UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): October 25, 2022

First Busey Corporation
(Exact name of Registrant as specified in its charter)

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

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

(217) 365-4544
Registrant's telephone number, including area code
N/A
(Former name or former address, if changed since last report.)

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

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

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

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

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

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

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

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

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

Item 2.02 Results of Operations and Financial Condition.

On October 25, 2022, First Busey Corporation (First Busey) issued a press release disclosing financial results for the quarter ended September 30, 2022. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

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

Item 7.01 Regulation FD Disclosure.

On October 25, 2022, First Busey published supplemental slides discussing First Busey's financial results for the quarter ended September 30, 2022. A copy is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

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

Item 9.01. Financial Statements and Exhibits.

Exhibit Number	**Description of Exhibit**
99.1	Press Release issued by First Busey Corporation, dated October 25, 2022
99.2	Supplemental slides issued by First Busey Corporation, dated October 25, 2022
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and included in Exhibit 101)

Signature

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

			First Busey Corporation
Date:	October 25, 2022	By:	/s/ Jeffrey D. Jones
			Jeffrey D. Jones
			Chief Finanical Officer

October 25, 2022

First Busey Announces 2022 Third Quarter Earnings
CHAMPAIGN, IL – (GLOBE NEWSWIRE) – First Busey Corporation (Nasdaq: BUSE)

First Busey Reports Third Quarter Net Income of $35.7 million and diluted EPS of $0.64

Message from our Chairman & CEO

Third Quarter 2022 Highlights:

- *Adjusted quarterly net income[1] of $36.4 million and adjusted diluted EPS[1] of $0.65*
- *Net interest margin[1] of 3.00% reflects a 32-basis point increase over prior quarter*
- *Total deposit growth of $204.2 million, representing a 7.8% annualized growth rate; cycle-to-date non-maturity interest bearing deposit beta is 4.9%*
- *Core loan[1] growth of $178.5 million, representing a 9.50% annualized growth rate*
- *Non-performing assets of 0.14% of total assets and annualized net charge-off ratio of 0.02%*
- *FirsTech revenue[2] of $5.6 million, representing 10.8% year-over-year growth*
- *Adjusted core efficiency ratio[1] of 55.7%, compared to 58.7% in the third quarter of 2021*
- *Redeemed $60.0 million of outstanding callable subordinated notes*
- *For additional information, please refer to the 3Q22 Quarterly Earnings Supplement*

Third Quarter Financial Results
Net income for First Busey Corporation ("First Busey" or the "Company") for the third quarter of 2022 was $35.7 million, or $0.64 per diluted common share, compared to $29.8 million, or $0.53 per diluted common share, for the second quarter of 2022, and $25.9 million, or $0.46 per diluted common share, for the third quarter of 2021. Adjusted net income[1] for the third quarter of 2022 was $36.4 million, or $0.65 per diluted common share, compared to $30.1 million, or $0.54 per diluted common share, for the second quarter of 2022, and $32.8 million, or $0.58 per diluted common share, for the third quarter of 2021. For the third quarter of 2022, annualized return on average assets and annualized return on average tangible common equity[1] were 1.13% and 17.41%, respectively. Based on adjusted net income[1], annualized return on average assets was 1.15% and annualized return on average tangible common equity[1] was 17.79% for the third quarter of 2022.

Pre-provision net revenue[1] for the third quarter of 2022 was $46.5 million, compared to $39.6 million for the second quarter of 2022 and $30.5 million for the third quarter of 2021. Adjusted pre-provision net revenue[1] for the third quarter of 2022 was $48.8 million, compared to $41.3 million for the second quarter of 2022 and $39.4 million for the third quarter of 2021. Pre-provision net revenue to average assets[1] for the third quarter of 2022 was 1.47%, compared to 1.27% for the second quarter of 2022, and 0.95% for the third quarter of 2021. Adjusted pre-provision net revenue to average assets[1] for the third quarter of 2022 was 1.54%, compared to 1.33% for the second quarter of 2022 and 1.23% for the third quarter of 2021.

The Company experienced its sixth consecutive quarter of strong core loan[1] growth. Core loan[1] growth was $178.5 million in the third quarter of 2022, compared to $249.1 million in the second quarter of 2022 and $177.1 million in the third quarter of 2021. Over the last four quarters, the Company has generated $696.3 million in core loan[1] growth, equating to a year-over-year growth rate of 10.0%. Meanwhile, we experienced deposit growth of $204.2 million during the third quarter of 2022. As a result our loan to deposit ratio ended the quarter at 72.4%.

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[1] See *"Non-GAAP Financial Information"* for a reconciliation.
[2] Revenue from the Company's subsidiary, FirsTech, Inc. (FirsTech), excluding intracompany eliminations.

In addition, our fee-based businesses continue to add revenue diversification. Total non-interest income of $30.9 million accounted for 26.4% of total operating revenue. Beginning on July 1, 2022, we became subject to the Durbin Amendment of the Dodd-Frank Act. The Durbin Amendment requires the Federal Reserve to establish a maximum permissible interchange fee for many types of debit transactions. The third quarter impact of these rules was a $2.4 million reduction in fee income.

Asset quality remains strong by both historical as well as present-day industry standards. In the third quarter of 2022, non-performing assets declined to 0.14% of total assets, from 0.15% in the second quarter of 2022 and 0.23% in the third quarter of 2021. The Company's results for the third quarter of 2022 include a provision expense of $2.4 million for credit losses and a provision release of $0.3 million for unfunded commitments. The total allowance for credit losses was $90.7 million at September 30, 2022, representing 1.18% of total portfolio loans outstanding. The Company recorded net charge-offs of $0.4 million in the third quarter of 2022, equating to an annualized net charge-off ratio of 0.02%.

The Company views certain non-operating items, including acquisition-related and other restructuring charges, as adjustments to net income reported under U.S. generally accepted accounting principles (GAAP). Non-operating pretax adjustments for other restructuring charges in the third quarter of 2022 included $0.1 million of expenses related to non-operating professional fees and $0.9 million of loss on leases and fixed asset impairment. The Company believes that non-GAAP measures—including pre-provision net revenue, adjusted pre-provision net revenue, pre-provision net revenue to average assets, adjusted pre-provision net revenue to average assets, adjusted net income, adjusted diluted earnings per share, adjusted return on average assets, return on average tangible common equity, adjusted return on average tangible common equity, adjusted net interest income, adjusted net interest margin, adjusted noninterest expense, adjusted core expense, efficiency ratio, adjusted efficiency ratio, adjusted core efficiency ratio, tangible book value per common share, tangible common equity, tangible common equity to tangible assets, core loans, core loans to portfolio loans, core deposits, core deposits to total deposits, and core loans to core deposits—facilitate the assessment of its financial results and peer comparability. A reconciliation of these non-GAAP measures is included in tabular form at the end of this release (see "*Non-GAAP Financial Information*").

Debt Redemption

On August 25, 2022, the Company redeemed $60.0 million of outstanding callable subordinated notes originally issued in 2017, using proceeds obtained from our successful public offering of $100.0 million subordinated debt in the second quarter of 2022. At the time of redemption, the redeemed subordinated notes carried interest at a floating rate of 3-month LIBOR plus 2.919%.

Hurricane Ian

On September 28, 2022, Hurricane Ian made landfall in southwest Florida impacting our operations in the region. We are focused on assisting our clients and employees as they navigate the challenges from this historic storm. As of today, two of our three branches are fully operational, while services are expected to be restored imminently via a temporary facility at our third location. Efforts undertaken to date include: 1) financial assistance for associates impacted by the storm; 2) creation of a relief center for associates to access much needed supplies; 3) staffing resource reallocation to support our southwest Florida operations; 4) fee waivers for impacted customers; and 5) loan modification program for impacted commercial customers. These are but a few of the initiatives and efforts implemented to date in response to Hurricane Ian.

Efficiency Initiative

Early in the fourth quarter of 2022, we implemented a targeted restructuring and efficiency optimization plan that is expected to generate annual salary and benefits savings of $4.0 million to $4.4 million. We also expect to incur one-time severance-related costs associated with this initiative of $1.1 million to $1.3 million, most of which are expected to be realized in the fourth quarter. We expect to largely reinvest the anticipated savings to support ongoing growth initiatives across our franchise over the next several quarters.

Community Banking

First Busey's goal of being a strong community bank begins with outstanding associates. The Company is humbled to be named among the 2021 Best Banks to Work For by American Banker, the 2021 Best Places to Work in Money Management by Pensions and Investments, the 2022 Best Places to Work in Illinois by Daily Herald Business Ledger, and the 2022 Best Companies to Work For in Florida by Florida Trend magazine.

We are grateful for the opportunities to earn the business of our customers, based on the contributions of our talented associates and the continued support of our loyal shareholders. We feel confident that we are well positioned to navigate these uncertain times while continuing to produce quality growth and profitability as we move into the final quarter of 2022 and into 2023.

