SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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 6/30/96   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 practicable date.

Class	Outstanding at July 31, 1996
Class A Common Stock, without par value	5,671,523
Class B Common Stock, without par value	1,125,000

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

FIRST BUSEY CORPORATION and Subsidiaries
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	June 30, 1996	December 31, 1995
	(Dollars in thousands)	
ASSETS		
Cash and due from banks	$37,530	$39,358
Federal funds sold	0	650
Securities held to maturity (fair value 1996 $61,422; 1995 $62,625)	61,293	61,501
Securities available for sale (amort. cost 1996 $177,040; 1995 $218,257)	179,912	223,016
Trading Securities at fair value	1,854	-
Loans (net of unearned interest)	537,873	481,772
Allowance for loan losses	(5,543)	(5,473)
Net loans	$532,330	$476,299
Premises and equipment	21,300	21,857
Other assets	21,250	21,985
Total assets	$855,469	$844,666
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Deposits:		
Non-interest bearing	$76,183	$72,386
Interest bearing	682,980	672,511
Total deposits	$759,163	$744,897
Short-term borrowings	16,916	21,674
Long-term debt	5,000	5,000
Other liabilities	5,704	5,317
Total liabilities	$786,783	$776,888
STOCKHOLDER'S EQUITY		
Preferred stock	$ -	$ -
Common stock	6,291	6,291
Surplus	20,395	20,380
Retained earnings	44,858	42,474
Unrealized gain (loss) on securities available for sale, net	1,868	3,093
Total stockholders' equity before treasury stock, unearned ESOP shares and deferred compensation for stock grants	$73,412	$72,238
Treasury stock, at cost	(4,000)	(3,659)
Unearned ESOP shares and deferred compensation for stock grants	(726)	(801)
Total stockholders' equity	$68,686	$67,778
Total liabilities and stockholders' equity	$855,469	$844,666
Class A Common Shares outstanding at period end	5,669,306	5,686,958
Class B Common Shares outstanding at period end	1,125,000	1,125,000

FIRST BUSEY CORPORATION and Subsidiaries
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	June 30, 1996	June 30, 1995
	(Dollars in thousands)	
ASSETS		
Cash and due from banks	$37,530	$40,848
Federal funds sold	0	9,125
Securities held to maturity (fair value 1996 $61,422; 1995 $67,440)	61,293	66,822
Securities available for sale (amort. cost 1996 $177,040; 1995 $170,514)	179,912	173,492
Trading securities at fair value	1,854	0
Loans (net of unearned interest)	537,873	452,973
Allowance for loan losses	(5,543)	(5,261)
Net loans	$532,330	$447,712
Premises and equipment	21,300	21,317
Other assets	21,250	18,241
Total assets	$855,469	$777,557
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Deposits:		
Non-interest bearing	$76,183	$70,944
Interest bearing	682,980	604,951
Total deposits	$759,163	$675,895
Short-term borrowings	16,916	28,178
Long-term debt	5,000	5,000
Other liabilities	5,704	4,719
Total liabilities	$786,783	$713,792
STOCKHOLDER'S EQUITY		
Preferred stock	$ -	$ -
Common stock	6,291	6,291
Surplus	20,395	20,336
Retained earnings	44,858	39,891
Unrealized gain (loss) on securities available for sale, net	1,868	1,937
Total stockholders' equity before treasury stock, unearned ESOP shares and deferred compensation for stock grants	$73,412	$68,455
Treasury stock, at cost	(4,000)	(3,592)
Unearned ESOP shares and deferred compensation for stock grants	(726)	(1,098)
Total stockholders' equity	$68,686	$63,765
Total liabilities and stockholders' equity	$855,469	$777,557
Class A Common Shares outstanding at period end	5,669,306	5,687,132
Class B Common Shares outstanding at period end	1,125,000	1,125,000

FIRST BUSEY CORPORATION and Subsidiaries
CONSOLIDATED STATEMENTS OF INCOME
For the Six Months Ended June 30, 1996 and 1995
(Unaudited)

