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 6/30/2001 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 of organization)	(I.R.S. Employer Identification No.)
201 West Main Street 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 10, 2001
Common Stock, without par value	13,562,413

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2001 AND 2000
(UNAUDITED)

	June 30, 2001	December 31, 2000
	(Dollars in thousands)	
ASSETS		
Cash and due from banks	$ 53,398	$ 58,585
Federal funds sold	42,500	34,700
Securities available for sale (amortized cost 2001, $210,334; 2000, $218,790)	222,143	228,597
Loans	969,784	984,369
Allowance for loan losses	(12,997)	(12,268)
Net loans	$ 956,787	$ 972,101
Premises and equipment	30,075	31,253
Goodwill and other intangibles	11,540	12,255
Other assets	18,104	17,553
Total assets	$ 1,334,547	$ 1,355,044
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Deposits:		
Non-interest bearing	$ 121,920	$ 134,669
Interest bearing	1,012,895	1,014,118
Total deposits	$ 1,134,815	$ 1,148,787
Securities sold under agreements to repurchase	16,402	18,890
Short-term borrowings	7,283	32,283
Long-term debt	43,000	52,976
Company obligated mandatorily redeemable preferred securities of subsidiary trust holding solely subordinated debentures	25,000	-
Other liabilities	9,448	9,783
Total liabilities	$ 1,235,948	$ 1,262,719
STOCKHOLDERS' EQUITY		
Preferred stock	-	-
Common stock	6,291	6,291
Surplus	21,746	22,044
Retained earnings	77,846	73,215
Accumulated other comprehensive income	7,125	5,917
Total stockholders' equity before treasury stock, unearned ESOP shares and deferred compensation for stock grants	$ 113,008	$ 107,467
Treasury stock, at cost	(12,123)	(12,858)
Unearned ESOP shares and deferred compensation for stock grants	(2,286)	(2,284)
Total stockholders' equity	$ 98,599	$ 92,325
Total liabilities and stockholders' equity	$ 1,334,547	$ 1,355,044
Common Shares outstanding at period end	13,546,813	13,451,180

See notes to unaudited consolidated financial statements.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2001 AND 2000
(UNAUDITED)

	2001	2000
	(Dollars in thousands, except per share amounts)	
INTEREST INCOME:		
Interest and fees on loans	$40,513	$37,611
Interest and dividends on investment securities:		
Taxable interest income	5,278	5,350
Non-taxable interest income	1,038	1,011
Dividends	59	64
Interest on federal funds sold	749	295
Total interest income	$47,637	$44,331
INTEREST EXPENSE:		
Deposits	$23,083	$19,198
Short-term borrowings	1,536	2,571
Long-term debt	1,314	1,497
Trust preferred securities	72	-
Total interest expense	$26,005	$23,266
Net interest income	$21,632	$21,065
Provision for loan losses	895	985
Net interest income after provision for loan losses	$20,737	$20,080
OTHER INCOME:		
Trust	$ 2,406	$ 2,256
Commissions and brokers fees, net	1,164	955
Service charges on deposit accounts	2,907	2,508
Other service charges and fees	815	1,145
Security gains, net	872	25
Gain on sales of loans	966	520
Net commissions from travel services	526	484
Other operating income	1,448	1,115
Total other income	$11,104	$ 9,008
OTHER EXPENSES:		
Salaries and wages	$ 8,641	$ 7,801
Employee benefits	1,803	1,448
Net occupancy expense of premises	1,533	1,435
Furniture and equipment expenses	1,968	1,677
Data processing	391	723
Stationery, supplies and printing	541	453
Amortization of intangible assets	715	796
Other operating expenses	3,538	3,111
Total other expenses	$19,130	$17,444
Income before income taxes	$12,711	$11,644
Income taxes	4,586	4,105
Net income	$ 8,125	$ 7,539
BASIC EARNINGS PER SHARE	$ 0.60	$ 0.56
DILUTED EARNINGS PER SHARE	$ 0.60	$ 0.55
DIVIDENDS DECLARED PER SHARE OF COMMON STOCK	$ 0.26	$ 0.24

See notes to unaudited consolidated financial statements.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE QUARTERS ENDED JUNE 30, 2001 AND 2000
(UNAUDITED)