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

SELECTED FINANCIAL HIGHLIGHTS *(unaudited)*
(dollars in thousands, except per share amounts)

	Three Months Ended				Nine Months Ended	
	September 30, 2022	June 30, 2022		September 30, 2021	September 30, 2022	September 30, 2021
EARNINGS & PER SHARE AMOUNTS						
Net income	$ 35,661	$ 29,824		$ 25,941	$ 93,924	$ 93,523
Diluted earnings per common share	0.64	0.53		0.46	1.67	1.67
Cash dividends paid per share	0.23	0.23		0.23	0.69	0.69
Pre-provision net revenue[1, 2]	46,498	39,569		30,470	122,133	104,698
Revenue[3]	117,234	108,661		103,957	332,337	295,309
Net income by operating segments:						
Banking	37,082	30,499		25,124	94,032	89,889
FirsTech	353	397		384	1,300	1,214
Wealth Management	3,756	5,092		4,718	14,688	14,285
AVERAGE BALANCES						
Cash and cash equivalents	331,397	351,697		1,009,750	455,545	732,958
Investment securities	3,667,753	3,841,011		3,721,740	3,825,265	3,109,140
Loans held for sale	4,195	3,089		15,589	6,376	23,060
Portfolio loans	7,617,918	7,378,969		7,133,108	7,387,582	6,921,226
Interest-earning assets	11,497,783	11,453,198		11,730,637	11,550,887	10,651,386
Total assets	12,531,856	12,452,070		12,697,795	12,547,816	11,571,270
Noninterest bearing deposits	3,583,693	3,535,110		3,365,823	3,569,562	3,010,999
Interest-bearing deposits	6,993,125	6,971,083		7,253,242	6,997,106	6,577,531
Total deposits	10,576,818	10,506,193	10,506,193	10,619,065	10,566,668	9,588,530
Securities sold under agreements to repurchase and federal funds purchased	233,032	235,733		221,813	246,481	203,777
Interest-bearing liabilities	7,605,148	7,574,677		7,842,805	7,611,314	7,114,856
Total liabilities	11,350,408	11,255,018		11,346,379	11,328,171	10,247,699
Stockholders' equity - common	1,181,448	1,197,052		1,351,416	1,219,645	1,323,571
Average tangible common equity[2]	812,467	825,162		970,531	847,772	952,742
PERFORMANCE RATIOS						
Pre-provision net revenue to average assets[1, 2]	1.47 %	1.27 %		0.95 %	1.30 %	1.21 %
Return on average assets	1.13 %	0.96 %		0.81 %	1.00 %	1.08 %
Return on average common equity	11.98 %	9.99 %		7.62 %	10.30 %	9.45 %
Return on average tangible common equity[2]	17.41 %	14.50 %		10.60 %	14.81 %	13.12 %
Net interest margin[2, 4]	3.00 %	2.68 %		2.41 %	2.71 %	2.54 %
Efficiency ratio[2]	57.62 %	60.56 %		67.27 %	60.30 %	61.40 %
Noninterest revenue as a % of total revenues[3]	26.38 %	30.12 %		31.94 %	30.10 %	32.21 %
NON-GAAP FINANCIAL INFORMATION						
Adjusted pre-provision net revenue[1, 2]	$ 48,800	$ 41,267		$ 39,409	$ 129,421	$ 119,648
Adjusted net income[2]	36,435	30,081		32,845	95,620	102,831
Adjusted diluted earnings per share[2]	0.65	0.54		0.58	1.70	1.84
Adjusted pre-provision net revenue to average assets[2]	1.54 %	1.33 %		1.23 %	1.38 %	1.38 %
Adjusted return on average assets[2]	1.15 %	0.97 %		1.03 %	1.02 %	1.19 %
Adjusted return on average tangible common equity[2]	17.79 %	14.62 %		13.43 %	15.08 %	14.43 %
Adjusted net interest margin[2, 4]	2.97 %	2.66 %		2.35 %	2.68 %	2.46 %
Adjusted efficiency ratio[2]	56.81 %	60.29 %		58.97 %	59.67 %	57.46 %

1. Net interest income plus noninterest income, excluding securities gains and losses, less noninterest expense.
2. See *"Non-GAAP Financial Information"* for reconciliation.
3. Revenue consists of net interest income plus noninterest income, excluding securities gains and losses.
4. On a tax-equivalent basis, assuming a federal income tax rate of 21%.

CONDENSED CONSOLIDATED BALANCE SHEETS ***(unaudited)***
(dollars in thousands, except per share amounts)

	As of				
	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
ASSETS					
Cash and cash equivalents	$ 347,149	$ 230,852	$ 479,228	$ 836,095	$ 883,845
Investment securities	3,494,710	3,708,922	3,941,656	3,994,822	4,010,256
Loans held for sale	4,546	4,813	6,765	23,875	20,225
Commercial loans	5,724,137	5,613,955	5,486,817	5,449,689	5,431,342
Retail real estate and retail other loans	1,945,977	1,883,823	1,786,056	1,739,309	1,719,293
Portfolio loans	7,670,114	7,497,778	7,272,873	7,188,998	7,150,635
Allowance for credit losses	(90,722)	(88,757)	(88,213)	(87,887)	(92,802)
Premises and equipment	128,175	130,892	133,658	136,147	142,031
Goodwill and other intangible assets, net	367,091	369,962	372,913	375,924	378,891
Right of use asset	10,202	8,615	9,014	10,533	11,068
Other assets	566,123	493,356	439,615	381,182	395,181
Total assets	$ 12,497,388	$ 12,356,433	$ 12,567,509	$ 12,859,689	$ 12,899,330
LIABILITIES & STOCKHOLDERS' EQUITY					
Noninterest bearing deposits	$ 3,628,169	$ 3,505,299	$ 3,568,651	$ 3,670,267	$ 3,453,906
Interest checking, savings, and money market deposits	6,173,041	6,074,108	6,132,355	6,162,661	6,337,026
Time deposits	800,187	817,821	890,830	935,649	1,026,935
Total deposits	$ 10,601,397	$ 10,397,228	$ 10,591,836	$ 10,768,577	$ 10,817,867
Securities sold under agreements to repurchase	$ 234,597	$ 228,383	$ 255,668	$ 270,139	$ 241,242
Short-term borrowings	16,225	16,396	17,683	17,678	17,673
Long-term debt	254,835	317,304	265,769	268,773	271,780
Junior subordinated debt owed to unconsolidated trusts	71,765	71,721	71,678	71,635	71,593
Lease liability	10,311	8,655	9,067	10,591	11,120
Other liabilities	201,670	154,789	137,783	133,184	134,979
Total liabilities	11,390,800	11,194,476	11,349,484	11,540,577	11,566,254
Total stockholders' equity	1,106,588	1,161,957	1,218,025	1,319,112	1,333,076
Total liabilities & stockholders' equity	$ 12,497,388	$ 12,356,433	$ 12,567,509	$ 12,859,689	$ 12,899,330
SHARE AND PER SHARE AMOUNTS					
Book value per common share	$ 20.04	$ 21.00	$ 22.03	$ 23.80	$ 23.88
Tangible book value per common share[1]	$ 13.39	$ 14.31	$ 15.29	$ 17.01	$ 17.09
Ending number of common shares outstanding	55,232,434	55,335,703	55,278,785	55,434,910	55,826,984

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

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

	Three Months Ended			Nine Months Ended	
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
INTEREST INCOME					
Interest and fees on loans held for sale and portfolio	$ 76,081	$ 65,567	$ 65,163	$ 202,530	$ 189,132
Interest on investment securities	18,249	16,671	12,239	49,852	31,894
Other interest income	1,085	358	462	1,720	857
Total interest income	$ 95,415	$ 82,596	$ 77,864	$ 254,102	$ 221,883
INTEREST EXPENSE					
Interest on deposits	$ 3,565	$ 2,146	$ 3,059	$ 7,835	$ 10,086
Interest on securities sold under agreements to repurchase and federal funds purchased	459	147	60	665	177
Interest on short-term borrowings	190	147	112	426	195
Interest on long-term debt	4,110	3,520	3,150	10,739	9,050
Junior subordinated debt owed to unconsolidated trusts	786	708	728	2,148	2,185
Total interest expense	$ 9,110	$ 6,668	$ 7,109	$ 21,813	$ 21,693
Net interest income	$ 86,305	$ 75,928	$ 70,755	$ 232,289	$ 200,190
Provision for credit losses	2,364	1,653	(1,869)	3,764	(10,365)
Net interest income after provision for credit losses	$ 83,941	$ 74,275	$ 72,624	$ 228,525	$ 210,555
NONINTEREST INCOME					
Wealth management fees	$ 12,508	$ 14,135	$ 13,749	$ 42,422	$ 39,335
Fees for customer services	7,627	9,588	9,288	26,122	25,936
Payment technology solutions	5,080	4,888	4,620	15,045	13,771
Mortgage revenue	438	284	1,740	1,697	6,153
Income on bank owned life insurance	958	874	999	2,716	3,439
Net securities gains (losses)	4	(1,714)	57	(2,324)	2,596
Other noninterest income	4,318	2,964	2,806	12,046	6,485
Total noninterest income	$ 30,933	$ 31,019	$ 33,259	$ 97,724	$ 97,715
NONINTEREST EXPENSE					
Salaries, wages, and employee benefits	$ 39,762	$ 38,110	$ 41,949	$ 117,226	$ 107,222
Data processing expense	5,447	5,375	7,782	15,800	16,881
Net occupancy expense	4,705	4,720	4,797	14,492	13,606
Furniture and equipment expense	1,799	2,045	2,208	5,874	6,300
Professional fees	1,579	1,607	1,361	4,693	5,617
Amortization of intangible assets	2,871	2,951	3,149	8,833	8,200
Interchange expense	1,574	1,487	1,434	4,606	4,360
Other operating expenses	12,999	12,797	10,807	38,680	28,425
Total noninterest expense	$ 70,736	$ 69,092	$ 73,487	$ 210,204	$ 190,611
Income before income taxes	$ 44,138	$ 36,202	$ 32,396	$ 116,045	$ 117,659
Income taxes	8,477	6,378	6,455	22,121	24,136
Net income	$ 35,661	$ 29,824	$ 25,941	$ 93,924	$ 93,523
SHARE AND PER SHARE AMOUNTS					
Basic earnings per common share	$ 0.64	$ 0.54	$ 0.46	$ 1.70	$ 1.69
Diluted earnings per common share	$ 0.64	$ 0.53	$ 0.46	$ 1.67	$ 1.67
Average common shares outstanding	55,349,547	55,421,887	56,227,816	55,399,424	55,256,348
Diluted average common shares outstanding	56,073,164	56,104,017	56,832,518	56,123,756	55,872,835

Balance Sheet Growth

Our balance sheet remains a source of strength. Total assets were $12.50 billion at September 30, 2022, compared to $12.36 billion at June 30, 2022, and $12.90 billion at September 30, 2021. At September 30, 2022, portfolio loans were $7.67 billion, compared to $7.50 billion as of June 30, 2022, and $7.15 billion as of September 30, 2021. Amortized costs of Paycheck Protection Program (PPP) loans of $1.4 million, $7.6 million, and $178.2 million are included in the September 30, 2022, June 30, 2022, and September 30, 2021, portfolio loan balances, respectively. During the third quarter of 2022, Busey Bank experienced another strong quarter of core loan[1] growth of $178.5 million, consisting of growth in commercial balances[2] of $116.4 million and growth in retail real estate and retail other balances of $62.1 million. Growth was principally driven by our Northern Illinois, Gateway, and Indiana service centers. As has been our practice, we remain steadfast in our disciplined underwriting.

