or 6.8% for the three months ended June 30, 2002, as compared to the same period last year. Occupancy and furniture and equipment expenses decreased 6.1% to $1,622,000 for the three months ended June 30, 2002 from $1,728,000 in the prior year period.

The consolidated efficiency ratio for the three months ended June 30, 2002 was 55.9% as compared to 58.7% for the prior year period. The change in the current year efficiency ratio is due to the income and expense items noted above.

Income taxes for the three months ended June 30, 2002 decreased to $2,102,000 as compared to $2,252,000 for the comparable period in 2001. As a percent of income before taxes, the provision for income taxes decreased to 32.9% for the three months ended June 30, 2001 from 35.9% for the same period in 2001. The provision for income taxes as a percentage of income before taxes has decreased due to the addition of income from bank owned life insurance which is nontaxable to the Corporation and to the reduction in nondeductible amortization expense.

REPORTABLE SEGMENTS AND RELATED INFORMATION

First Busey Corporation has three reportable segments, Busey Bank, Busey Bank Florida and First Busey Trust & Investment Co. Busey Bank provides a full range of banking services to individual and corporate customers through its branch network in Champaign, McLean and Ford Counties in Illinois, through its branch in Indianapolis, Indiana, and through its loan production office in Fort Myers, Florida. In November, 2001, Busey Bank fsb transferred its charter to Florida, and changed its name to Busey Bank Florida. Simultaneously, the Illinois assets of Busey Bank fsb were merged into Busey Bank. Busey Bank Florida provides a full range of banking services to individual and corporate customers in Fort Myers, Florida. First Busey Trust & Investment Company provides trust and asset management services to individual and corporate customers throughout central Illinois.

The Corporation's three reportable segments are strategic business units that are separately managed as they offer different products and services and have different marketing strategies.

The segment financial information provided below has been derived from the internal profitability reporting system used by management to monitor and manage the financial performance of the Corporation. The accounting policies of the three segments are the same as those described in the summary of significant accounting policies in the annual report. The Corporation accounts for intersegment revenue and transfers at current market value.

	June 30, 2002						
	Busey Bank	Busey Bank, Florida	First Busey Trust & Investment Co.	All Other	Totals	Eliminations	Consolidated Totals
Interest income	$ 35,917	$ 1,366	$ 79	$ 1,209	$ 38,571	$ (1,151)	$ 37,420
Interest expense	13,327	674	-	2,297	16,298	(1,137)	15,161
Other income	7,356	172	2,520	12,766	22,814	(11,764)	11,050
Net income	9,134	48	763	10,095	20,040	(11,063)	8,977
Total assets	1,287,848	56,103	3,642	179,975	1,527,568	(171,003)	1,356,565

	June 30, 2001						
	Busey Bank	Busey Bank, Florida	First Busey Trust & Investment Co.	All Other	Totals	Eliminations	Consolidated Totals
Interest income	$ 36,229	$ 11,288	$ 92	$ 143	$ 47,752	$ (115)	$ 47,637
Interest expense	18,213	6,722	-	1,133	26,068		26,005
						(63)	
Other income	6,616	1,206	2,431	10,804	21,057		11,104
						(9,953)	
Net income	7,143	948	769	8,381	17,241		8,125
						(9,116)	
Total assets	1,030,811	300,300	3,614	163,568	1,498,293	(163,746)	1,334,547

LIQUIDITY

Liquidity is the availability of funds to meet all present and future financial obligations arising in the daily operations of the business at a minimal cost. These financial obligations consist of needs for funds to meet extensions of credit, deposit withdrawals and debt servicing.

The sources of short-term liquidity utilized by the Corporation consist of non-reinvested asset maturities, deposits, borrowed funds, and capital funds. Long-term liquidity needs will be satisfied primarily through retention of capital funds. The Corporation does not deal in or use brokered deposits as a source of liquidity. Additional liquidity is provided by bank lines of credit, repurchase agreements and the ability to borrow from the Federal Reserve Bank and the Federal Home Loan Bank of Chicago. The Corporation has an operating line with American National Bank and Trust Company of Chicago in the amount of $10,000,000 with $10,000,000 available as of June 30, 2002.

The Corporation's dependence on large liabilities (defined as time deposits over $100,000 and short-term borrowings) increased to 9.1% at June 30, 2002 from 8.6% at December 31, 2001. This is the ratio of total large liabilities to total liabilities. Large liabilities increased $9,858,000 to $112,942,000 as of June 30, 2002, as compared to $103,084,000 as of December 31, 2001. Total liabilities grew $50,895,000 to $1,245,794,000 as of June 30, 2002, as compared to $1,194,899,000 as of December 31, 2001.