	1996	1995
	(Dollars in thousands, except per share amounts)	
INTEREST INCOME:		
Interest and fees on loans	$21,774	$18,908
Interest and dividends on investment securities:		
Taxable interest income	6,768	5,583
Non-taxable interest income	1,036	986
Dividends	61	67
Interest on federal funds sold	392	361
Total interest income	$30,031	$25,905
INTEREST EXPENSE:		
Deposits	$14,072	$11,680
Short-term borrowings	623	640
Long-term debt	138	137
Total interest expense	$14,833	$12,457
Net interest income	$15,198	$13,448
Provision for loan losses	250	100
Net interest income after provision for loan losses	$14,948	$13,348
OTHER INCOME:		
Trust	$1,286	$1,311
Service charges on deposit accounts	1,432	1,296
Other service charges and fees	862	642
Security gains (losses), net	5	48
Trading security gains (losses), net	(132)	28
Gain on sales of pooled loans	116	413
Other operating income	485	626
Total other income	$4,054	$4,364
OTHER EXPENSES:		
Salaries and wages	$5,759	$5,201
Employee benefits	1,124	1,005
Net occupancy expense of bank premises	948	840
Furniture and equipment expenses	793	740
Data processing	684	705
Stationery, supplies and printing	344	352
Foreclosed property write-downs and expenses	75	89
Amortization expense	660	430
Other operating expenses	2,091	2,355
Total other expenses	$12,478	$11,717
Income before income taxes	$6,524	$5,995
Income taxes	1,905	1,770
Net income	$4,619	$4,225
NET INCOME PER SHARE OF COMMON STOCK AND STOCK EQUIVALENTS:	$0.67	$0.61
DIVIDENDS DECLARED PER SHARE:		
Class A Common Stock	$0.3333	$0.2933
Class B Common Stock	$0.3030	$0.2667

FIRST BUSEY CORPORATION and Subsidiaries
CONSOLIDATED STATEMENTS OF INCOME
For the Quarters Ended June 30, 1996 and 1995
(Unaudited)

	1996	1995
	(Dollars in thousands, except per share amounts)	
INTEREST INCOME:		
Interest and fees on loans	$11,171	$9,609
Interest and dividends on investment securities:		
Taxable interest income	3,237	2,882
Non-taxable interest income	525	506
Dividends	28	33
Interest on federal funds sold	70	240
Total interest income	$15,031	$13,270
INTEREST EXPENSE:		
Deposits	$6,943	$6,063
Short-term borrowings	262	368
Long-term debt	69	69
Total interest expense	$7,274	$6,500
Net interest income	$7,757	$6,770
Provision for loan losses	100	50
Net interest income after provision for loan losses	$7,657	$6,720
OTHER INCOME:		
Trust	$670	$639
Service charges on deposit accounts	733	674
Other service charges and fees	456	332
Security gains (losses), net	4	146
Trading security gains (losses), net	(44)	19
Gain on sales of pooled loans	68	73
Other operating income	228	228
Total other income	$2,115	$2,111
OTHER EXPENSES:		
Salaries and wages	$2,907	$2,607
Employee benefits	556	486
Net occupancy expense of bank premises	480	423
Furniture and equipment expenses	399	379
Data processing	348	361
Stationery, supplies and printing	186	187
Foreclosed property write-downs and expenses	71	27
Amortization expense	330	215
Other operating expenses	1,048	1,269
Total other expenses	$6,325	$5,954
Income before income taxes	$3,447	$2,877
Income taxes	1,019	823
Net income	$2,428	$2,054
NET INCOME PER SHARE OF COMMON STOCK AND STOCK EQUIVALENTS:	$0.35	$0.30
DIVIDENDS DECLARED PER SHARE:		
Class A Common Stock	$0.1667	$0.1467
Class B Common Stock	$0.1515	$0.1333

FIRST BUSEY CORPORATION and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Six Months Ended June 30, 1996 and 1995
(Unaudited)