Average portfolio loans were $7.62 billion for the third quarter of 2022, compared to $7.38 billion for the second quarter of 2022 and $7.13 billion for the third quarter of 2021. The average balance of PPP loans for the third quarter of 2022 was $4.2 million, compared to $19.3 million for the second quarter of 2022 and $291.8 million for the third quarter of 2021. Average interest-earning assets for the third quarter of 2022 were $11.50 billion, compared to $11.45 billion for the second quarter of 2022, and $11.73 billion for the third quarter of 2021.

Total deposits were $10.60 billion at September 30, 2022, compared to $10.40 billion at June 30, 2022, and $10.82 billion at September 30, 2021. Fluctuations in deposit balances can be attributed to the retention of PPP loan funding in customer deposit accounts, the impacts of fiscal stimulus, inflation and related economic effects on our customers, as well as typical seasonality aspects within our portfolio, and other core deposit[1] growth. The Company remains funded substantially through core deposits[1] with significant market share in its primary markets. Core deposits[1] accounted for 99.0% of total deposits as of September 30, 2022. Cost of deposits was 0.13% in the third quarter of 2022, which represents a 5 basis points increase from the second quarter of 2022. Excluding time deposits, the Company's cost of deposits was 0.11% in the third quarter of 2022, an increase of 0.06% from June 30, 2022.

Asset Quality

Credit quality continues to be exceptionally strong. Loans 30-89 days past due totaled $6.3 million as of September 30, 2022, compared to $5.2 million as of June 30, 2022, and $6.4 million as of September 30, 2021. Non-performing loans decreased to $16.7 million as of September 30, 2022, compared to $17.5 million as of June 30, 2022, and $25.9 million as of September 30, 2021. Continued disciplined credit management resulted in non-performing loans as a percentage of portfolio loans of 0.22% at September 30, 2022, compared to 0.23% as of June 30, 2022, and 0.36% as of September 30, 2021. Non-performing assets were 0.14% of total assets at the end of the third quarter of 2022, compared to 0.15% at June 30, 2022 and 0.23% at September 30, 2021.

Net charge-offs totaled $0.4 million for the third quarter of 2022, compared to $1.1 million for the second quarter of 2022 and $0.7 million for the third quarter of 2021. The allowance as a percentage of portfolio loans was 1.18% at both September 30, 2022, and June 30, 2022, compared to 1.30% at September 30, 2021. The allowance as a percentage of non-performing loans was 544.75% at September 30, 2022, compared to 507.36% at June 30, 2022, and 358.86% at September 30, 2021.

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

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[1] See *"Non-GAAP Financial Information"* for a reconciliation.
[2] Commercial balances include commercial, commercial real estate, and real estate construction loans.

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

	As of				
	September 30, 2022	**June 30, 2022**	**March 31, 2022**	**December 31, 2021**	**September 30, 2021**
Total assets	$ 12,497,388	$ 12,356,433	$ 12,567,509	$ 12,859,689	$ 12,899,330
Portfolio loans	7,670,114	7,497,778	7,272,873	7,188,998	7,150,635
Portfolio loans excluding amortized cost of PPP loans	7,668,688	7,490,162	7,241,104	7,114,040	6,972,404
Loans 30 – 89 days past due	6,307	5,157	3,916	6,261	6,446
Non-performing loans:					
Non-accrual loans	15,425	15,840	12,488	15,946	25,369
Loans 90+ days past due and still accruing	1,229	1,654	197	906	491
Non-performing loans	$ 16,654	$ 17,494	$ 12,685	$ 16,852	$ 25,860
Non-performing loans, segregated by geography:					
Illinois / Indiana	$ 10,531	$ 11,261	$ 6,467	$ 10,450	$ 17,824
Missouri	5,008	5,259	5,263	5,349	6,736
Florida	1,115	974	955	1,053	1,300
Other non-performing assets	1,219	1,429	3,606	4,416	3,184
Non-performing assets	$ 17,873	$ 18,923	$ 16,291	$ 21,268	$ 29,044
Allowance for credit losses	$ 90,722	$ 88,757	$ 88,213	$ 87,887	$ 92,802
RATIOS					
Non-performing loans to portfolio loans	0.22 %	0.23 %	0.17 %	0.23 %	0.36 %
Non-performing loans to portfolio loans, excluding PPP loans	0.22 %	0.23 %	0.18 %	0.24 %	0.37 %
Non-performing assets to total assets	0.14 %	0.15 %	0.13 %	0.17 %	0.23 %
Non-performing assets to portfolio loans and other non-performing assets	0.23 %	0.25 %	0.22 %	0.30 %	0.41 %
Allowance for credit losses to portfolio loans	1.18 %	1.18 %	1.21 %	1.22 %	1.30 %
Allowance for credit losses to portfolio loans, excluding PPP	1.18 %	1.18 %	1.22 %	1.24 %	1.33 %
Allowance for credit losses as a percentage of non-performing loans	544.75 %	507.36 %	695.41 %	521.52 %	358.86 %

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

	Three Months Ended			Nine Months Ended	
	September 30, 2022	**June 30, 2022**	**September 30, 2021**	**September 30, 2022**	**September 30, 2021**
Net charge-offs (recoveries)	$ 399	$ 1,109	$ 739	$ 929	$ 2,059
Provision expense (release)	2,364	1,653	(1,869)	3,764	(10,365)
Net charge-offs (recoveries), annualized	1,583	4,448	2,932	1,242	2,753
Average portfolio loans	7,617,918	7,378,969	7,133,108	7,387,582	6,921,226
Net charge-off ratio	0.02 %	0.06 %	0.04 %	0.02 %	0.04 %

Net Interest Margin[1] and Net Interest Income

Net interest margin[1] for the third quarter of 2022 was 3.00%, compared to 2.68% for the second quarter of 2022 and 2.41% for the third quarter of 2021. Excluding purchase accretion, adjusted net interest margin[1] was 2.97% for the third quarter of 2022, compared to 2.66% in the second quarter of 2022 and 2.35% in the third quarter of 2021. Net interest income was $86.3 million in the third quarter of 2022, compared to $75.9 million in the second quarter of 2022 and $70.8 million in the third quarter of 2021.

The Federal Open Market Committee (FOMC) raised rates by 150 basis points during the third quarter of 2022, and by a total of 300 basis points during the first three quarters of 2022. Rising rates have a positive impact on net interest margin[1], as assets, in particular commercial loans, reprice more quickly and to a greater extent than liabilities. Given the timing of the FOMC meetings in September, the full benefit of the associated movement in rates to our net interest margin will be realized in subsequent quarters. In general, net interest margins[1] have been impacted over the last two years by PPP loans, significant growth in the Company's liquidity position, and the issuance of debt, with more recent impacts resulting from rate increases. Factors contributing to the 32-basis point increase in net interest margin during the third quarter of 2022 include:

- Increased loan portfolio income contributed +38 basis points
- Increases in the cash and securities portfolio yield contributed +7 basis points
- Increased recognition of purchase accounting accretion contributed +1 basis points
- Increased deposit funding costs contributed -5 basis points
- Increased borrowing costs contributed -4 basis points, of which -2 basis points is attributable to the carrying cost of our 2017 subordinated debt that was redeemed on August 25, 2022
- Increased net interest expense on cash flow hedges contributed -3 basis points
- Reduced volume of PPP loan forgiveness contributed -2 basis points

Future FOMC rate decisions are expected to continue to be a net positive to net interest margin[1]. Based on our most recent Asset Liability Management Committee (ALCO) model, a 100 basis point parallel rate shock is expected to increase net interest income by 4.6% over the subsequent twelve-month period. Market competition for deposits has started to increase and deposits betas are likely to increase going forward, which is factored into our ALCO model. We are committed to protecting our quality core deposit franchise and are in regular contact with our customers to proactively address their needs and concerns. In the third quarter of 2022, our incremental interest-bearing non-maturity deposit beta was 6.4%. Since the onset of the Fed tightening cycle, our cumulative interest bearing non-maturity deposit beta has been 4.9%. Deposit betas are calculated based on an average Fed funds rate of 2.35% during the third quarter of 2022.

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

Noninterest Income

Noninterest income was $30.9 million for the third quarter of 2022, as compared to $31.0 million for the second quarter of 2022 and $33.3 million for the third quarter of 2021. Excluding the impact of net securities gains and losses, noninterest income was $30.9 million for the third quarter of 2022, compared to $32.7 million for the second quarter of 2022 and $33.2 million for the third quarter of 2021. Beginning on July 1, 2022, we became subject to the Durbin Amendment of the Dodd-Frank Act. The Durbin Amendment requires the Federal Reserve to establish a maximum permissible interchange fee for many types of debit transactions. The third quarter impact of these rules was a $2.4 million reduction in fee income. Revenues from wealth management fees and payment technology solutions activities represented 56.9% of the Company’s noninterest income for the quarter ended September 30, 2022, providing a balance to spread-based revenue from traditional banking activities.

Wealth management fees were $12.5 million for the third quarter of 2022, compared to $14.1 million for the second quarter of 2022 and $13.7 million for the third quarter of 2021, representing a 9.0% decrease from the comparable period in 2021. The quarter over quarter decline in wealth management fees is primarily attributable to declines in market valuations. The Wealth Management operating segment generated net income of $3.8 million in the third quarter of 2022, compared to $5.1 million in the second quarter of 2022, and $4.7 million in the third quarter of 2021, a 20.4% decrease from the comparable period in 2021. First Busey’s Wealth Management division ended the third quarter of 2022 with $10.75 billion in assets under care, a decrease from $11.45 billion at the end of the second quarter of 2022 and $12.36 billion at the end of the third quarter of 2021, principally due to a reduction in market valuations. Our portfolio management team continues to produce solid results in the face of very volatile markets. In the third quarter, the Busey core investment strategy outperformed its benchmark.

Payment technology solutions revenue from FirsTech was $5.1 million for the third quarter of 2022, compared to $4.9 million for the second quarter of 2022 and $4.6 million for the third quarter of 2021. Excluding intracompany eliminations, FirsTech generated revenue of $5.6 million during the third quarter of 2022, an increase from $5.4 million in the second quarter of 2022 and $5.0 million during the third quarter of 2021. The FirsTech operating segment generated net income of $0.4 million in the third quarter of 2022, consistent with both the second quarter of 2022 and the third quarter of 2021. The Company is currently making strategic investments in FirsTech to enhance future growth, including further upgrades to the product and engineering teams to build an application programming interface (API) cloud-based platform to provide for fully integrated payment capabilities as well as the continued development of our BaaS platform.