	2001	2000
	(Dollars in thousands, except per share amounts)	
INTEREST INCOME:		
Interest and fees on loans	$19,945	$19,372
Interest and dividends on investment securities:		
Taxable interest income	2,554	2,578
Non-taxable interest income	520	507
Dividends	29	34
Interest on federal funds sold	240	96
Total interest income	$23,288	$22,587
INTEREST EXPENSE:		
Deposits	$11,056	$ 9,738
Short-term borrowings	703	1,349
Long-term debt	665	714
Total interest expense	$12,424	$11,801
Net interest income	$10,864	$10,786
Provision for loan losses	495	595
Net interest income after provision for loan losses	$10,369	$10,191
OTHER INCOME:		
Trust	$ 1,255	$ 1,161
Commissions and brokers fees, net	567	547
Service charges on deposit accounts	1,528	1,327
Other service charges and fees	418	515
Security gains, net	221	32
Gains on sales of pooled loans	533	74
Net commissions from travel services	254	231
Other operating income	936	729
Total other income	$ 5,712	$ 4,616
OTHER EXPENSES:		
Salaries and wages	$ 4,377	$ 3,911
Employee benefits	835	721
Net occupancy expense of premises	731	710
Furniture and equipment expenses	997	860
Data processing	201	430
Stationary, supplies and printing	284	244
Amortization of intangible assets	357	413
Other operating expenses	2,020	1,440
Total other expenses	$ 9,802	$ 8,729
Income before income taxes	$ 6,279	$ 6,078
Income taxes	2,252	2,146
NET INCOME	$ 4,027	$ 3,932
BASIC EARNINGS PER SHARE	$ 0.30	$ 0.29
DILUTED EARNINGS PER SHARE	$ 0.30	$ 0.29
DIVIDENDS DECLARED PER SHARE:		
Common Stock	$ 0.13	$ 0.12

See notes to unaudited consolidated financial statements.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2001 AND 2000
(UNAUDITED)

	2001	2000
	(Dollars in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 8,125	$ 7,539
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,770	2,567
Provision for loan losses	895	985
Provision for deferred income taxes	(1,533)	(806)
Amortization of investment security discounts	(543)	(182)
Gain on sales of investment securities, net	(872)	(25)
Proceeds from sales of pooled loans	98,391	20,843
Loans originated for sale	(118,109)	(17,133)
Gain on sale of pooled loans	(966)	(520)
Gain on sale and disposition of premises and equipment	(1)	(168)
Change in assets and liabilities:		
(Increase) decrease in other assets	(723)	617
Increase (decrease) in accrued expenses	1,184	(2,204)
(Decrease) increase in interest payable	(1,031)	537
Decrease in income taxes receivable	172	-
Increase in income taxes payable	251	2,064
Net cash (used in) provided by operating activities	($11,990)	$ 14,114
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of securities classified available for sale	3,213	$ 14,620
Proceeds from maturities of securities classified available for sale	73,762	29,144
Purchase of securities classified available for sale	(67,104)	(33,338)
(Increase) decrease in federal funds sold	(7,800)	8,500
Decrease (increase) in loans	35,103	(68,117)
Proceeds from sale of premises and equipment	2	407
Purchases of premises and equipment	(875)	(3,838)
Net cash provided by (used in) investing activities	$ 36,301	($52,622)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net decrease in certificates of deposit	($25,074)	($66,582)
Net increase in demand, money market and saving deposits	11,102	72,792
Cash dividends paid	(3,494)	(3,236)
Purchase of treasury stock	(2,454)	(1,482)
Proceeds from sale of treasury stock	2,886	400
Net (decrease) increase in securities sold under agreement to repurchase & federal funds purchased	(2,488)	(844)
Proceeds from short-term borrowings	2,500	16,925
Principal payments on short-term borrowings	(27,500)	(15,932)
Proceeds from issuance of long-term debt	-	20,000
Proceeds from issuance of trust preferred securities	25,000	-
Principal payments on long-term borrowings	(9,976)	(13,920)
Net cash (used in) provided by financing activities	($29,498)	$ 8,121
Net increase (decrease) in cash and cash equivalents	($5,187)	($30,387)
Cash and due from banks, beginning	$ 58,585	$ 69,722
Cash and due from banks, ending	$ 53,398	$ 39,335

See notes to unaudited consolidated financial statements.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2001 AND 2000

	2001	2000
	(Dollars in thousands, except per share amounts)	
Net income	$8,125	$ 7,539
Other comprehensive income, before tax:		
Unrealized gains on securities:		
Unrealized holding gains (losses) arising during period	$2,874	($1,038)
Less reclassification adjustment for gains included in net income	(872)	(25)
Other comprehensive income (loss), before tax	$2,002	($1,063)
Income tax expense related to items of other comprehensive income	794	438
Other comprehensive income (loss), net of tax	$1,208	($625)
Comprehensive income	$9,333	$ 6,914

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. 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, 2001 and December 31, 2000 were as follows:

	June 30, 2001	December 31, 2000
	(Dollars in thousands)	
Commercial	$119,164	$124,052
Real estate construction	80,262	75,672
Real estate - farmland	14,800	15,411
Real estate - 1-4 family residential mortgage	389,412	404,226
Real estate - multifamily mortgage	53,660	61,954
Real estate - non-farm nonresidential mortgage	241,620	231,230
Installment	50,692	50,980
Agricultural	20,174	20,844
	$969,784	$984,369
Less:		
Allowance for loan losses	12,997	12,268
Net loans	$956,787	$972,101