	1996	1995
	(Dollars in thousands, except per share amounts)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$4,619	$4,225
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,646	1,384
Provision for loan losses	250	100
Increase in deferred income taxes	(401)	(512)
Amortization of investment security discounts	(892)	(199)
Gain on sales of investment securities, net	(5)	(48)
Proceeds from sales of pooled loans	12,995	14,498
Loans originated for sale	(14,834)	(7,194)
Gain on sale of pooled loans	(116)	(413)
Loss on sales and dispositions of premises and equipment	9	0
Change in assets and liabilities:		
Increase (decrease) in other assets	1,486	(198)
Increase (decrease) in accrued expenses	(23)	505
Increase (decrease) in interest payable	(164)	766
Increase in income taxes payable	574	259
Net cash provided by operating activities	$5,144	$13,173
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of securities classified available for sale	$8,049	$32,718
Proceeds from maturities of securities classified available for sale	352,724	45,997
Proceeds from maturities of securities classified held to maturity	18,323	5,228
Purchase of securities classified available for sale	(320,675)	(103,901)
Purchase of securities classified held to maturity	(17,951)	(5,329)
(Increase) decrease in federal funds sold	650	(9,125)
Increase in loans	(54,677)	(9,456)
Purchases of premises and equipment	(412)	(300)
Net cash (used in) investing activities	($13,969)	($44,168)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase (decrease) in certificates of deposit	($18,255)	$33,352
Net increase in demand, money market and saving deposits	32,521	6,849
Cash dividends paid	(2,235)	(1,973)
Purchase of treasury stock	(367)	(546)
Proceeds from sale of treasury stock	41	217
Proceeds from short-term borrowings	0	5,250
Principal payments on short-term borrowings	(1,250)	(250)
Net increase (decrease) in federal funds purchased, repurchase agreements and Federal Reserve discount borrowings	(3,458)	(2,382)
Net cash provided by (used in) financing activities	$6,997	$40,517
Net increase (decrease) in cash and cash equivalents	($1,828)	$9,522
Cash and due from banks, beginning	39,358	31,326
Cash and due from banks, ending	$37,530	$40,848

FIRST BUSEY CORPORATION and Subsidiaries
NOTES TO 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. 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, 1996 and December 31, 1995 were as follows:

	June 30, 1996	December 31, 1995
	(Dollars in thousands)	
Commercial	$61,532	$55,687
Real estate construction	23,883	25,566
Real estate - farmland	11,128	11,162
Real estate - 1-4 family residential mortgage	201,947	179,047
Real estate - multifamily mortgage	69,795	57,364
Real estate - non-farm nonresidential mortgage	114,883	98,006
Installment	41,142	42,353
Agricultural	13,567	12,594
	$537,877	$481,779
Less:		
Unearned interest	4	7
	$537,873	$481,772
Less:		
Allowance for loan losses	5,543	5,473
Net loans	$532,330	$476,299

The real estate-mortgage category includes loans held for sale with carrying values of $3,758,000 at June 30, 1996 and $1,803,000 at December 31, 1995; these loans had fair market values of $3,769,000 and $1,840,000, respectively.

FIRST BUSEY CORPORATION and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3: INCOME PER SHARE

Net income per common share has been computed as follows:

	Three Months Ended June 30, 1996	Three Months Ended June 30, 1995	Six Months Ended June 30, 1996	Six Months Ended June 30, 1995
Net income	$2,428,000	$2,054,000	$4,619,000	$4,225,000
Shares:				
Weighted average common shares outstanding	6,795,518	6,823,326	6,800,539	6,825,734
Dilutive effect of outstanding options, as determined by the application of the treasury stock method	133,507	91,784	120,583	93,156
Weighted average common shares outstanding, as adjusted	6,929,025	6,915,110	6,921,122	6,918,890
Net income per share of common stock and stock equivalents:	$0.35	$0.30	$0.67	$0.61

NOTE 4: SUPPLEMENTAL CASH FLOW DISCLOSURES FOR THE THREE MONTHS ENDED JUNE 30, 1996 AND 1995.

	1996	1995
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash payments for:		
Interest	$14,997	$11,691
Income taxes	$1,713	$1,908
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Other real estate acquired in settlement of loans	$351	$569
Change in unrealized gain (loss) on securities available for sale	$1,885	$4,255
(Decrease) increase in deferred income taxes attributable to the unrealized (gain) loss on investment securities available for sale	$660	($1,476)

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, 1996 (unaudited) when compared with December 31, 1995 and the results of operations for the six months ended June 30, 1996 and 1995 (unaudited) and the results of operations for the three months ended June 30, 1996 and 1995 (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, 1996 AS COMPARED TO DECEMBER 31, 1995

Total assets increased $10,803,000, or 1.3%, to $855,469,000 at June 30, 1996 from $844,666,000 at December 31, 1995.

Securities held to maturity decreased $208,000, or .3%, to $61,293,000 at June 30, 1996 from $61,501,000 at December 31, 1995. Securities available for sale decreased $53,104,000, or 22.8%, to $179,912,000 at June 30, 1996 from $233,016,000 at December 31, 1995, as security maturities were used to finance loan growth.

Loans increased $56,101,000 or 11.6%, to $537,873,000 at June 30, 1996 from $481,772,000 at December 31, 1995, primarily due to increases in commercial and mortgage loans.