Fees for customer services were $7.6 million for the third quarter of 2022, compared to $9.6 million in the second quarter of 2022 and $9.3 million in the third quarter of 2021. Excluding the Durbin Amendment's impact, discussed above, fees for customer services increased $0.4 million quarter-over-quarter, and $0.7 million year-over-year.

Mortgage revenue was $0.4 million in the third quarter of 2022, an increase from $0.3 million in the second quarter of 2022 and a decrease from $1.7 million in the third quarter of 2021, due to declines in sold-loan volume and gain on sale premiums.

Other noninterest income was $4.3 million in the third quarter of 2022, an increase from $3.0 million in the second quarter of 2022 and $2.8 million in the third quarter of 2021. Fluctuations between the second quarter of 2022 and the third quarter of 2022 were primarily the result of increases in swap origination fee income, increased gains on commercial loan sales, and decreased losses on fixed asset disposal.

Operating Efficiency

Noninterest expense was $70.7 million in the third quarter of 2022, compared to $69.1 million in the second quarter of 2022 and $73.5 million in the third quarter of 2021. Excluding non-operating adjustments[1], noninterest expense was $69.8 million in the third quarter of 2022, compared to $68.8 million in the second quarter of 2022 and $64.8 million in the third quarter of 2021. As a result, the efficiency ratio[1] was 57.62% for the quarter ended September 30, 2022, compared to 60.56% for the quarter ended June 30, 2022, and 67.27% for the quarter ended September 30, 2021. The adjusted core efficiency ratio[1] was 55.67% for the quarter ended September 30, 2022, compared to 59.01% for the quarter ended June 30, 2022 and 58.72% for the quarter ended September 30, 2021. The Company remains focused on expense discipline, while making necessary investments to support the organic growth of our key business lines and related support and risk management functions.

Noteworthy components of noninterest expense are as follows:

- Salaries, wages, and employee benefits were $39.8 million in the third quarter of 2022, compared to $38.1 million in the second quarter of 2022, and $41.9 million in the third quarter of 2021. Total full-time equivalents numbered 1,513 at September 30, 2022, compared to 1,493 at June 30, 2022, and 1,462 at September 30, 2021. The Company did not record any non-operating expense for salaries, wages, and employee benefit expenses in the second or third quarter of 2022, compared to $4.7 million in the third quarter of 2021.

- Data processing expense was $5.4 million in the third quarter of 2022, consistent with the second quarter of 2022 and a decrease from $7.8 million in the third quarter of 2021. The Company did not record any non-operating data processing expenses in the second or third quarter of 2022, compared to $3.2 million in the third quarter of 2021.

- Professional fees were $1.6 million in the third quarter of 2022, consistent with the second quarter of 2022 and an increase from $1.4 million in the third quarter of 2021. The Company recorded $0.1 million of non-operating professional fees in the third quarter of 2022, compared to $0.2 million in the second quarter of 2022 and $0.1 million in the third quarter of 2021.

- Amortization expense was $2.9 million in the third quarter of 2022, compared to $3.0 million in the second quarter of 2022 and $3.1 million in the third quarter of 2021.

- Other operating expenses were $13.0 million for the third quarter of 2022, compared to $12.8 million in the second quarter of 2022 and $10.8 million in the third quarter of 2021. The Company recorded $0.9 million of non-operating expenses within the other operating expense line in the third quarter of 2022, compared to $0.1 million in the second quarter of 2022 and $0.6 million in the third quarter of 2021.

Early in the fourth quarter of 2022, we implemented a targeted restructuring and efficiency optimization plan that is expected to generate annual salary and benefits savings of $4.0 million to $4.4 million. We also expect to incur one-time severance-related costs associated with this initiative of $1.1 million to $1.3 million, most of which will be realized in fourth quarter. We expect to largely reinvest the anticipated savings to support ongoing growth initiatives across our franchise over the next several quarters.

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

Capital Strength

The Company's strong capital levels, coupled with its earnings, have allowed First Busey to provide a steady return to its stockholders through dividends. On October 28, 2022, the Company will pay a cash dividend of $0.23 per common share to stockholders of record as of October 21, 2022. The Company has consistently paid dividends to its common stockholders since the bank holding company was organized in 1980.

As of September 30, 2022, the Company continued to exceed the capital adequacy requirements necessary to be considered "well-capitalized" under applicable regulatory guidelines. The Company's Common Equity Tier 1 ratio is estimated[1] to be 11.79% at September 30, 2022, compared to 11.77% at June 30, 2022, and 11.95% at September 30, 2021. Our Total Capital to Risk Weighted Assets ratio is estimated[1] to be 15.98% at September 30, 2022, compared to 16.58% at June 30, 2022, and 15.91% at September 30, 2021. During the third quarter of 2022, we redeemed $60.0 million of callable, fixed-to-floating rate subordinated notes that were originally issued in 2017, and scheduled to mature on May 25, 2027. The full balance of these subordinated notes qualified as Tier 2 Capital for First Busey for the first five years, with a phase out that began in the second quarter of 2022 until redemption. At the time of redemption, the redeemed subordinated notes carried interest at a floating rate of 3-month LIBOR plus 2.919%.

The Company's tangible common equity[2] was $748.9 million at September 30, 2022, compared to $801.9 million at June 30, 2022, and $971.3 million at September 30, 2021. Tangible common equity[2] represented 6.17% of tangible assets at September 30, 2022, compared to 6.68% at June 30, 2022, and 7.75% at September 30, 2021. The Company's tangible book value per common share[2] declined from $14.31 at June 30, 2022, to $13.39 at September 30, 2022. The decline in both the ratio of tangible common equity to tangible assets[2] and tangible book value per common share[2] is primarily attributable to the fair market valuation adjustment of the Company's securities portfolio as a result of the rapidly rising rate environment as reflected in the accumulated other comprehensive income (loss) (AOCI) component of shareholder's equity, net of retained earnings and amortization of intangible assets over the same period.

During the third quarter of 2022, the Company purchased 130,000 shares of its common stock at a weighted average price of $23.75 per share for a total of $3.1 million under the Company's stock repurchase plan. As of September 30, 2022, the Company had 147,210 shares remaining on its stock repurchase plan available for repurchase.

3Q22 Quarterly Earnings Supplement

For additional information on the Company's financial condition and operating results, please refer to the 3Q22 Quarterly Earnings Supplement presentation furnished via Form 8-K on October 25, 2022, in connection with this earnings release.

[1] Capital ratios for the third quarter of 2022 are not yet finalized, and are subject to change.

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

Corporate Profile

As of September 30, 2022, First Busey Corporation (Nasdaq: BUSE) was a $12.50 billion financial holding company headquartered in Champaign, Illinois.

Busey Bank, a wholly-owned bank subsidiary of First Busey Corporation, had total assets of $12.45 billion as of September 30, 2022, and is headquartered in Champaign, Illinois. Busey Bank currently has 46 banking centers serving Illinois, eight banking centers serving Missouri, three banking centers serving southwest Florida, and one banking center in Indianapolis, Indiana.

Busey Bank's wholly-owned subsidiary, FirsTech, is a payments platform specializing in the evolving financial technology needs of small and medium-sized businesses, highly regulated enterprise industries, and financial institutions. With associates across the United States, FirsTech provides comprehensive and innovative payment technology solutions that enable businesses to connect with their customers in a multitude of ways on a single, highly configurable, secure platform. Fast, secure payment modes include, but are not limited to, text-based payments; electronic payments concentration delivered to Automated Clearing House networks; internet voice recognition (IVR); credit cards; in-store payments for customers at retail pay agents; direct debit services; and lockbox remittance processing for customers to make payments by mail. Once these payments are processed through integration with our customers' financial systems, FirsTech provides its customers with reconciliation and settlement services to ensure payment confirmation. Additionally, FirsTech provides consulting and technology services through its Professional Services Division, assisting clients in identifying and implementing payment technologies to meet their evolving needs. FirsTech launched its innovative BaaS platform at the beginning of 2022, helping community banks and their commercial customers build modernized payment solutions, which include online payment technologies and automated file transfers. More information about FirsTech can be found at firstechpayments.com.

Through the Company's Wealth Management division, the Company provides asset management, investment, and fiduciary services to individuals, businesses, and foundations. As of September 30, 2022, assets under care were $10.75 billion.

Busey Bank has been named among America's Best Banks for 2022, a first-ever recognition by Forbes magazine. Ranked 52nd overall, Busey was the top-ranked bank headquartered in Illinois; only three other Illinois-based banks were included on the list. Additionally, for the first time in 2022, Busey was named a Leading Disability Employer by the National Organization on Disability--this highly selective award is presented only to top performing companies demonstrating positive outcomes in recruiting, hiring, retaining and advancing people with disabilities in their workforce. We are honored to be consistently recognized nationally and locally for our engaged culture of integrity and commitment to community development.

For more information about us, visit busey.com.

Category: Financial
Source: First Busey Corporation

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Non-GAAP Financial Information

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

A reconciliation to what management believes to be the most directly comparable GAAP financial measures—specifically, net interest income, total noninterest income, net security gains and losses, and total noninterest expense in the case of pre-provision net revenue, adjusted pre-provision net revenue, pre-provision net revenue to average assets, and adjusted pre-provision net revenue to average assets; net income in the case of adjusted net income, adjusted diluted earnings per share, adjusted return on average assets, return on average tangible common equity, and adjusted return on average tangible common equity; net interest income in the case of adjusted net interest income and adjusted net interest margin; net interest income, total noninterest income, and total noninterest expense in the case of adjusted noninterest expense, adjusted core expense, efficiency ratio, adjusted efficiency ratio, and adjusted core efficiency ratio; total stockholders' equity in the case of tangible book value per common share; total assets and total stockholders' equity in the case of tangible common equity and tangible common equity to tangible assets; portfolio loans in the case of core loans and core loans to portfolio loans; total deposits in the case of core deposits and core deposits to total deposits; and portfolio loans and total deposits in the case of core loans to core deposits—appears below.

These non-GAAP disclosures have inherent limitations and are not audited. They should not be considered in isolation or as a substitute for operating results reported in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. Tax effected numbers included in these non-GAAP disclosures are based on estimated statutory rates or effective rates as appropriate.