CAPITAL RESOURCES

Other than from the issuance of common stock, the Corporation's primary source of capital is retained net income. During the six months ended June 30, 2002, the Corporation earned $8,977,000 and paid dividends of $4,074,000 to stockholders, resulting in a retention of current earnings of $4,903,000. The Corporation's dividend payout for the six months ended June 30, 2002 was 45.4%.

The Corporation and the Banks are subject to regulatory capital requirements administered by federal and state banking agencies. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Corporation and the Banks must meet specific capital guidelines that involve the quantitative measure of their assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. Quantitative measures established by regulation to ensure capital adequacy require the Corporation and the Banks to maintain minimum amounts and ratios (set forth in the table below) of total and Tier I capital (as defined in the regulations) to risk-weighted assets (as defined), and Tier 1 capital (as defined) to average assets (as defined). Management believes, as of June 30, 2002, that the Corporation and the Banks meet all capital adequacy requirements to which they are subject.

As of June 30, 2002:								
Total Capital (to Risk Weighted Assets)								
Consolidated	$	132,810	13.71%	$	77,525	8.0%		N/A	N/A
Busey Bank	$	103,948	11.25%	$	73,918	8.0%	$	92,397	10.0%
Busey Bank Florida	$	11,737	33.86%	$	2,773	8.0%	$	3,467	10.0%
Tier I Capital (to Risk Weighted Assets)									
Consolidated	$	116,184	11.99%	$	38,763	4.0%		N/A	N/A
Busey Bank	$	88,250	9.55%	$	36,959	4.0%	$	55,439	6.0%
Busey Bank Florida	$	11,308	32.62%	$	1,387	4.0%	$	2,080	6.0%
Tier I Capital (to Average Assets)									
Consolidated	$	116,184	9.09%	$	51,139	4.0%		N/A	N/A
Busey Bank	$	88,250	7.28%	$	48,516	4.0%	$	60,645	5.0%
Busey Bank Florida	$	11,308	32.62%	$	2,056	4.0%	$	2,570	5.0%

As of December 31, 2001:						
Total Capital (to Risk Weighted Assets)						
Consolidated	$ 128,017	13.63%	$ 75,143	8.0%	N/A	N/A
Busey Bank	$ 99,927	11.14%	$ 71,747	8.0%	$ 89,683	10.0%
Busey Bank Florida	$ 11,610	41.50%	$ 2,238	8.0%	$ 2,798	10.0%
Tier I Capital (to Risk Weighted Assets)						
Consolidated	$ 112,067	11.93%	$ 37,572	4.0%	N/A	N/A
Busey Bank	$ 84,927	9.47%	$ 35,874	4.0%	$ 53,810	6.0%
Busey Bank Florida	$ 11,260	40.25%	$ 1,119	4.0%	$ 1,679	6.0%
Tier I Capital (to Average Assets)						
Consolidated	$ 112,067	8.78%	$ 51,080	4.0%	N/A	N/A
Busey Bank	$ 84,927	7.62%	$ 44,597	4.0%	$ 55,746	5.0%
Busey Bank Florida	$ 11,260	7.34%	$ 7,666	4.0%	$ 7,666	5.0%

RATE SENSITIVE ASSETS AND LIABILITIES

Interest rate sensitivity is a measure of the volatility of the net interest margin as a consequence of changes in market rates. The rate-sensitivity chart shows the interval of time in which given volumes of rate-sensitive, earning assets and rate-sensitive, interest bearing liabilities would be responsive to changes in market interest rates based on their contractual maturities or terms for repricing. It is, however, only a static, single-day depiction of the Corporation's rate sensitivity structure, which can be adjusted in response to changes in forecasted interest rates.

The following table sets forth the static rate-sensitivity analysis of the Corporation as of June 30, 2002.