The real estate-mortgage category includes loans held for sale with carrying values of $26,176,000 at June 30, 2001 and $5,492,000 at December 31, 2000; these loans had fair market values of $26,346,000 and $5,568,000 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
Commercial and agricultural	$ 89,371	$ 32,890	$ 17,077	$139,338
Real Estate	163,923	309,367	306,464	779,754
Installment	10,277	39,198	1,217	50,692
	$ 263,571	$ 381,455	$ 324,758	$969,784
Fixed Rate	$ 108,119	$ 255,075	$ 79,380	$442,574
Floating Rate	155,452	126,380	245,378	527,210
	$ 263,571	$ 381,455	$ 324,758	$969,784

NOTE 3: INCOME PER SHARE

Net income per common share has been computed as follows:

	Three Months Ended June 30, 2001	Three Months Ended June 30, 2000	Six Months Ended June 30, 2001	Six Months Ended June 30, 2000
Net income	$ 4,027,000	$ 3,932,000	$ 8,125,000	$ 7,539,000
Shares:				
Weighted average common shares outstanding	13,500,603	13,358,126	13,435,161	13,363,559
Dilutive effect of outstanding options, as determined by the application of the treasury stock method	51,339	259,693	161,879	266,670
Weighted average common shares outstanding, as adjusted for diluted earnings per share calculation	13,551,942	13,617,819	13,597,040	13,630,229
Basic earnings per share	$ 0.30	$ 0.29	$ 0.60	$ 0.56
Diluted earnings per share	$ 0.30	$ 0.29	$ 0.60	$ 0.55

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, 2001 (unaudited) when compared with December 31, 2000 and the results of operations for the six months ended June 30, 2001 and 2000 (unaudited) and the results of operations for the three months ended June 30, 2001 and 2000 (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.

FINANCIAL CONDITION AT JUNE 30, 2001 AS COMPARED TO DECEMBER 31, 2000

Total assets decreased $20,497,000 or 1.5%, to $1,334,547,000 at June 30, 2001 from $1,355,044,000 at December 31, 2000.

Securities available for sale decreased $6,454,000, or 2.8%, to $222,143,000 at June 30, 2001 from $228,597,000 at December 31, 2000.

Loans decreased $14,585,000, or 1.5%, to $969,784,000 at June 30, 2001 from $984,369,000 at December 31, 2000, primarily due to decreases in commercial, 1-4 family mortgages, and multifamily mortgages. These decreases were partially offset by increases in real estate construction and non-farm nonresidential mortgage loans.

Total deposits decreased $13,972,000, or 1.2%, to $1,134,815,000 at June 30, 2001 from $1,148,787,000 at December 31, 2000. Non-interest bearing deposits decreased 9.5% to $121,920,000 at June 30, 2001 from $134,669,000 at December 31, 2000. Interest-bearing deposits decreased 0.1% to $1,012,895,000 at June 30, 2001 from $1,014,118,000 at December 31, 2000.

Short-term borrowings decreased $25,000,000 to $7,283,000 at June 30, 2001 as compared to $32,283,000 at December 31, 2000. In June, 2001, the Corporation issued $25,000,000 in trust preferred securities. The proceeds were used to reduce short-term debt associated with the purchase of Busey Bank fsb in October 1999. Long-term debt decreased $9,976,000 or 18.8% to $43,000,000 at June 30, 2001, as compared to $52,976,000 at December 31, 2000.

In the first six months of 2001, the Corporation repurchased 129,617 shares of its common stock at an aggregate cost of $2,454,000. 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.

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

	June 30, 2001	December 31, 2000
	(Dollars in thousands)	
Non-accrual loans	$1,206	$ 767
Loans 90 days past due, still accruing	1,447	4,667
Restructured loans	-	-
Other real estate owned	245	230
Non-performing other assets	9	11
Total non-performing assets	$2,907	$5,675
Total non-performing assets as a percentage of total assets	0.22%	0.42%
Total non-performing assets as a percentage of loans plus non-performing assets	0.30%	0.57%

The ratio of non-performing assets to loans plus non-performing assets decreased to 0.30% at June 30, 2001, from 0.57% at December 31, 2000. This was due to a decrease in loans 90 days past due, still accruing, offset partially by an increase in nonaccrual loans. The overall reduction in non-performing assets is the result of management's efforts to implement more vigorous underwriting standards and more aggressive collection procedures to reduce the balance of non-performing loans.

RESULTS OF OPERATIONS
SIX MONTHS ENDED JUNE 30, 2001 AS COMPARED TO JUNE 30, 2000

SUMMARY

Net income for the six months ended June 30, 2001 increased 7.8% to $8,125,000 as compared to $7,539,000 for the comparable period in 2000. Year-to-date diluted earnings per share increased 9.1% to $.60 at June 30, 2001 as compared to $.55 for the same period in 2000.