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

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

(dollars in thousands)

		Three Months Ended			Nine Months Ended	
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
PRE-PROVISION NET REVENUE						
Net interest income		$ 86,305	$ 75,928	$ 70,755	$ 232,289	$ 200,190
Total noninterest income		30,933	31,019	33,259	97,724	97,715
Net security (gains) losses		(4)	1,714	(57)	2,324	(2,596)
Total noninterest expense		(70,736)	(69,092)	(73,487)	(210,204)	(190,611)
Pre-provision net revenue		46,498	39,569	30,470	122,133	104,698
Non-GAAP adjustments:						
Acquisition and other restructuring expenses		957	303	8,677	2,095	11,710
Provision for unfunded commitments		(320)	(267)	(978)	525	(1,068)
Amortization of New Markets Tax Credits		1,665	1,662	1,240	4,668	4,308
Adjusted pre-provision net revenue		$ 48,800	$ 41,267	$ 39,409	$ 129,421	$ 119,648
Pre-provision net revenue, annualized	[a]	$ 184,476	$ 158,711	$ 120,886	$ 163,291	$ 139,981
Adjusted pre-provision net revenue, annualized	[b]	193,609	165,521	156,351	173,035	159,969
Average total assets	[c]	12,531,856	12,452,070	12,697,795	12,547,816	11,571,270
Reported: Pre-provision net revenue to average assets[1]	[a÷c]	1.47 %	1.27 %	0.95 %	1.30 %	1.21 %
Adjusted: Pre-provision net revenue to average assets[1]	[b÷c]	1.54 %	1.33 %	1.23 %	1.38 %	1.38 %

1. Annualized measure.

Adjusted Net Income, Adjusted Diluted Earnings Per Share, Adjusted Return on Average Assets, Return on Average Tangible Common Equity, and Adjusted Return on Average Tangible Common Equity
(dollars in thousands, except per share amounts)

		Three Months Ended			Nine Months Ended	
		September 30, 2022	**June 30, 2022**	**September 30, 2021**	**September 30, 2022**	**September 30, 2021**
NET INCOME ADJUSTED FOR NON-OPERATING ITEMS						
Net income	[a]	$ 35,661	$ 29,824	$ 25,941	$ 93,924	$ 93,523
Non-GAAP adjustments:						
Acquisition expenses:						
Salaries, wages, and employee benefits		—	—	4,462	587	5,587
Data processing		—	—	3,182	214	3,557
Professional fees, occupancy, and other		4	204	776	242	2,309
Other restructuring expenses:						
Salaries, wages, and employee benefits		—	—	257	—	257
Loss on leases or fixed asset impairment		877	99	—	976	—
Professional fees, occupancy, and other		76	—	—	76	—
Related tax benefit		(183)	(46)	(1,773)	(399)	(2,402)
Adjusted net income	[b]	$ 36,435	$ 30,081	$ 32,845	$ 95,620	$ 102,831
DILUTED EARNINGS PER SHARE						
Diluted average common shares outstanding	[c]	56,073,164	56,104,017	56,832,518	56,123,756	55,872,835
Reported: Diluted earnings per share	[a÷c]	$ 0.64	$ 0.53	$ 0.46	$ 1.67	$ 1.67
Adjusted: Diluted earnings per share	[b÷c]	$ 0.65	$ 0.54	$ 0.58	$ 1.70	$ 1.84
RETURN ON AVERAGE ASSETS						
Net income, annualized	[d]	$ 141,481	$ 119,624	$ 102,918	$ 125,576	$ 125,040
Adjusted net income, annualized	[e]	144,552	120,655	130,309	127,844	137,485
Average total assets	[f]	12,531,856	12,452,070	12,697,795	12,547,816	11,571,270
Reported: Return on average assets[1]	[d÷f]	1.13 %	0.96 %	0.81 %	1.00 %	1.08 %
Adjusted: Return on average assets[1]	[e÷f]	1.15 %	0.97 %	1.03 %	1.02 %	1.19 %
RETURN ON AVERAGE TANGIBLE COMMON EQUITY						
Average common equity		$ 1,181,448	$ 1,197,052	$ 1,351,416	$ 1,219,645	$ 1,323,571
Average goodwill and other intangible assets, net		(368,981)	(371,890)	(380,885)	(371,873)	(370,829)
Average tangible common equity	[g]	$ 812,467	$ 825,162	$ 970,531	$ 847,772	$ 952,742
Reported: Return on average tangible common equity[1]	[d÷g]	17.41 %	14.50 %	10.60 %	14.81 %	13.12 %
Adjusted: Return on average tangible common equity[1]	[e÷g]	17.79 %	14.62 %	13.43 %	15.08 %	14.43 %

1. Annualized measure.

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

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

		Three Months Ended			Nine Months Ended	
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Net interest income		$ 86,305	$ 75,928	$ 70,755	$ 232,289	$ 200,190
Non-GAAP adjustments:						
Tax-equivalent adjustment		543	546	598	1,635	1,778
Tax-equivalent net interest income		86,848	76,474	71,353	233,924	201,968
Purchase accounting accretion related to business combinations		(830)	(599)	(1,799)	(2,588)	(5,682)
Adjusted net interest income		$ 86,018	$ 75,875	$ 69,554	$ 231,336	$ 196,286
Tax-equivalent net interest income, annualized	[a]	$ 344,560	$ 306,736	$ 283,085	$ 312,756	$ 270,030
Adjusted net interest income, annualized	[b]	341,267	304,334	275,948	309,295	262,434
Average interest-earning assets	[c]	11,497,783	11,453,198	11,730,637	11,550,887	10,651,386
Reported: Net interest margin[1]	[a÷c]	3.00 %	2.68 %	2.41 %	2.71 %	2.54 %
Adjusted: Net interest margin[1]	[b÷c]	2.97 %	2.66 %	2.35 %	2.68 %	2.46 %

1. Annualized measure.

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

Adjusted Noninterest Expense, Adjusted Core Expense, Efficiency Ratio, Adjusted Efficiency Ratio, and Adjusted Core Efficiency Ratio

(dollars in thousands)

		Three Months Ended			Nine Months Ended	
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Net interest income		$ 86,305	$ 75,928	$ 70,755	$ 232,289	$ 200,190
Non-GAAP adjustments:						
Tax-equivalent adjustment		543	546	598	1,635	1,778
Tax-equivalent net interest income		86,848	76,474	71,353	233,924	201,968
Total noninterest income		30,933	31,019	33,259	97,724	97,715
Non-GAAP adjustments:						
Net security (gains) losses		(4)	1,714	(57)	2,324	(2,596)
Noninterest income excluding net securities gains and losses		30,929	32,733	33,202	100,048	95,119
Tax-equivalent net interest income plus noninterest income excluding net securities gains and losses	[a]	$ 117,777	$ 109,207	$ 104,555	$ 333,972	$ 297,087
Total noninterest expense		$ 70,736	$ 69,092	$ 73,487	$ 210,204	$ 190,611
Non-GAAP adjustments:						
Amortization of intangible assets	[b]	(2,871)	(2,951)	(3,149)	(8,833)	(8,200)
Non-interest expense excluding amortization of intangible assets	[c]	67,865	66,141	70,338	201,371	182,411
Non-operating adjustments:						
Salaries, wages, and employee benefits		—	—	(4,719)	(587)	(5,844)
Data processing		—	—	(3,182)	(214)	(3,557)
Impairment, professional fees, occupancy, and other		(957)	(303)	(776)	(1,294)	(2,309)
Adjusted noninterest expense	[f]	66,908	65,838	61,661	199,276	170,701
Provision for unfunded commitments		320	267	978	(525)	1,068
Amortization of New Markets Tax Credits		(1,665)	(1,662)	(1,240)	(4,668)	(4,308)
Adjusted core expense	[g]	$ 65,563	$ 64,443	$ 61,399	$ 194,083	$ 167,461
Noninterest expense, excluding non-operating adjustments	[f-b]	$ 69,779	$ 68,789	$ 64,810	$ 208,109	$ 178,901
Reported: Efficiency ratio	[c÷a]	57.62 %	60.56 %	67.27 %	60.30 %	61.40 %
Adjusted: Efficiency ratio	[f÷a]	56.81 %	60.29 %	58.97 %	59.67 %	57.46 %
Adjusted: Core efficiency ratio	[g÷a]	55.67 %	59.01 %	58.72 %	58.11 %	56.37 %

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

Tangible Book Value Per Common Share

(dollars in thousands, except per share amounts)

		As of				
		September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
Total stockholders' equity		$ 1,106,588	$ 1,161,957	$ 1,218,025	$ 1,319,112	$ 1,333,076
Goodwill and other intangible assets, net		(367,091)	(369,962)	(372,913)	(375,924)	(378,891)
Tangible book value	[a]	$ 739,497	$ 791,995	$ 845,112	$ 943,188	$ 954,185
Ending number of common shares outstanding	[b]	55,232,434	55,335,703	55,278,785	55,434,910	55,826,984
Tangible book value per common share	[a÷b]	$ 13.39	$ 14.31	$ 15.29	$ 17.01	$ 17.09

Tangible Common Equity and Tangible Common Equity to Tangible Assets

(dollars in thousands)

		As of				
		September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
Total assets		$ 12,497,388	$ 12,356,433	$ 12,567,509	$ 12,859,689	$ 12,899,330
Non-GAAP adjustments:						
Goodwill and other intangible assets, net		(367,091)	(369,962)	(372,913)	(375,924)	(378,891)
Tax effect of other intangible assets[1]		9,369	9,905	10,456	16,254	17,115
Tangible assets	[a]	$ 12,139,666	$ 11,996,376	$ 12,205,052	$ 12,500,019	$ 12,537,554
Total stockholders' equity		$ 1,106,588	$ 1,161,957	$ 1,218,025	$ 1,319,112	$ 1,333,076
Non-GAAP adjustments:						
Goodwill and other intangible assets, net		(367,091)	(369,962)	(372,913)	(375,924)	(378,891)
Tax effect of other intangible assets[1]		9,369	9,905	10,456	16,254	17,115
Tangible common equity	[b]	$ 748,866	$ 801,900	$ 855,568	$ 959,442	$ 971,300
Tangible common equity to tangible assets[2]	[b÷a]	6.17 %	6.68 %	7.01 %	7.68 %	7.75 %