Total deposits increased $14,266,000, or 1.9%, to $759,163,000 at June 30, 1996 from $744,897,000 at December 31, 1995. Non-interest bearing deposits increased 5.2% to $76,183,000 at June 30, 1996 from $72,386,000 at December 31, 1995. Interest bearing deposits increased 1.6% to $682,980,000 at June 30, 1996 from $672,511,000 at December 31, 1995. Short-term borrowings decreased $4,758,000, or 22.0%, to $16,916,000 at June 30, 1996, as compared to $21,674,000 at December 31, 1995. This was due primarily to a decrease in repurchase agreements.

In the first six months of 1996, the Corporation repurchased 19,977 shares of its Class A stock at an aggregate cost of $367,000. 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, 1996, 10,500 of the 64,500 options which became exercisable on January 1, 1993 (and expire December 31, 1996) have not yet been exercised and 28,500 of the 39,000 options which became exercisable on January 1, 1995 (and expire December 31, 1997) have not yet been exercised. The Corporation's Board of Directors has extended the Stock Repurchase Plan to June 30, 1997. It is anticipated that the Corporation may from time to time continue to make purchases of its common stock in order to meet future issuance requirements.

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

	June 30, 1996	December 31,1995
	(Dollars in thousands)	
Non-accrual loans	$0	$532
Loans 90 days past due, still accruing	1,567	897
Restructured loans	0	0
Other real estate owned	820	1,380
Non-performing other assets	1	1
Total non-performing assets	$2,388	$2,810
Total non-performing assets as a percentage of total assets	0.28%	0.33%
Total non-performing assets as a percentage of loans plus non-performing assets	0.44%	0.58%

The ratio of non-performing assets to loans plus non-performing assets decreased to 0.44% at June 30, 1996 from 0.58% at December 31, 1995. This was due to decreases in the balance of non-accrual loans and other real estate owned, offset partially by an increase in the balance of loans 90 days past due and still accruing. The balance of loans outstanding increased during the period, while the balance of non-performing assets decreased thereby causing a further decrease in the percentage of non-performing assets.

RESULTS OF OPERATIONS
SIX MONTHS ENDED JUNE 30, 1996 AS COMPARED TO JUNE 30, 1995

SUMMARY

Net income for the six months ended June 30, 1996 increased 9.3% to $4,619,000 as compared to $4,225,000 for the comparable period in 1995. Earnings per share increased 9.8% to $.67 at June 30, 1996 as compared to $.61 for the same period in 1995.

Operating earnings, which exclude security gains and the related tax expense, were $4,616,000, or $.67 per share for the six months ended June 30, 1996, as compared to $4,193,000, or $.61 per share for the same period in 1995.

The Corporation's return on average assets was 1.09% for the six months ended June 30, 1996, as compared to 1.15% for the comparable period in 1995. The return on average assets from operations of 1.09% for the six months ended June 30, 1996 was 5 basis points lower that the 1.14% level achieved in the comparable period of 1995.

Net interest margin, the Corporation's net interest income expressed as a percentage of average earning assets stated on a fully taxable equivalent basis, was 4.07% for the six months ended June 30, 1996, as compared to 4.23% for the same period in 1995. The net interest margin expressed as a percentage of average total assets, also on a fully taxable equivalent basis, was 3.74% for the six months ended June 30, 1996, compared to 3.86% for the same period in 1995. The decrease in the net interest margin reflects the increase in interest expense the Corporation experienced due to the $78 million in deposit liabilities assumed in December 1995. The Corporation has been reinvesting investment security maturities and sales proceeds in higher yielding loans in order to increase the net interest margin.

During the six months ended June 30, 1996, the Corporation recognized security gains of approximately $3,000, after income taxes, representing 0.1% of net income. During the same period in 1995, security gains of $32,000, after income taxes, were recognized, representing 0.8% of net income.

INTEREST INCOME

Interest income, on a tax equivalent basis, for the six months ended June 30, 1996 increased 15.6% to $30,727,000 from $26,571,000 for the comparable period in 1995. The increase in interest income resulted from an increase in average earning assets of $112,527,000 for the period ended June 30, 1996, as compared to the same period of 1995, offset in part by a 10 basis point decrease in the average yield on interest earning assets to 7.87% in the current period when compared to the same period in 1995.

INTEREST EXPENSE

Total interest expense increased 19.1% for the six months ended June 30, 1996 as compared to the prior year period. This increase resulted in large part from a $61,172,000 increase in average time deposit balances and a $25,180,000 increase in average savings deposit balances for the six months ended June 30, 1996, as compared to the same period in 1995.