Operating earnings, which exclude security gains and the related tax expense, were $7,599,000, or $.56 per share for the six months ended June 30, 2001, as compared to $7,524,000, or $.55 per share for the same period in 2000.

The Corporation's return on average assets was 1.24% for the six months ended June 30, 2001, as compared to 1.24% for the comparable period in 2000. The return on average assets from operations of 1.16% for the six months ended June 30, 2001 was 7 basis points lower than the 1.23% level achieved in the comparable period of 2000.

The Corporation's net interest margin expressed as a percentage of average earning assets stated on a fully taxable equivalent basis, was 3.61% for the six months ended June 30, 2001, as compared to 3.83% for the same period in 2000. The net interest margin expressed as a percentage of average total assets, also on a fully taxable equivalent basis, was 3.40% for the six months ended June 30, 2001, compared to 3.57% for the same period in 2000. The decrease in the net interest margin is due to the decline in the yield on interest-earning assets of 10 basis points combined with the increase in the cost of interest-bearing liabilities of 21 basis points. The contraction in the net interest margin results from a reduction of 275 basis points in the banking subsidiaries prime rate since December 31, 2000. The prime rate reduction followed Federal Reserve Board rate reductions. Liability costs have not moved as quickly due to contractual maturities on time deposit portfolios.

During the six months ended June 30, 2001, the Corporation recognized net security gains of approximately $526,000, after income taxes, representing 6.50% of net income. During the same period in 2000, net security gains of $15,000, after income taxes, were recognized, representing 0.20% of net income.

INTEREST INCOME

Interest income, on a tax equivalent basis, for the six months ended June 30, 2001 increased $3,281,000 or 7.3% to $48,311,000 from $45,030,000 for the comparable period in 2000. The increase in interest income resulted from an increase in average earning assets of $102,755,000 for the period ended June 30, 2001, as compared to the same period of 2000. The average yield on interest-earning assets decreased from 7.93% for the six months ended June 30, 2000 to 7.83% for the same period in 2001 due to decreases in the yields on all categories of interest-earning assets

INTEREST EXPENSE

Total interest expense increased $2,739,000 or 11.8% for the six months ended June 30, 2001 as compared to the prior year period. This increase resulted primarily from an increase of $74,002,000 in average interest-bearing liabilities combined with increases in costs of time deposits and short-term borrowings.

PROVISION FOR LOAN LOSSES

The provision for loan losses of $895,000 for the six months ended June 30, 2001 is $90,000 less than the provision for the comparable period in 2000. The provision and the low level of net charge-offs for the period resulted in the reserve representing 1.34% of total loans and 447% of non-performing loans at June 30, 2001, as compared to the reserve representing 1.25% of total loans and 216% of non-performing loans at December 31, 2000. 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.

Like many other financial institutions, the corporation is concerned about the continued weakening of the economy in 2001. 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 $1,249,000 or 13.9% for the six months ended June 30, 2001 as compared to the same period in 2000. This was a combination of increases in trust revenue, commissions and brokers fees, service charges, loan gains, and other operating income for the six months ended June 30, 2001 as compared to the same period in 2000. As of June 30, 2001, the trust company of the Corporation had $1,028,288,000 in assets under care, an increase of 6.1% from $969,188,000 at June 30, 2000.

Gains of $966,000 were recognized on the sale of $97,425,000 of pooled loans for the six months ended June 30, 2001 as compared to gains of $520,000 on the sale of $20,323,000 of pooled loans in the prior year period. The gains recognized in the six months ending June 30, 2000 include $350,000 in gains of the sale of the Corporation's credit card loan portfolio, which had balances of $4,116,000.

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 expense increased 9.7% or $1,686,000 to $19,130,000 for the six months ended June 30, 2001 as compared to $17,444,000 for the same period in 2000.

Salaries and wages expense increased $840,000 or 10.8% and employee benefits expense increased $355,000 or 24.5% for the six months ended June 30, 2001, as compared to the same period last year. The Corporation had 502 full-time equivalent employees as of June 30, 2001 as compared to 500 as of June 30, 2000. Occupancy and furniture and equipment expenses increased 12.5% to $3,501,000 for the six months ended June 30, 2001 from $3,112,000 in the prior year period. In October 2000, Busey Bank fsb opened a full-service branch office in Fort Myers, Florida. The majority of the increases in occupancy, furniture and equipment can be attributed to the opening of this branch office. Data processing expense decreased $332,000 to $391,000 for the six months ended June 30, 2001 from the prior year period. This decrease is due to the savings associated with converting Busey Bank fsb's data processing to the same in-house system employed by Busey Bank. This conversion was completed in June, 2000.

The Corporation's net overhead expense, total non-interest expense less non-interest income divided by average assets, decreased to 1.22% for the six months ended June 30, 2001 from 1.39% 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, 2001, was 58.8% as compared to 56.7% for the same period in 2000. When the gains on the sales of pooled loans are excluded these ratios are 60.6% and 57.7% for the six month periods ending June 30, 2001, and June 30, 2000, respectively.