	Rate Sensitive Within					
	1-30 Days	31-90 Days	91-180 Days	181 Days - 1 Year	Over 1 Year	Total
	(Dollars in thousands)					
Interest-bearing deposits	$ 67	$ -	$ -	$ -	$ -	$ 67
Federal funds sold	27,700	-	-	-	-	27,700
Investment securities						
U.S. Governments	1,001	13,067	9,136	45,783	78,620	147,607
Obligations of states and political subdivisions	1,097	-	2,430	2,039	40,656	46,222
Other securities	10,775	1,003	-	-	12,875	24,653
Loans (net of unearned int.)	372,045	65,819	72,993	125,998	372,296	1,009,151
Total rate-sensitive assets	$ 412,685	$ 79,889	$ 84,559	$ 173,820	$ 504,447	$ 1,255,400
Interest bearing transaction Deposits	$ 23,056	$ -	$ -	$ -	$ -	$ 23,056
Savings deposits	96,632	-	-	-	-	96,632
Money market deposits	395,114	-	-	-	-	395,114
Time deposits	73,933	62,522	71,316	126,811	151,757	486,339
Short term borrowings	5,021	-	-	-	-	5,021
Long-term debt	8,000	12,000	2,021	5,000	43,000	70,021
Company obligated mandatorily redeemable preferred securities	-	-	-	-	25,000	25,000
Total rate-sensitive liabilities	$ 601,756	$ 74,522	$ 73,337	$ 131,811	$ 219,757	$ 1,101,183
Rate-sensitive assets less rate-sensitive liabilities	$ (189,071)	$ 5,367	$ 11,222	$ 42,009	$ 284,690	$ 154,217
Cumulative Gap	$ (189,071)	$ (183,704)	$ (172,482)	$ (130,473)	$ 154,217	
Cumulative amounts as a percentage of total rate-sensitive assets	-15.06%	-14.63%	-13.74%	-10.39%	12.28%	
Cumulative ratio	0.69	0.73	0.77	0.85	1.14	

The foregoing table shows a negative (liability sensitive) rate-sensitivity gap of $189.1 million in the 1-30 day as there were more liabilities subject to repricing in that time period than there were assets subject to repricing within that same time period. The volume of assets subject to repricing exceeds the volume of liabilities subject to repricing for all time periods beyond 30 days. On a cumulative basis, however, the gap remains liability sensitive through one year. The composition of the gap structure at June 30, 2002, will benefit the Corporation more if interest rates decrease during the next year by allowing the net interest margin to grow as liability rates would reprice more quickly than rates on rate-sensitive assets. After 1 year, a rate increase would benefit the Corporation because the volume of rate-sensitive assets subject to repricing would exceed the volume of rate-sensitive liabilities subject to repricing.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
AVERAGE BALANCE SHEETS AND INTEREST RATES
SIX MONTHS ENDED JUNE 30, 2002 AND 2001

	2002			2001		
	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
	(Dollars in thousands)					
ASSETS						
Federal funds sold	$ 10,878	$ 86	1.59%	$ 28,339	$ 749	5.33%
Investment securities						
U.S. Government obligations	143,451	3,294	4.63%	159,023	4,543	5.76%
Obligations of states and political subdivisions (1)	42,925	1,503	7.06%	43,741	1,597	7.36%
Other securities	24,350	426	3.53%	37,017	794	4.33%
Loans (net of unearned interest) (1) (2)	987,258	32,747	6.69%	976,506	40,628	8.39%
Total interest earning assets	$ 1,208,862	$ 38,056	6.35%	$ 1,244,626	$ 48,311	7.83%
Cash and due from banks	33,596			31,422		
Premises and equipment	28,679			30,728		
Reserve for possible loan losses	(13,814)			(12,545)		
Other assets	38,134			28,344		
Total Assets	$ 1,295,457			$ 1,322,575		
LIABILITIES AND STOCKHOLDERS' EQUITY						
Interest-bearing transaction deposits	$ 13,456	$ 65	0.97%	$ 37,576	$ 477	2.56%
Savings deposits	97,168	550	1.14%	89,086	1,225	2.77%
Money market deposits	401,638	2,622	1.32%	338,982	5,347	3.18%
Time deposits	446,130	9,129	4.13%	542,634	16,034	5.96%
Short-term borrowings	13,821	265	3.87%	44,207	1,457	6.65%
Long-term debt	53,459	1,405	5.30%	49,841	1,393	5.64%
Company obligated mandatorily redeemable preferred securities	25,000	1,125	9.07%	1,592	72	9.12%
Total interest-bearing liabilities	$ 1,050,672	$ 15,161	2.91%	$ 1,103,918	$ 26,005	4.75%
Net interest spread			3.44%			3.08%
Demand deposits	127,455			113,240		
Other liabilities	9,715			10,155		
Stockholders' equity	107,615			95,262		
Total Liabilities and Stockholders' Equity	$ 1,295,457			$ 1,322,575		
Interest income / earning assets (1)	$ 1,208,862	$ 38,056	6.35%	$ 1,244,626	$ 48,311	7.83%
Interest expense / earning assets	$ 1,208,862	$ 15,161	2.53%	$ 1,244,626	$ 26,005	4.22%
Net interest margin (1)		$ 22,895	3.82%		$ 22,306	3.61%