PROVISION FOR LOAN LOSSES

The provision for loan losses of $250,000 for the six months ended June 30, 1996 is $150,000 more than the provision for the comparable period in 1995. The provision and the net charge-offs of $180,000 for the period resulted in the reserve representing 1.03% of total loans and 354% of non-performing loans at June 30, 1996, as compared to the reserve representing 1.14% of total loans and 383% of non-performing loans at December 31, 1995. The adequacy of the reserve for loan losses is consistent with management's consideration of the composition of the portfolio, recent credit quality experience, and prevailing economic conditions.

Within the last three years, the Corporation has grown its installment loan portfolio through bank -approved dealer paper, installment car loans originated by dealers at the time of sale. It is possible that a weakening in the economic cycle could adversely affect the quality of these loans and resultant charge-offs may necessitate larger loan loss provisions.

OTHER INCOME, OTHER EXPENSE AND INCOME TAXES

Total other income, excluding security gains, decreased 6.2% for the six months ended June 30, 1996 as compared to the same period in 1995. This was a combination of decreases in trust revenue and gains on sales of pooled loans, offset partially by increased service charges on deposit accounts and other service charges and fees, for the six months ended June 30, 1996 as compared to the same period in 1995. Gains of $116,000 were recognized on the sale of $12,879,000 of pooled loans for the six months ended June 30, 1996 as compared to gains of $413,000 on the sale of $14,085,000 of pooled loans in the prior year period.

Management anticipates continued sales from the current mortgage loan production of the Corporation if mortgage loan originations are high relative to historic norms and the sales of the loans are necessary 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 6.5% or $761,000 for the six months ended June 30, 1996 as compared to the same period in 1995.

Salaries and wages expense increased $558,000 or 10.7% and employee benefits expense increased $119,000 or 11.8% for the six months ended June 30, 1996, as compared to the same period last year as a result of new staffing at the banking centers added in December 1995. The Corporation had 387 full time equivalent employees as of June 30, 1996 as compared to 366 as of June 30, 1995. Occupancy and furniture and equipment expenses increased 10.2% to $1,741,000 for the six months ended June 30, 1996 from $1,580,000 in the prior year period. Data processing expense decreased $21,000 or 3.0% to $684,000 for the six months ended June 30, 1996 from the prior year period. Foreclosed property write-downs and expenses decreased $14,000 to $75,000 for the six months ended June 30, 1996 from the prior year period.

The Corporation's net overhead expense, total non-interest expense less non-interest income divided by average assets, decreased to 1.95% for the six months ended June 30, 1996 from 2.03% in the prior year period as a result of 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, 1996 was 62.6% as compared to 63.6% for the prior year period. When the gains on the sales of pooled loans are excluded, these ratios are 62.9% and 65.0%, respectively. The change in the current year efficiency ratio is due to the income and expense items noted above.

Income taxes for the six months ended June 30, 1996 increased to $1,905,000 as compared to $1,770,000 for the comparable period in 1995. As a percent of income before taxes, the provision for income taxes decreased to 29.2% for the six months ended June 30, 1996 from 29.5% for the same period in 1995.

RESULTS OF OPERATIONS
THREE MONTHS ENDED JUNE 30, 1996 AS COMPARED TO JUNE 30, 1995

SUMMARY

Net income for the three months ended June 30, 1996 increased 18.2% to $2,428,000 as compared to $2,054,000 for the comparable period in 1995. Earnings per share increased 16.7% to $.35 at June 30, 1996 as compared to $.30 for the same period in 1995.

Operating earnings, which exclude security gains (losses) and the related tax expense (benefit), were $2,426,000, or $.35 per share for the three months ended June 30, 1996, as compared to $1,958,000, or $.28 per share for the same period in 1995.

The Corporation's return on average assets was 1.15% for the three months ended June 30, 1996, as compared to 1.10% achieved for the comparable period in 1995. The return on average assets from operations of 1.14% for the three months ended June 30, 1996 was more than the 1.05% level achieved in the comparable period of 1995.

The net interest margin expressed as a percentage of average earning assets was 4.17% for the three months ended June 30, 1996, the same as the level achieved for the like period in 1995. The net interest margin expressed as a percentage of average total assets was 3.83% for the three months ended June 30, 1996, compared to 3.81% for the same period in 1995.

During the three months ended June 30, 1996, the Corporation recognized security gains of approximately $2,000, after income taxes, representing an insignificant portion of net income. During the same period in 1995, security gains of approximately $96,000, after income taxes, were recognized, representing 4.7% of net income.