Income taxes for the six months ended June 30, 2001 increased to $4,586,000 as compared to $4,105,000 for the comparable period in 2000. As a percent of income before taxes, the provision for income taxes increased to 36.1% for the six months ended June 30, 2001 from 35.3% for the same period in 2000.

RESULTS OF OPERATIONS
THREE MONTHS ENDED JUNE 30, 2001 AS COMPARED TO JUNE 30, 2000

SUMMARY
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Net income for the three months ended June 30, 2001 increased 2.4% to $4,027,000 as compared to $3,932,000 for the comparable period in 2000. Diluted earnings per share increased 3.4% to $.30 at June 30, 2001 as compared to $.29 for the same period in 2000.

Operating earnings, which exclude security gains and the related tax expense, were $3,894,000, or $.29 per share for the three months ended June 30, 2001, as compared to $3,913,000, or $.29 per share for the same period in 2000.

The Corporation's return on average assets was 1.29% for the three months ended June 30, 2001, as compared to 1.39% achieved for the comparable period in 2000. The return on average assets from operations for the three months ended June 30, 2001 of 1.23% was five basis points lower than the 1.28% level achieved in the comparable period of 2000.

The net interest margin expressed as a percentage of average earning assets was 3.63% for the three months ended June 30, 2001, a decrease of 29 basis points from the level achieved for the like period in 2000. The net interest margin expressed as a percentage of average total assets was 3.42% for the three months ended June 30, 2001, compared to 3.65% for the same period in 2000.

During the three months ended June 30, 2001, the Corporation recognized security gains of approximately $133,000, after income taxes, representing 3.3% of net income. During the same period in 2000, security gains of approximately $19,000, after income taxes, were recognized, representing 0.5% of net income.

INTEREST INCOME

Interest income on a fully taxable equivalent basis increased $663,000, or 33.4% for the three months ended June 30, 2001 from the same period in 2000. The increase resulted primarily from growth in Federal Funds sold, average volumes of other securities and loans. The yield on interest earning assets declined 41 basis points for the three months ended June 30, 2001 as compared to the same period in 2000, due to increases in the yields on all categories of interest-earning assets.

INTEREST EXPENSE

Total interest expense increased $623,000 or 5.3% for the three months ended June 30, 2001 as compared to the prior year period. The increase is primarily due to growth in the average balances of money market and time deposits combined with an increase in the costs of time deposits.

OTHER INCOME, OTHER EXPENSE AND INCOME TAXES

Total other income, excluding security transactions, increased 19.8% to $5,491,000 for the three months ended June 30, 2001 as compared to the same period in 2000. This was a combination of increased trust revenue, commissions and brokers fees, service charges, and loan gains. Gains of $533,000 were recognized on the sale of $62,019,000 of pooled loans for the three months ended June 30, 2001 as compared to gains of $74,000 on the sale of $9,386,000 of pooled loans in the prior year period.

Total other expense increased 12.3% or $1,073,000 to $9,802,000 for the three months ended June 30, 2001 as compared to the same period in 2000.

Salaries and wages expense increased $466,000 or 11.9% and employee benefits expense increased $114,000 or 15.8% for the three months ended June 30, 2001, as compared to the same period last year. Occupancy and furniture and equipment expenses increased 10.1% to $1,728,000 for the three months ended June 30, 2001 from $1,570,000 in the prior year period. The majority of the increases in salaries, benefits, occupancy, and furniture and equipment expenses can be attributed to the opening of the Busey Bankfsb's full-service branch office in Fort Myers, Florida. Data processing expense decreased $229,000 to $201,000 for the three months ended June 30, 2001 from the prior year period.

The consolidated efficiency ratio for the three months ended June 30, 2001 was 58.7% as compared to 55.4% for the prior year period. When the gains on the sales of pooled loans are excluded, this ratio is 60.7% for the three months ended June 30, 2001 compared to 55.7% for the same period in 2000. 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, 2001 increased to $2,252,000 as compared to $2,146,000 for the comparable period in 2000. As a percent of income before taxes, the provision for income taxes increased to 35.9% for the three months ended June 30, 2001 from 35.3% for the same period in 2000.

NEW ACCOUNTING PRONOUNCEMENTS

In June 2001, the Financial Accounting Standards Board issued Statement No. 141, "Business Combinations." This Statement addresses financial accounting and reporting for business combinations and supersedes APB Opinion No. 16, "Business Combinations" and SFAS No. 38, "Accounting for Preacquisition Contingencies of Purchased Enterprises." SFAS No. 141 requires all business combinations in the scope of this SFAS to be accounted for using the purchase method. SFAS No. 141 is effective for business combinations initiated after June 30, 2001, and all business combinations accounted for using the purchase method for which the acquisition date is July 1, 2001, or later.