1. Net of estimated deferred tax liability.
2. Tax-effected measure.

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

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

		As of				
		September 30, 2022	**June 30, 2022**	**March 31, 2022**	**December 31, 2021**	**September 30, 2021**
Portfolio loans	[a]	$ 7,670,114	$ 7,497,778	$ 7,272,873	$ 7,188,998	$ 7,150,635
Non-GAAP adjustments:						
PPP loans amortized cost		(1,426)	(7,616)	(31,769)	(74,958)	(178,231)
Core loans	[b]	$ 7,668,688	$ 7,490,162	$ 7,241,104	$ 7,114,040	$ 6,972,404
Total deposits	[c]	$ 10,601,397	$ 10,397,228	$ 10,591,836	$ 10,768,577	$ 10,817,867
Non-GAAP adjustments:						
Brokered transaction accounts		(2,006)	(2,002)	(2,002)	(2,248)	(2,002)
Time deposits of $250,000 or more		(103,534)	(117,957)	(139,245)	(137,449)	(156,419)
Core deposits	[d]	$ 10,495,857	$ 10,277,269	$ 10,450,589	$ 10,628,880	$ 10,659,446
RATIOS						
Core loans to portfolio loans	[b÷a]	99.98 %	99.90 %	99.56 %	98.96 %	97.51 %
Core deposits to total deposits	[d÷c]	99.00 %	98.85 %	98.67 %	98.70 %	98.54 %
Core loans to core deposits	[b÷d]	73.06 %	72.88 %	69.29 %	66.93 %	65.41 %

Special Note Concerning Forward-Looking Statements

Statements made in this document, other than those concerning historical financial information, may be considered forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations, plans, objectives, future performance, and business of the Company. Forward-looking statements, which may be based upon beliefs, expectations, and assumptions of the Company's management, and on information currently available to management, are generally identifiable by the use of words such as "believe," "expect," "anticipate," "plan," "intend," "estimate," "may," "will," "would," "could," "should," or other similar expressions. Additionally, all statements in this document, including forward-looking statements, speak only as of the date they are made, and the Company undertakes no obligation to update any statement in light of new information or future events. A number of factors, many of which are beyond the Company's ability to control or predict, could cause actual results to differ materially from those in the Company's forward-looking statements. These factors include, among others, the following: (i) the strength of the local, state, national, and international economy (including effects of inflationary pressures and supply chain constraints); (ii) the economic impact of any future terrorist threats or attacks, widespread disease or pandemics (including the Coronavirus Disease 2019 pandemic), or other adverse external events that could cause economic deterioration or instability in credit markets (including Russia's invasion of Ukraine); (iii) changes in state and federal laws, regulations, and governmental policies concerning the Company's general business; (iv) changes in accounting policies and practices; (v) changes in interest rates and prepayment rates of the Company's assets (including the impact of The London Inter-bank Offered Rate phase-out); (vi) increased competition in the financial services sector and the inability to attract new customers; (vii) changes in technology and the ability to develop and maintain secure and reliable electronic systems; (viii) the loss of key executives or associates; (ix) changes in consumer spending; (x) unexpected results of current and/or future acquisitions, which may include failure to realize the anticipated benefits of any acquisition and the possibility that transaction costs may be greater than anticipated; (xi) unexpected outcomes of existing or new litigation involving the Company; and (xii) the economic impact of exceptional weather occurrences such as tornadoes, hurricanes, floods, and blizzards. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. Additional information concerning the Company and its business, including additional factors that could materially affect its financial results, is included in the Company's filings with the Securities and Exchange Commission.

3Q22 QUARTERLY EARNINGS SUPPLEMENT

October 25, 2022

Special Note Concerning Forward-Looking Statements

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Non-GAAP Financial Information

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

A reconciliation to what management believes to be the most directly comparable GAAP financial measures—specifically, net interest income, total noninterest income, net security gains and losses, and total noninterest expense in the case of pre-provision net revenue, adjusted pre-provision net revenue, pre-provision net revenue to average assets, and adjusted pre-provision net revenue to average assets; net income in the case of adjusted net income, adjusted diluted earnings per share, adjusted return on average assets, return on average tangible common equity, and adjusted return on average tangible common equity; net interest income in the case of adjusted net interest income and adjusted net interest margin; net interest income, total noninterest income, and total noninterest expense in the case of adjusted noninterest expense, adjusted core expense, efficiency ratio, adjusted efficiency ratio, and adjusted core efficiency ratio; total stockholders' equity in the case of tangible book value per common share; total assets and total stockholders' equity in the case of tangible common equity and tangible common equity to tangible assets; portfolio loans in the case of core loans and core loans to portfolio loans; total deposits in the case of core deposits and core deposits to total deposits; and portfolio loans and total deposits in the case of core loans to core deposits—appears below.

These non-GAAP disclosures have inherent limitations and are not audited. They should not be considered in isolation or as a substitute for operating results reported in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. Tax effected numbers included in these non-GAAP disclosures are based on estimated statutory rates or effective rates as appropriate.

Table of Contents

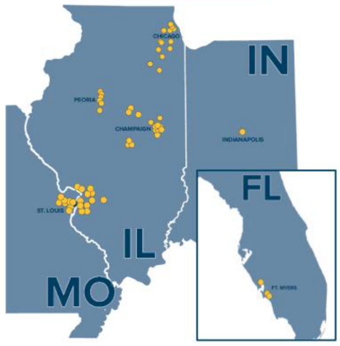
Overview of First Busey Corporation (BUSE)

Company Overview

150+ YEARS — 150+ year old financial institution headquartered in CHAMPAIGN, IL

Unwavering Focus on 4 Pillars: ASSOCIATES, CUSTOMERS, COMMUNITIES AND SHAREHOLDERS

Regional operating model serving 4 regions: NORTHERN, CENTRAL, GATEWAY, FLORIDA



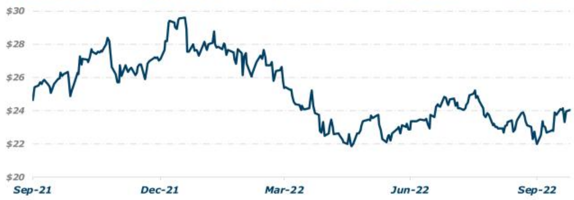
AMONG THE BEST

Financial Highlights

$ in millions	2020	2021	2022 Q3 YTD
Total Assets	$10,544	$12,860	$12,497
Total Loans (Ex-HFS)	$6,814	$7,189	$7,670
Total Deposits	$8,678	$10,769	$10,601
Total Equity	$1,270	$1,319	$1,107
NPA/Assets	0.27%	0.17%	0.14%
Net Interest Margin	3.03%	2.49%	2.71%
Adj. PPNR ROAA (1)	1.75%	1.35%	1.38%
Adj. ROAA (1)	1.06%	1.15%	1.02%
Adj. ROATCE (1)	12.47%	14.40%	15.08%

BUSE Stock Price (2)

Market Cap	Price Per Share	Dividend Yield	Price/TBV	Price/NTM (3)
$1.33B	$24.04	3.83%	1.80x	9.1x



(1) Non-GAAP calculation, see Appendix (2) Market Data for BUSE updated to close on 10/24/22, per Nasdaq (3) Based on consensus median net income of covering analysts as of 10/24/22

Sizable Business Lines Provide for Innovative Solutions

Diversified financial holding company with comprehensive and innovative financial solutions for individuals and businesses

Busey BANK	Busey WEALTH MANAGEMENT	firstech
Full suite of diversified financial products for individuals and businesses	*Wealth & asset management services for individuals and businesses*	*Payment platform that enables the collection of payments across a variety of modules*
$12.5 Billion *Assets (1)*	**$10.8 Billion** *Assets Under Care*	**$11 Billion** *Payments Processed (5)*
$378.5 Million *LTM Revenue (2)*	**$56.2 Million** *LTM Revenue (4)*	**$21.3 Million** *LTM Revenue (6)*
17.8% *Adj. ROATCE (MRQ) (3)*	**38.6%** *PT Margin (MRQ)*	**12.2%** *Revenue Growth (YoY)*

(1) Consolidated (2) Busey Bank segment, excluding Wealth Management & FirsTech; excludes intracompany eliminations and consolidations (3) Consolidated; Non-GAAP calculation, see Appendix
(4) Wealth Management segment (5) LTM total payments processed (6) FirsTech segment; Non-GAAP calculation, excludes intracompany eliminations

Investment Highlights

Attractive Franchise that Provides Innovative Financial Solutions	▪ 58 branches across four states: Illinois, Missouri, Indiana, and Florida ▪ Premier commercial bank, wealth management, and payment technology solutions for individuals and businesses ▪ Attractive core deposit to total deposit ratio (99.0%)(1) and low cost of non-time deposits (11 bps) in 3Q22 ▪ Substantial investments in technology enterprise-wide and next generation leadership talent
Sound Growth Strategy Driven by Regional Operating Model	▪ Organic growth across key business lines driven by regional operating model that aligns commercial, wealth and FirsTech operations ▪ Quarter-over-quarter core loan(2) growth of $179 million (2.4% QoQ growth) and year-over-year core loan(2) growth of $696 million (10.0% YoY growth) ▪ Efficient and right-sized branch network (average deposits per branch of $183 million) ▪ Leverage track record as proven successful acquirer to expand through disciplined M&A ▪ During 3Q22, hired new market president for Indiana with deep commercial and wealth experience in the market
Powerful Combination of Three Business Lines Drives Strong Noninterest Income	▪ Significant revenue derived from diverse and complementary fee income sources ▪ Noninterest income / revenue (ex-securities gains/losses)(3) of 26.4% for 3Q22 ▪ Wealth management and payment technology solutions account for 56.9% of noninterest income (ex-securities losses) in 3Q22 ▪ Sizable business lines provide for a full suite of solutions for our clients across their lifecycle
Attractive Profitability and Returns	▪ Adjusted ROAA of 1.15%(1) & Adjusted ROATCE of 17.79%(1) for 3Q22 ▪ Adjusted Core Efficiency Ratio 55.7%(1) for 3Q22 ▪ Adjusted diluted EPS $0.65(1) for 3Q22 ▪ Quarterly dividend of $0.23 (3.83% yield)(4)

BUILT ON A FORTRESS BALANCE SHEET

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

(1) Non-GAAP calculation, see Appendix (2) Ex-PPP; Non-GAAP calculation, see Appendix (3) Revenue consists of net interest income plus noninterest income, excluding security gains and losses
(4) Based on BUSE closing stock price on 10/24/22

Experienced Management Team

Van A. Dukeman
Chairman, President & CEO, First Busey Corp.