(1) On a tax-equivalent basis, assuming a federal income tax rate of 35% for 2002 and 2001.
(2) Non-accrual loans have been included in average loans, net of unearned interest.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CHANGES IN NET INTEREST INCOME
SIX MONTHS ENDED JUNE 30, 2002 AND 2001

	Change due to(1) Average Volume	Average Yield/Rate	Total Change
	(Dollars in thousands)		
Increase (decrease) in interest income:			
Federal funds sold	$ (310)	$ (353)	$ (663)
Investment securities:			
U.S. Government obligations	(416)	(833)	(1,249)
Obligations of states and political subdivisions (2)	(29)	(65)	(94)
Other securities	(241)	(127)	(368)
Loans (2)	453	(8,334)	(7,881)
Change in interest income (2)	$ (543)	$ (9,712)	$ (10,255)
Increase (decrease) in interest expense:			
Interest-bearing transaction deposits	$ (209)	$ (203)	$ (412)
Savings deposits	123	(798)	(675)
Money market deposits	1,255	(3,980)	(2,725)
Time deposits	(2,531)	(4,374)	(6,905)
Short-term borrowings	(648)	(544)	(1,192)
Long-term debt	67	(55)	12
Company obligated mandatorily redeemable preferred securities	1,053	-	1,053
Change in interest expense	$ (890)	$ (9,954)	$ (10,844)
Increase in net interest income (2)	$ 347	$ 242	$ 589

(1) Changes due to both rate and volume have been allocated proportionally.
(2) On a tax-equivalent basis, assuming a federal income tax rate of 35% for 2002 and 2001.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
AVERAGE BALANCE SHEETS AND INTEREST RATES
QUARTERS ENDED JUNE 30, 2002 AND 2001

(Dollars in thousands)

	2002			2001		
	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
ASSETS						
Federal funds sold	$ 6,702	$ 28	1.68%	$ 21,818	$ 240	5.33%
Investment securities						
U.S. Government obligations	151,329	1,676	4.44%	155,875	2,205	5.67%
Obligations of states and political subdivisions (1)	43,697	758	6.96%	44,028	800	7.29%
Other securities	24,556	227	3.71%	38,107	378	3.98%
Loans (net of unearned interest) (1) (2)	989,895	16,282	6.60%	978,028	20,002	8.20%
Total interest earning assets	$ 1,216,179	$ 18,971	6.26%	$ 1,237,856	$ 23,625	7.66%
Cash and due from banks	34,255			30,174		
Premises and equipment	28,514			30,449		
Reserve for possible loan losses	(13,940)			(12,694)		
Other assets	39,075			28,355		
Total Assets	$ 1,304,083			$ 1,314,140		
LIABILITIES AND STOCKHOLDERS' EQUITY						
Interest-bearing transaction deposits	$ 12,143	$ 27	0.89%	$ 36,915	$ 203	2.21%
Savings deposits	97,569	283	1.16%	90,213	577	2.57%
Money market deposits	397,706	1,289	1.30%	342,150	2,518	2.95%
Time deposits	451,244	4,502	4.00%	532,056	7,758	5.85%
Short-term borrowings	14,956	126	3.38%	41,640	664	6.40%
Long-term debt	59,066	750	5.09%	46,083	632	5.50%
Company obligated mandatorily redeemable preferred securities	25,000	562	9.02%	3,165	72	9.12%
Total interest-bearing liabilities	$ 1,057,684	$ 7,539	2.86%	$ 1,092,222	$ 12,424	4.56%
Net interest spread			3.40%			3.10%
Demand deposits	127,052			115,491		
Other liabilities	10,640			9,793		
Stockholders' equity	108,707			96,634		
Total Liabilities and Stockholders' Equity	$ 1,304,083			$ 1,314,140		
Interest income / earning assets (1)	$ 1,216,179	$ 18,971	6.26%	$ 1,237,856	$ 23,625	7.66%
Interest expense / earning assets	$ 1,216,179	$ 7,539	2.49%	$ 1,237,856	$ 12,424	4.03%
Net interest margin (1)		$ 11,432	3.77%		$ 11,201	3.63%

(1) On a tax-equivalent basis, assuming a federal income tax rate of 35% for 2002 and 2001.
(2) Non-accrual loans have been included in average loans, net of unearned interest.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CHANGES IN NET INTEREST INCOME
QUARTERS ENDED JUNE 30, 2002 AND 2001