INTEREST INCOME

Interest income on a fully taxable equivalent basis increased $1,776,000, or 13.1% for the three months ended June 30, 1996 from the same period in 1995. The increase resulted from a higher level of interest income on greater average volumes of loans and U.S. government obligations outstanding for the three months ended June 30, 1996 as compared to the same period of 1995. The yield on interest earning assets decreased 8 basis points for the three months ended June 30, 1996 as compared to the same period in 1995.

INTEREST EXPENSE

Total interest expense increased 11.9% for the three months ended June 30, 1996 as compared to the prior year period. This increase resulted in large part from a $40,581,000 increase in average time deposit balances and from a $37,759,000 increase in average savings deposit balances for the three months ended June 30, 1996, as compared to the same period in 1995.

OTHER INCOME, OTHER EXPENSE AND INCOME TAXES

Total other income, excluding security transactions, increased 7.4% for the three months ended June 30, 1996 as compared to the same period in 1995. This was a combination of increased trust revenue, service charges on deposit accounts, and other service charges and fees, and trading security losses. Gains of $68,000 were recognized on the sale of $8,419,000 of pooled loans for the three months ended June 30, 1996 as compared to gains of $73,000 on the sale of $4,824,000 of pooled loans in the prior year period.

Total other expense increased 6.2% or $371,000 for the three months ended June 30, 1996 as compared to the same period in 1995.

Salaries and wages expense increased $300,000 or 11.5% and employee benefits expense increased $70,000 or 14.4% for the three months ended June 30, 1996, as compared to the same period last year as a result of new staffing at the banking centers added in December 1995. Occupancy and furniture and equipment expenses increased 9.6% to $879,000 for the three months ended June 30, 1996 from $802,000 in the prior year period. Data processing expense decreased $13,000 or 3.6% to $348,000 for the three months ended June 30, 1996 from the prior year period. Foreclosed property write-downs and expenses increased $44,000 to $71,000 for the three months ended June 30, 1996 from the prior year period.

The consolidated efficiency ratio for the three months ended June 30, 1996 was 61.9% as compared to 65.6% for the prior year period. When the gains on the sales of pooled loans are excluded, these ratios are 62.3% and 66.2%, respectively. 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, 1996 increased to $1,019,000 as compared to $823,000 for the comparable period in 1995. As a percent of income before taxes, the provision for income taxes increased to 29.6% for the three months ended June 30, 1996 from 28.6% for the same period in 1995.

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. The Corporation purchases federal funds as a service to its respondent banks, but generally does not rely upon these purchases for liquidity needs. Additional liquidity is provided by bank lines of credit, repurchase agreements and the ability to borrow from the Federal Reserve Bank. The Corporation has an operating line with American National Bank and Trust Company of Chicago in the amount of $10,000,000 with $2,750,000 available as of June 30, 1996.

The Corporation's dependence on large liabilities (defined as time deposits over $100,000 and short-term borrowings) decreased to 8.2% at June 30, 1996 from 9.6% at December 31, 1995. 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 $5,177,000 decrease in time deposits over $100,000 and a $3,458,000 decrease in repurchase agreements which resulted in a lower ratio of large liabilities to total liabilities.

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, 1996, the Corporation earned $4,619,000 and paid dividends of $2,235,000 to stockholders, resulting in a retention of current earnings of $2,384,000. The Corporation's dividend payout for the six months ended June 30, 1996 was 48.4%. The Corporation's risk-based capital ratio was 12.29% and the leverage ratio was 6.80% as of June 30, 1996, as compared to 12.36% and 6.92% respectively as of December 31, 1995. The Corporation and its bank subsidiary were well above all minimum required capital ratios as of June 30, 1996.

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, 1996.