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

Robin N. Elliott
President & CEO, Busey Bank

Joined Busey in 2006 and led various finance functions prior to serving as CFO/COO and now Bank President/CEO. Mr. Elliott has played instrumental roles in executing various strategic and growth initiatives. Before joining Busey, Mr. Elliott worked for Ernst & Young.

Jeffrey D. Jones
EVP & CFO

Joined Busey in August 2019, bringing his nearly 20 years of investment banking and financial services experience to Busey. Mr. Jones previously served as Managing Director and Co-Head of Financial Institutions at Stephens Inc. Mr. Jones began his career in the Banking Supervision and Regulation division of the Federal Reserve.

Monica L. Bowe
EVP & Chief Risk Officer

Joined Busey in January 2020 with nearly 25 years of financial leadership experience. Previously, Ms. Bowe served as Senior Director of Operational Risk Program Management at KeyBank. Ms. Bowe offers experience in M&A due diligence, effective navigation of key risk areas and dedication to continuous improvement towards enterprise-wide risk management strategies.

John J. Powers
EVP & General Counsel

Joined Busey in December 2011 and has over 40 years of legal experience. Prior to joining Busey, he was a partner in the law firm of Meyer Capel, where he specialized in serving the financial services industry.

Amy L. Randolph
Chief of Staff & EVP of Pillar Relations

Joined Busey in 2008 and now leads many areas, including: corporate strategy, marketing & communications, community relations, human resources, as well as M&A integration and other key projects and strategic initiatives. Prior to joining Busey, Mrs. Randolph worked for 10+ years with CliftonLarsonAllen LLP.

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

Joined Busey in 1984, serving in the role of Vice Chairman of Credit, Chief Banking Officer or Chief Credit Officer since 2010 and chairing all Credit Committees. Mr. Plecki previously served as COO, President & CEO of Busey Wealth Management, and EVP of the Florida and Champaign markets. Prior to the 2007 merger with First Busey, he served in various management roles at Main Street Trust.

Chip Jorstad
EVP & President of Credit and Bank Administration

Joined Busey in 2011 and has over 15 years of experience in the banking industry. Before being named President of Credit and Bank Administration in 2022, he served as Co-Chief Banking Officer for two years. Mr. Jorstad has also held the role of Regional President for Commercial Banking – overseeing business banking efforts, including Agricultural, Commercial, Construction and Real Estate financing.

Willie B. Mayberry
EVP & President of Regional Banking

Joined Busey in 2021 where he focuses on developing strategic growth opportunities and product development with an emphasis on well-capitalized banking. Prior to Busey, Mr. Mayberry was with PNC, serving as EVP & Director of Strategy and Planning for the Commercial Bank. With over 30 years of financial and commercial banking experience, he previously served as the Midwest Business Banking Regional Executive and National Sales Leader of Treasury Services for JPMorgan Chase.

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

Joined Busey in June 2022 to lead the Consumer, Community, Mortgage and Digital Banking teams. Mr. Sheils' nearly 25 years of banking experience includes serving as the Head of Retail Banking at MB Financial. Prior to his shift to retail, he led teams in Commercial Banking at MB Financial and at LaSalle Bank. Mr. Sheils brings seasoned expertise in consumer and small business strategy, call center management, retail operations, deposit and income growth, product development and enhancing digital options.

Jeff D. Burgess
EVP & President of Busey Wealth Management

Joined Busey in 2021, leading the team that provides asset management, investment and fiduciary services to individuals, businesses and foundations. Mr. Burgess formerly served as President of Commerce Brokerage Services, Inc., and was Director of Business Development for the east region of Commerce Trust Company. Previously, he served as Vice President of Sales Operations for Fisher Investments in Woodside, California.

Farhan Yasin
President & CEO, FirsTech CTO, Busey Bank

Joined Busey in 2020 in his current role. Mr. Yasin is a seasoned technology operator, founder, investor and advisor, working with technology companies across the globe. His experience includes working with Groupon, CareerBuilder, Accenture, and KKR. Mr. Yasin has been a member of the Illinois Bar Association since 2003.

Strong Regional Operating Model

Our go-to-market strategy utilizes a regional operating model where we combine the power of commercial & wealth to provide a broad set of solutions for our customers

Northern

Banking Centers:
10

Deposits:
$1.9 billion

Avg. Deposits Per Branch:
$186.9 million

Median HHI:
$83,335

Gateway

Banking Centers:
20

Deposits:
$2.8 billion

Avg. Deposits Per Branch:
$141.3 million

2022 Pop:
2.8 Million

Central

Banking Centers:
25

Deposits:
$5.4 billion

Avg. Deposits Per Branch:
$215.2 million

DMS Rank:
Top 4 in four MSAs

Florida

Banking Centers:
3

Deposits:
$458.1 million

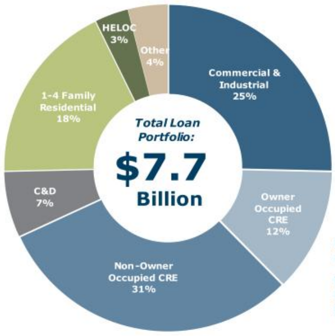
Avg. Deposits Per Branch:
$152.7 million

2022-27 Pop. Growth:
6.0% versus U.S. avg. 3.2%

Source: US Census Claritas data as of most recent date available & 2022 FDIC Summary of Deposits

High Quality Loan Portfolio

Loan Portfolio Composition – Q3 2022



MRQ Yield on Loans

3.98%

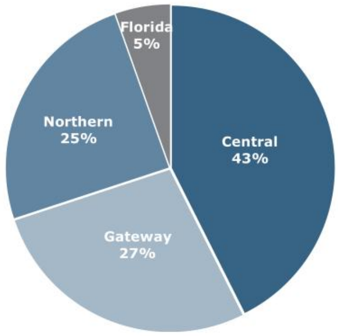
Classified Lns / Capital [(1)]

7.4%

New Originations YTD 2022

- New CRE-I originations had a weighted-avg LTV of 62%
- New C&I originations were low levered with WAvg Total Funded Debt to EBITDA of 2.7x

Loan Portfolio Regional Segmentation [(2)]



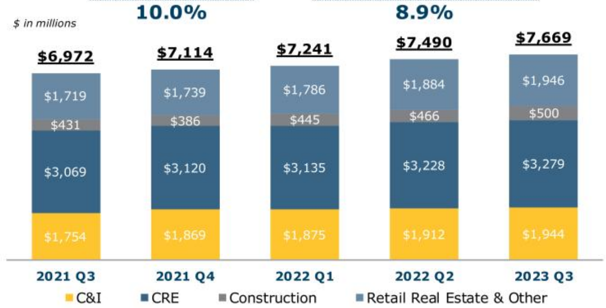
Ex-PPP Loans Trends

LTM Core Growth [(3)]

10.0%

LTM Commercial Growth [(3)]

8.9%

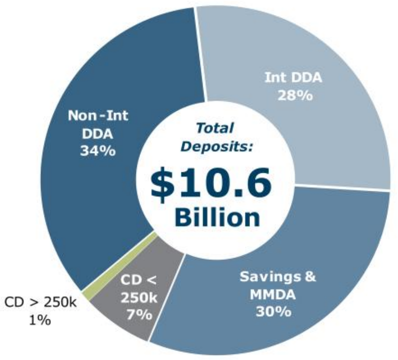


Funded Draws & Line Utilization Rate [(4)]

(1) Capital is Bank Tier 1 Capital + Allowance for credit losses (2) Based on loan origination (3) Busey loans ex-PPP (4) Excludes credit card & overdraft protection & includes tranche loan commitments/associated sub notes

Top Tier Core Deposit Franchise

Deposit Portfolio Composition – Q3 2022

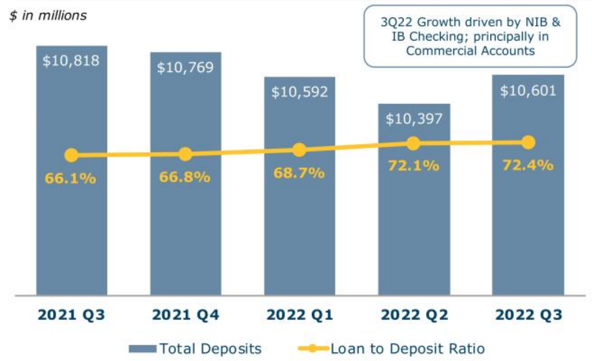


MRQ Avg Cost of Deposits
0.13%

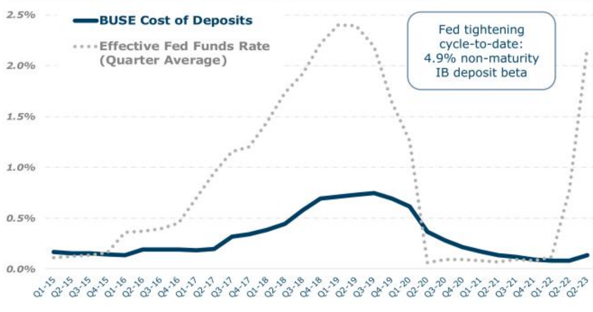
MRQ Avg Cost of Non-Time Deposits
0.11%

Avg Deposits per Branch
$183 million

Total Deposits & Loan to Deposit Ratio



Historical Cost of Deposits, 2015 – Q3 2022 (1)



Core Deposits (2) / Total Deposits

(1) Quarterly effective fed funds per FRED, Federal Reserve Bank of St. Louis. Average during quarter, not seasonally adjusted (2) Non-GAAP calculation, see Appendix

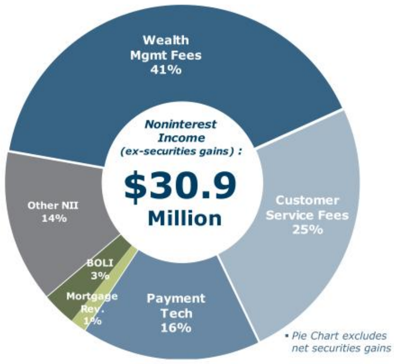
Diversified and Significant Sources of Fee Income