In June 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard No. 142, "Goodwill and Other Intangible Assets" (FAS 142). The standard addresses financial accounting and reporting for acquired goodwill and other intangible assets and supersedes APB Opinion No. 17, "Intangible Assets." It addresses how intangible assets should be accounted for at acquisition and in subsequent periods. Most significantly, goodwill and intangible assets that have indefinite useful lives will not be amortized but rather will be tested at least annually for impairment. Intangible assets that have finite useful lives will continue to be amortized over their useful lives. The standard also provides specific guidance for testing goodwill for impairment and requires additional disclosures about goodwill and intangible assets.

The standard is effective for fiscal years beginning after December 15, 2001. The standard is required to be applied to the beginning of an entity's fiscal year and to be applied to all goodwill and other intangible assets recognized in its financial statements at that date. Impairment losses for goodwill and other intangible assets with indefinite lives that arise due to the initial application of this standard are to be reported as resulting from a change in accounting principle.

At this time First Busey Corporation has not yet determined what effect the adoption of SFAS No. 141 and 142 will have on the consolidated financial statements.

REPORTABLE SEGMENTS AND RELATED INFORMATION

First Busey Corporation has three reportable segments, Busey Bank, Busey Bank fsb, 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 and Ford Counties in Illinois, through its branch in Indianapolis, Indiana, and through its loan production office in Fort Myers, Florida. Busey Bank fsb provides a full range of banking services to individual and corporate customers in Bloomington-Normal, Illinois, and the surrounding communities, and through its branch in Fort Myers, Florida. First Busey Trust & Investment Co. provides trust and asset management services to individual and corporate customers throughout central Illinois and Florida.
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, 2001

	Busey Bank	Busey Bank, fsb	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	$ (63)	26,005
Other income	6,616	1,206	2,431	10,804	21,057	$ (9,953)	11,104
Net income	7,143	948	769	8,381	17,241	$ (9,116)	8,125
Total assets	1,030,811	300,300	3,614	163,568	1,498,293	$ (163,746)	1,334,547

June 30, 2000

	Busey Bank	Busey Bank, fsb	First Busey Trust & Investment Co.	All Other	Totals	Eliminations	Consolidated Totals
Interest income	$ 37,593	$ 6,614	$ 86	$ 68	$ 44,361	$ (30)	$ 44,331
Interest expense	18,540	3,405	-	1,250	23,195	$ 71	23,266
Other income	4,965	292	2,274	11,437	18,968	$ (9,960)	9,008
Net income	7,122	534	769	8,428	16,853	$ (9,314)	7,539
Total assets	985,164	265,741	3,459	156,096	1,410,460	$ (147,900)	1,262,560

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 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 $5,000,000 available as of June 30, 2001.

The Corporation's dependence on large liabilities (defined as time deposits over $100,000 and short-term borrowings) decreased to 13.2% at June 30, 2001 from 17.3% at December 31, 2000. This is the ratio of total large liabilities to total liabilities, and is low in comparison to the Corporation's peers. This change was due largely to a $27,708,000 decrease in time deposits over $100,000 and a $27,488,000 decrease in short-term borrowings and securities sold under agreements to repurchase. Proceeds of $25,000,000 from the issuance of trust preferred securities were used to reduce short-term debt associated with the purchase of Busey Bank fsb in October, 1999.

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, 2001, the Corporation earned $8,125,000 and paid dividends of $3,494,000 to stockholders, resulting in a retention of current earnings of $4,631,000. The Corporation's dividend payout for the six months ended June 30, 2001 was 43.0%. The Corporation's risk-based capital ratio was 13.28% and the leverage ratio was 6.19% as of June 30, 2001, as compared to 9.43% and 5.71% respectively as of December 31, 2000. The Corporation and its bank subsidiaries were above all minimum required capital ratios as of June 30, 2001.

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, 2001.

	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	$ 9,510	$ -	$ -	$ -	$ -	$ 9,510
Federal funds sold	42,500	-	-	-	-	42,500
Investment securities						
U.S. Governments	7,007	11,070	29,726	23,410	83,763	154,976
Obligations of states and political subdivisions	112	-	3,427	2,084	38,295	43,918
Other securities	10,326	-	50	682	12,191	23,249
Loans (net of unearned int.)	315,219	81,476	99,850	112,828	360,411	969,784
Total rate-sensitive assets	$ 384,674	$ 92,546	$ 133,053	$ 139,004	$494,660	$1,243,937
Interest bearing transaction deposits	$ 51,591	$ -	$ -	$ -	$ -	$ 51,591
Savings deposits	90,509	-	-	-	-	90,509
Money market deposits	350,001	-	-	-	-	350,001
Time deposits	92,395	86,330	92,441	140,035	109,593	520,794
Short-term borrowings:						
Federal funds purchased & repurchase agreements	16,402	-	-	-	-	16,402
Other	-	-	-	7,283	-	7,283
Long-term debt	5,000	2,000	6,000	8,000	47,000	68,000
Total rate-sensitive liabilities	$ 605,898	$ 88,330	$ 98,441	$ 155,318	$156,593	$1,104,580
Rate-sensitive assets less rate-sensitive liabilities	($221,224)	$ 4,216	$ 34,612	($16,314)	$338,067	
Cumulative Gap	($221,224)	($217,008)	($182,396)	($198,710)	$139,357	
Cumulative amounts as a percentage of total rate-sensitive assets	-17.78%	-17.45%	-14.66%	-15.97%	11.20%	
Cumulative ratio	0.63	0.69	0.77	0.79	1.13	