	Change due to(1) Average Volume	Average Yield/Rate	Total Change
	(Dollars in thousands)		
Increase (decrease) in interest income:			
Federal funds sold	$ (112)	$ (100)	$ (212)
Investment securities:			
U.S. Government obligations	(63)	(466)	(529)
Obligations of states and political subdivisions (2)	(6)	(36)	(42)
Other securities	(128)	(23)	(151)
Loans (2)	246	(3,966)	(3,720)
Change in interest income (2)	$ (63)	$ (4,591)	$ (4,654)
Increase (decrease) in interest expense:			
Interest-bearing transaction deposits	$ (93)	$ (83)	$ (176)
Savings deposits	51	(345)	(294)
Money market deposits	502	(1,731)	(1,229)
Time deposits	(1,058)	(2,198)	(3,256)
Short-term borrowings	(282)	(256)	(538)
Long-term debt	160	(42)	118
Company obligated mandatorily redeemable preferred securities	490	-	490
Change in interest expense	$ (230)	$ (4,655)	$ (4,885)
Increase in net interest income (2)	$ 167	$ 64	$ 231

(1) Changes due to both rate and volume have been allocated proportionally.
(2) On a tax-equivalent basis, assuming a federal income tax rate of 35% for 2002 and 2001.

FORWARD LOOKING STATEMENTS

This presentation includes forward looking statements that are intended to be covered by the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward looking statements include but are not limited to comments with respect to the objectives and strategies, financial condition, results of operations and business of the Corporation.

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

These risks, uncertainties and other factors include the general state of the economy, both on a local and national level, the ability of the Corporation to successfully complete acquisitions, the continued growth of geographic regions served by the Corporation, and the retention of individuals who currently are very important in the management structure of the Corporation.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Market risk is the risk of change in asset values due to movements in underlying market rates and prices. Interest rate risk is the risk to earnings and capital arising from movements in interest rates. Interest rate risk is the most significant market risk affecting the Corporation as other types of market risk, such as foreign currency exchange rate risk and commodity price risk, do not arise in the normal course of the Corporation's business activities.

The Corporation's subsidiary banks, Busey Bank and Busey Bank Florida have asset-liability committees which meet at least quarterly to review current market conditions and attempt to structure the banks' balance sheets to ensure stable net interest income despite potential changes in interest rates with all other variables constant.

The asset-liability committee uses gap analysis to identify mismatches in the dollar value of assets and liabilities subject to repricing within specific time periods. The Funds Management Policy established by the asset-liability committee and approved by the Corporation's board of directors establishes guidelines for maintaining the ratio of cumulative rate-sensitive assets to rate-sensitive liabilities within prescribed ranges at certain intervals. A summary of the Corporation's gap analysis is summarized on page 18.

The committee does not rely solely on gap analysis to manage interest-rate risk as interest rate changes do not impact all categories of assets and liabilities equally or simultaneously. The asset-liability committee supplements gap analysis with balance sheet and income simulation analysis to determine the potential impact on net interest income of changes in market interest rates. In these simulation models the balance sheet is projected out over a one-year period and net interest income is calculated under current market rates, and then assuming permanent instantaneous shifts in the yield curve of +/- 100 basis point, + 200 basis points, and -175 basis points. These interest-rate scenarios indicate the interest rate risk of the Corporation over a one-year time horizon due to changes in interest rates, as of June 30, 2002, is as follows:

	Basis Point Changes			
	-175	-100	+100	+200
Percentage change in net interest income due to an immediate change in interest over a one-year period	1.88%	2.20%	-0.28%	-0.61%

These results do not differ materially from those reported as of December 31, 2002.

PART II - OTHER INFORMATION

ITEM 1: Legal Proceedings

Not Applicable

ITEM 2: Changes in Securities and Use of Proceeds

Not Applicable

ITEM 3: Defaults Upon Senior Securities

Not Applicable

ITEM 4: Submission of Matters to a Vote of Security Holders

The annual meeting of the stockholders of First Busey Corporation was held on April 15, 2002. Please refer to the Corporation's quarterly report filed on Form 10-Q for the period ending March 31, 2002 for the results of the matters approved by the stockholders.

ITEM 5: Other Information

Not Applicable

ITEM 6: Exhibits and Reports on Form 8-K

(a.) EXHIBITS

(b.) REPORTS ON FORM 8-K

On July 18, 2002, the Corporation filed a report on Form 8-K (Item 5) dated July 18, 2002, revising information contained in its press release dated and issued July 15, 2002.

SIGNATURES

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
(REGISTRANT)

By: //Barbara J. Jones//

Barbara J. Jones
Chief Financial Officer
(Principal financial and accounting officer)

By: //Douglas C. Mills//

Douglas C. Mills
Chairman of the Board and Chief Executive Officer

Date: August 14, 2002

(Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 accompanies this filing as separate correspondence.)