	Rate Sensitive Within 1-30 Days	31-90 Days	91-180 Days	181 Days- 1 Year	Over 1 Year	Total
	(Dollars in thousands)					
Investment securities						
U.S. Governments	$13,636	$14,489	$39,752	$37,263	$80,593	$185,733
Obligations of states and political subdivisions	250	0	3,370	1,312	33,769	38,701
Other securities	3,579	0	1,575	126	13,345	18,625
Loans (net of unearned int.)	152,912	28,636	32,212	75,759	248,354	537,873
Total rate-sensitive assets	$170,377	$43,125	$76,909	$114,460	$376,061	$780,932
Interest bearing transactions deposits	$127,928	$0	$0	$0	$0	$127,928
Savings deposits	81,956	0	0	0	0	81,956
Money market deposits	145,591	0	0	0	0	145,591
Time deposits	35,603	54,326	64,324	84,891	88,361	327,505
Short-term borrowings:						
Federal funds purchased & repurchase agreements	8,100	0	0	0	866	8,966
Other	7,950	0	0	0	0	7,950
Long-term debt	0	0	0	0	5,000	5,000
Total rate-sensitive liabilities	$407,128	$54,326	$64,324	$84,891	$97,227	$704,896
Rate-sensitive assets less rate-sensitive liabilities	($236,751)	($11,201)	$12,585	$29,569	$281,834	$76,036
Cumulative Gap	($236,751)	($247,952)	($235,367)	($205,798)	$76,036	---
Cumulative amounts as percentage of total rate-sensitive assets	-30.32%	-31.75%	-30.14%	-26.35%	9.74%	---
Cumulative ratio (cumulative RSA/RSL)	0.42X	0.46X	0.55X	0.66X	1.11X	1.11X

The foregoing table shows a negative (liability sensitive) rate-sensitivity gap of $236.8 million in the 1-30 day repricing category. The gap beyond 30 days, through 90 days, becomes slightly more liability sensitive as rate-sensitive assets that reprice in those time periods are slightly less in volume than rate-sensitive liabilities that are subject to repricing in the same respective time periods. The gap beyond 90 days becomes less liability sensitive as rate-sensitive assets that reprice after 90 days become greater in volume than rate- sensitive liabilities that are subject to repricing in the same respective time periods. The composition of the gap structure at June 30, 1996, will benefit the Corporation more if interest rates fall during the next 90 days by allowing the net interest margin to grow as liability rates would reprice more quickly than rates on interest rate-sensitive assets. After 90 days, 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, 1996 AND 1995

	1996			1995		
	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
	(Dollars in thousands)					
ASSETS						
Federal funds sold	$14,548	$392	5.42%	$12,093	$361	6.02%
Investment securities						
U.S. Government obligations	210,816	6,146	5.86%	163,110	4,967	6.14%
Obligations of states and political subdivisions (1)	37,977	1,594	8.44%	35,271	1,518	8.68%
Other securities	24,079	683	5.70%	21,289	683	6.47%
Loans (net of unearned interest) (1) (2)	497,514	21,912	8.86%	440,644	19,042	8.71%
Total interest earning assets	$784,934	$30,727	7.87%	$672,407	$26,571	7.97%
Cash and due from banks	34,832			31,379		
Premises and equipment	21,465			21,532		
Reserve for possible loan losses	(5,582)			(5,425)		
Other assets	20,045			17,872		
Total Assets	$855,694			$737,765		
LIABILITIES AND STOCKHOLDERS' EQUITY						
Interest bearing transaction deposits	$131,916	$1,059	1.61%	$123,543	$1,158	1.89%
Savings deposits	79,040	1,225	3.12%	53,860	741	2.78%
Money market deposits	134,735	2,538	3.79%	129,329	2,351	3.67%
Time deposits	341,868	9,250	5.44%	280,696	7,429	5.34%
Short-term borrowings:						
Federal funds purchased and repurchase agreements	12,347	318	5.17%	10,702	336	6.33%
Other	8,557	305	7.17%	7,334	305	8.37%
Long-term debt	5,000	138	5.55%	5,000	137	5.54%
Total interest bearing liabilities	$713,463	$14,833	4.18%	$610,464	$12,457	4.12%
Net interest spread			3.69%			3.85%
Demand deposits	68,535			61,829		
Other liabilities	5,554			4,169		
Stockholders' equity	68,142			61,303		
Total Liabilities and Stockholders' Equity	$855,694			$737,765		
Interest income / earning assets (1)	$784,934	$30,727	7.87%	$672,407	$26,571	7.97%
Interest expense / earning assets	784,934	14,833	3.80%	672,407	12,457	3.74%
Net interest margin (1)		$15,894	4.07%		$14,114	4.23%

(1) On a tax-equivalent basis, assuming a federal income tax rate of 35% for 1996 and 1995.
(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, 1996 AND 1995

	Change due to (1)		
	Average Volume	Average Yield/Rate	Total Change
	(Dollars in thousands)		
Increase (decrease) in interest income:			
Federal funds sold	$59	($28)	$31
Investment securities:			
U.S. Government obligations	1,375	(196)	1,179
Obligations of states and political subdivisions (2)	111	(35)	76
Other securities	(22)	22	0
Loans (2)	2,494	376	2,870
Change in interest income (2)	$4,017	$139	$4,156
Increase (decrease) in interest expense:			
Interest bearing transaction deposits	$89	($188)	($99)
Savings deposits	380	104	484
Money market deposits	100	87	187
Time deposits	1,648	173	1,821
Short-term borrowings:			
Federal funds purchased and repurchase agreements	102	(120)	(18)
Other	(1)	1	0
Long-term debt	0	1	1
Change in interest expense	$2,318	$58	$2,376
Increase in net interest income (2)	$1,699	$81	$1,780

(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 1996 and 1995.