The foregoing table shows a negative (liability sensitive) rate-sensitivity gap of $221.2 million in the 1-30 day and a positive rate-sensitive gap of $4.2 million in the 31-90 day and $34.6 million in the 91-180 day repricing categories. The gap becomes slightly more liability sensitive in the 181-days to 1-year repricing period as rate-sensitive liabilities that reprice in those time periods are greater in volume than rate-sensitive assets that are subject to repricing in the same respective time periods. The composition of the gap structure at June 30, 2001 will benefit the Corporation more if interest rates fall during the next year by allowing the net interest margin to grow as liability rates would reprice more quickly than rates on interest rate-sensitive assets. After 1 year, a rate increase would benefit the Corporation because the volume of rate-sensitive assets repricing would exceed the volume of rate-sensitive liabilities that would be repricing.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
AVERAGE BALANCE SHEETS AND INTEREST RATES
SIX MONTHS ENDED JUNE 30, 2001 AND 2000

	2001			2000		
	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
	(Dollars in thousands)					
ASSETS						
Federal funds sold	$ 28,339	$ 749	5.33%	$ 10,932	$ 295	5.43%
Investment securities						
U.S. Government obligations	159,023	4,543	5.76%	170,171	4,886	5.77%
Obligations of states and political subdivisions (1)	43,741	1,597	7.36%	40,510	1,555	7.72%
Other securities	37,017	794	4.33%	20,596	528	5.16%
Loans (net of unearned interest) (1) (2)	976,506	40,628	8.39%	899,662	37,766	8.44%
Total interest earning assets	$1,244,626	$ 48,311	7.83%	$1,141,871	$ 45,030	7.93%
Cash and due from banks	31,422			32,898		
Premises and equipment	30,728			29,883		
Reserve for possible loan losses	(12,545)			(10,655)		
Other assets	28,344			32,593		
Total Assets	$1,322,575			$1,226,590		
LIABILITIES AND STOCKHOLDERS' EQUITY						
Interest-bearing transaction deposits	$ 37,576	$ 477	2.56%	$ 23,203	$ 315	2.73%
Savings deposits	89,086	1,225	2.77%	95,819	1,436	3.01%
Money market deposits	338,982	5,347	3.18%	319,608	5,199	3.27%
Time deposits	542,634	16,034	5.96%	461,014	12,248	5.34%
Short-term borrowings:						
Federal funds purchased and repurchase agreements	16,367	492	6.06%	28,030	823	5.90%
Other	27,840	1,044	7.56%	48,915	1,748	7.19%
Long-term debt	51,433	1,386	5.43%	53,327	1,497	5.65%
Total interest-bearing liabilities	$1,103,918	$ 26,005	4.75%	$1,029,916	$ 23,266	4.54%
Net interest spread			3.08%			3.39%
Demand deposits	113,240			105,807		
Other liabilities	10,155			8,847		
Stockholders' equity	95,262			82,020		
Total Liabilities and Stockholders' Equity	$1,322,575			$1,226,590		
Interest income / earning assets (1)	$1,244,626	$ 48,311	7.83%	$1,141,871	$ 45,030	7.93%
Interest expense / earning assets	$1,244,626	$ 26,005	4.22%	$1,141,871	$ 23,266	4.10%
Net interest margin (1)		$ 22,306	3.61%		$ 21,764	3.83%

(1) On a tax-equivalent basis, assuming a federal income tax rate of 35% for 2001 and 2000.
(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, 2001 AND 2000

	Change due to (1)		
	Average Volume	Average Yield/Rate	Total Change
	(Dollars in thousands)		
Increase (decrease) in interest income:			
Federal funds sold	$ 459	($5)	$ 454
Investment securities:			
U.S. Government obligations	(332)	(11)	(343)
Obligations of states and political subdivisions (2)	100	(58)	42
Other securities	333	(67)	266
Loans (2)	3,083	(221)	2,862
Change in interest income (2)	$ 3,643	($362)	$ 3,281
Increase (decrease) in interest expense:			
Interest-bearing transaction deposits	$ 180	($18)	$ 162
Savings deposits	(99)	(112)	(211)
Money market deposits	272	(124)	148
Time deposits	2,293	1,493	3,786
Short-term borrowings:			
Federal funds purchased and repurchase agreements	(354)	23	(331)
Other	(801)	97	(704)
Long-term debt	(54)	(57)	(111)
Change in interest expense	$ 1,437	$ 1,302	$ 2,739
Increase in net interest income (2)	$ 2,206	($1,664)	$ 542