FIRST BUSEY CORPORATION and Subsidiaries
AVERAGE BALANCE SHEETS AND INTEREST RATES
QUARTERS ENDED JUNE 30, 1996 AND 1995

	1996			1995		
	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
	(Dollars in thousands)					
ASSETS						
Federal funds sold	$5,421	$71	5.22%	$15,808	$240	6.09%
Investment securities						
U.S. Government obligations	199,395	2,919	5.89%	168,265	2,573	6.13%
Obligations of states and political subdivisions (1)	38,778	808	8.38%	36,237	779	8.61%
Other securities	24,066	346	5.79%	21,596	342	6.35%
Loans (net of unearned interest) (1) (2)	513,897	11,239	8.80%	441,753	9,674	8.78%
Total interest earning assets	$781,557	$15,383	7.92%	$683,659	$13,608	7.98%
Cash and due from banks	35,010			31,262		
Premises and equipment	21,313			21,395		
Reserve for possible loan losses	(5,658)			(5,431)		
Other assets	20,403			17,664		
Total Assets	$852,625			$748,549		
LIABILITIES AND STOCKHOLDERS' EQUITY						
Interest bearing transaction deposits	$131,937	$539	1.64%	$123,796	$581	1.88%
Savings deposits	81,161	624	3.09%	43,402	382	3.54%
Money market deposits	137,953	1,300	3.79%	130,995	1,203	3.68%
Time deposits	335,981	4,480	5.36%	295,400	3,896	5.29%
Short-term borrowings:						
Federal funds purchased and repurchase agreements	8,925	117	5.27%	10,296	167	6.51%
Other	8,162	145	7.14%	10,174	202	7.94%
Long-term debt	5,000	69	5.55%	5,000	69	5.54%
Total interest bearing liabilities	$709,119	$7,274	4.13%	$619,063	$6,500	4.21%
Net interest spread			3.79%			3.77%
Demand deposits	69,853			62,451		
Other liabilities	5,585			4,442		
Stockholders' equity	68,068			62,593		
Total Liabilities and Stockholders' Equity	$852,625			$748,549		
Interest income / earning assets (1)	$781,557	$15,383	7.92%	$683,659	$13,608	7.98%
Interest expense / earning assets	781,557	7,274	3.75%	683,659	6,500	3.81%
Net interest margin (1)		$8,109	4.17%		$7,108	4.17%

(1) On a tax-equivalent basis, assuming a federal income tax rate of 35% for 1996 and 1995.
(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, 1996 AND 1995

	Change due to (1)		
	Average Volume	Average Yield/Rate	Total Change
	(Dollars in thousands)		
Increase (decrease) in interest income:			
Federal funds sold	($139)	($30)	($169)
Investment securities:			
U.S. Government obligations	450	(104)	346
Obligations of states and political subdivisions (2)	51	(22)	29
Other securities	21	(17)	4
Loans (2)	1,578	(13)	1,565
Change in interest income (2)	$1,961	($186)	$1,775
Increase (decrease) in interest expense:			
Interest bearing transaction deposits	$43	($85)	($42)
Savings deposits	283	(41)	242
Money market deposits	65	32	97
Time deposits	541	43	584
Short-term borrowings:			
Federal funds purchased and repurchase agreements	(20)	(30)	(50)
Other	(37)	(20)	(57)
Long-term debt	0	0	0
Change in interest expense	$875	($101)	$774
Increase in net interest income (2)	$1,086	($85)	$1,001

(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 1996 and 1995.

ITEM 6: Exhibits and Reports on Form 8-K

(a) There were no reports on Form 8-K filed during the three months ending June 30, 1996.

SIGNATURES

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

FIRST BUSEY CORPORATION
(Registrant)

By: //Scott L. Hendrie//

Scott L. Hendrie
Senior Vice President and
Chief Financial Officer
(Principal financial and accounting officer)

Date: August 12, 1996

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JUN-30-1996
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