(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 2001 and 2000.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
AVERAGE BALANCE SHEETS AND INTEREST RATES
QUARTERS ENDED JUNE 30, 2001 AND 2000

	2001			2000		
	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
	(Dollars in thousands)					
ASSETS						
Federal funds sold	$ 21,818	$ 240	4.41%	$ 7,318	$ 96	5.28%
Investment securities						
U.S. Government obligations	155,875	2,205	5.67%	162,966	2,327	5.74%
Obligations of states and political subdivisions (1)	44,028	800	7.29%	40,503	780	7.75%
Other securities	38,107	378	3.98%	19,887	286	5.78%
Loans (net of unearned interest) (1) (2)	978,028	20,002	8.20%	913,762	19,473	8.57%
Total interest earning assets	$1,237,856	$ 23,625	7.66%	$1,144,436	$ 22,962	8.07%
Cash and due from banks	30,174			32,143		
Premises and equipment	30,449			30,246		
Reserve for possible loan losses	(12,694)			(10,799)		
Other assets	28,355			32,561		
Total Assets	$1,314,140			$1,228,587		
LIABILITIES AND STOCKHOLDERS' EQUITY						
Interest-bearing transaction deposits	$ 36,915	$ 203	2.21%	$ 26,053	$ 177	2.73%
Savings deposits	90,213	577	2.57%	93,773	704	3.02%
Money market deposits	342,150	2,518	2.95%	313,384	2,608	3.35%
Time deposits	532,056	7,758	5.85%	461,297	6,249	5.45%
Short-term borrowings:						
Federal funds purchased and repurchase agreements	16,757	232	5.55%	30,981	467	6.06%
Other	24,883	471	7.59%	50,164	882	7.07%
Long-term debt	49,248	665	5.42%	52,952	714	5.43%
Total interest-bearing liabilities	$1,092,222	$ 12,424	4.56%	$1,028,604	$ 11,801	4.61%
Net interest spread			3.10%			3.46%
Demand deposits	115,491			107,808		
Other liabilities	9,793			9,438		
Stockholders' equity	96,634			82,737		
Total Liabilities and Stockholders' Equity	$1,314,140			$1,228,587		
Interest income / earning assets (1)	$1,237,856	$ 23,625	7.66%	$1,144,436	$ 22,962	8.07%
Interest expense / earning assets	$1,237,856	$ 12,424	4.03%	$1,144,436	$ 11,801	4.15%
Net interest margin (1)		$ 11,201	3.63%		$ 11,161	3.92%

(1) On a tax-equivalent basis, assuming a federal income tax rate of 35% for 2001 and 2000.
(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, 2001 AND 2000

	Change due to (1)		
	Average Volume	Average Yield/Rate	Total Change
	(Dollars in thousands)		
Increase (decrease) in interest income:			
Federal funds sold	$ 157	($13)	$ 144
Investment securities:			
U.S. Government obligations	(96)	(26)	(122)
Obligations of states and political subdivisions (2)	62	(42)	20
Other securities	140	(48)	92
Loans (2)	1,359	(830)	529
Change in interest income (2)	$ 1,622	($959)	$ 663
Increase (decrease) in interest expense:			
Interest-bearing transaction deposits	$ 49	($23)	$ 26
Savings deposits	(26)	(101)	(127)
Money market deposits	314	(404)	(90)
Time deposits	1,022	487	1,509
Short-term borrowings:			
Federal funds purchased and repurchase Agreements	(199)	(36)	(235)
Other	(483)	72	(411)
Long-term debt	(48)	(1)	(49)
Change in interest expense	$ 629	($6)	$ 623
Increase in net interest income (2)	$ 993	($953)	$ 40

(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 2001 and 2000.

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

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 Bankfsb, 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 15.

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 and +/- 200 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, 2001, is as follows:

	Basis Point Changes			
	-200	-100	+100	+200
Percentage change in net interest income due to an immediate change in interest over a one-year period	(1.23%)	(0.59%)	(0.20%)	(0.50%)

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
Not Applicable

ITEM 5: Other Information
Not Applicable

ITEM 6: Exhibits and Reports on Form 8-K

(a.) EXHIBITS
Not Applicable

(b.) REPORTS ON FORM 8-K

On April 17, 2001, the Corporation filed a report on Form 8-K (Item5) dated April 16, 2001, relating to Vision 2010, First Busey Corporation's strategic plan, which was presented at the Corporation's annual shareholder meeting held April 16, 2001.

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)

Date: August 14, 2001