- Noninterest income represented 26.4% of revenue (ex-securities gains/losses) in 3Q22
- Key businesses of wealth management and payment technology solutions contributed 56.9% of noninterest income (ex-securities gains/losses) in 3Q22
- YoY decline in noninterest income attributable to continued impact of market declines on wealth management and lower Customer Services fees due to Durbin Amendment impact that began 7/1/22
  - Durbin Amendment impact in 3Q22 resulted in reduction in fees of $2.4 million
  - Excluding Durbin Amendment impact, 3Q22 fees for customer services is up 8% YoY & total noninterest income (ex-securities gains) is up 0.5% YoY

Noninterest Income / Total Revenue [(1)]

Sources of Noninterest Income

Noninterest Income Detail	2021 Q3	2022 Q3	YoY Change
Wealth Management Fees	$13,749	$12,508	*-9%*
Fees for Customer Services	$9,288	$7,627	*-18%*
Payment Technology Solutions	$4,620	$5,080	*10%*
Mortgage Revenue	$1,740	$438	*-75%*
Income on Bank Owned Life Insurance	$999	$958	*-4%*
Net Securities Gains (Losses)	$57	$4	*NM*
Other Noninterest Income	$2,806	$4,318	*+54%*
Total Noninterest Income	**$33,259**	**$30,933**	***-7%***



- *Pie Chart excludes net securities gains*

(1) Includes net security gains and losses

Fully Integrated Wealth Management Platform

Six Distinct Teams

Private Wealth Advisor
- Risk-return optimization
- Specialized strategies for tax efficiency

Portfolio Management
- Institutional approach
- Corporate retirement plan advisory
- Consistent track record of outperformance

Legacy Planning
- Philanthropic advisory
- Tax-efficient wealth transfer & asset protection

Tax Planning & Preparation
- Deduction maximization & tax-advantaged savings strategies
- 1040 & 1041 preparation by in-house team

Wealth Planning
- Tax-advantaged retirement savings maximization
- Goal tracking, projections & stress testing

Private Client
- Concierge banking with one point of contact
- Complete and simplified coordination of all banking needs

Our wealth management business provides effective and high-touch solutions for high-net-worth individuals. Our clients work with a dedicated team of financial professionals, with each team member bringing their specialized focus to add value to each client's personal situation. With financial planning at the core of our client experience, we leverage the collective expertise of the team to streamline the delivery of our investment strategy and holistic wealth services, in a cohesive, consolidated manner.

PERSONAL CFO
Trusted, dedicated team of financial professionals that understand your situation and ambitions, creating a strategic vision and implements the plan to achieve your goals.

TAX PLANNING & MANAGEMENT
Minimize tax impacts due to income shifts and capital events and ensure overall tax-efficience, while also leaving the burden of tax preparation to us.

WEALTH PRESERVATION
Protect and retain your assets through multi-generational estate planning strategies and trust administration services.

HOUSEHOLD MANAGEMENT
Have your bills paid and your monthly expenses budgeted so you can focus on enjoying your everyday lifestyle.

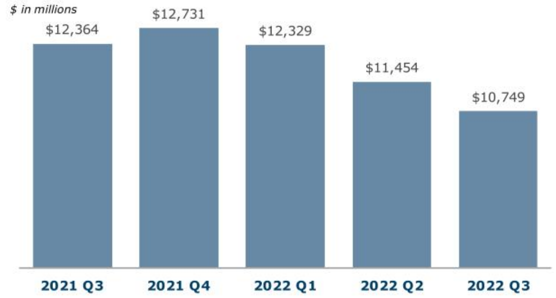
LEGACY PLANNING
Preserve your values, traditions and wishes across generations, and support education, efficient wealth transfer to heirs and philanthropic giving.

INVESTMENT MANAGEMENT
Global oversight and management of your investment portfolio through a unified, tax-efficient approach while also controlling risk and enhancing diversification.

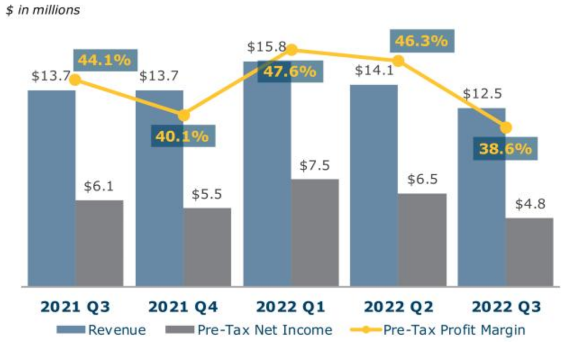
Wealth Management

- Assets under care of $10.8 billion, a QoQ decrease of $705 million, predominantly due to reduction in market valuations during 3Q22
- Wealth revenue of $12.5 million, a YoY decrease of 9.0% and pre-tax net income of $4.8 million, a YoY decrease of 20.4%
- Pre-tax profit margin of 38.6% in 3Q22 and 43.4% over the last twelve months
- The investment team continues to produce excellent returns, outperforming benchmarks over multiple measurement periods
  - The team's blended portfolio outperformed the blended benchmark[1] by 181 bps YTD
- Continued rotation from low-fee customer exits to acquiring new higher-fee customers
- Ongoing account fee structure initiatives expected to generate incremental revenue growth over the next twelve months

Wealth - Assets Under Care



Wealth – Revenue & Pre-tax Income [2]



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

Scalable Payment Technology Solutions Platform

Renew & Expand Core Business

- Money movement that allows our customers to accelerate revenue realization
- Frictionless payments across FirsTech's omnichannel, single vendor solution, online and offline
- Securely protects customers – FirsTech subject to Bank Regulatory Compliance and Audits
- Use the bank as a lab to build & perfect products for our customers

3Q Case Study: *An existing FirsTech enterprise client was referred to the commercial team and subsequently became a new commercial client for the bank. Growing this relationship allowed FirsTech to expand its service offerings and FirsTech can now provide all possible payment solutions for this client.*

Primary Core Verticals – Highly Regulated Industries

- Utilities
- Telecom
- Insurance
- Municipalities

Primary BaaS Vertical

- Community Banks & Credit Unions

Innovating for Growth

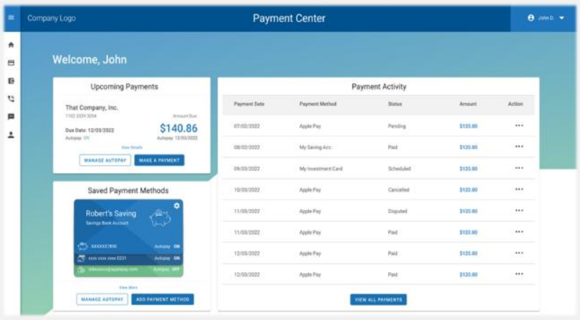
BaaS Solution

- Out-of-the-box customized payment solution with attractive & adaptive UX
- Customers can offer white-labeled web & mobile platforms to their clients
- API connection to customer's existing core for seamless integration
- Revenue generated from one-time setup fee, recurring SaaS fee, and revenue share per transaction above certain processing thresholds

SMB Vertical

- Turnkey application that enables customers to move to an ecommerce platform & accept payments
- Strategy of leading with Merchant Processing equipment sales, then demonstrate value of upgrading to ecommerce platform to existing customers

FirsTech's customized payments platform



FirsTech

- LTM revenue of $21.3 million, an increase of 12% over the prior twelve-month period
- Finalized upgrades of IVR solution for customers during 3Q22; new tech provides superior experience
- Continue to invest and build-out the BaaS offering initiative. YTD hired and trained four new associates focused on BaaS and conducted more than 250 meetings with potential customers
- Pipeline continues to build – regularly track progress to adapt go-to-market sales strategies
- The value of customized payments-enabled software platforms from an ODFI-sponsored company resonates with potential customers
- Average processing revenue per processing day increased in 3Q22 to $83,566 from $80,073 in 2Q22, or more than 4%
- Strong revenue growth metrics in key business lines that have been targeted for investment to-date

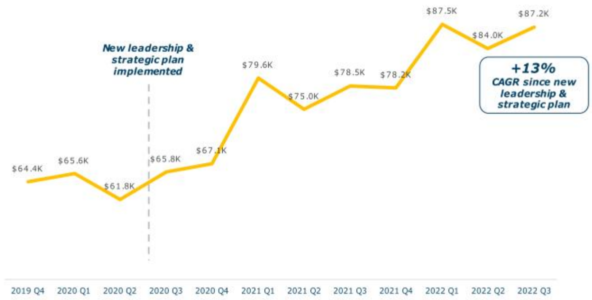
$11 billion *Payments processed annually (1)*

34 million *Transactions processed per year (2)*

Revenue Growth (3)

$19.0 million	+12.2%	$21.3 million
9/30/21 LTM		9/30/22 LTM

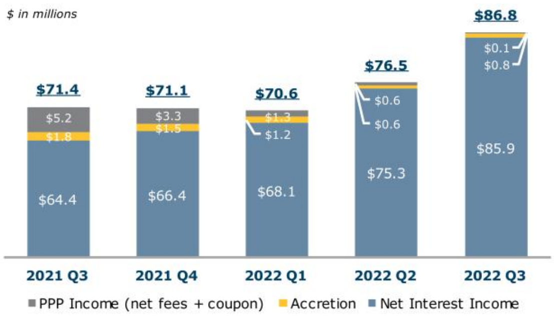
Total Revenue Per Day (4) Trend



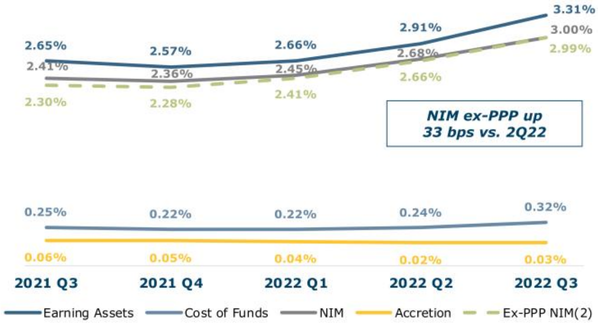
(1) LTM total payments processed (2) LTM total transactions processed (3) Non-GAAP, revenue equates to all revenue sources tied to FirsTech and excludes intracompany eliminations (4) Revenue per processing day

Net Interest Margin

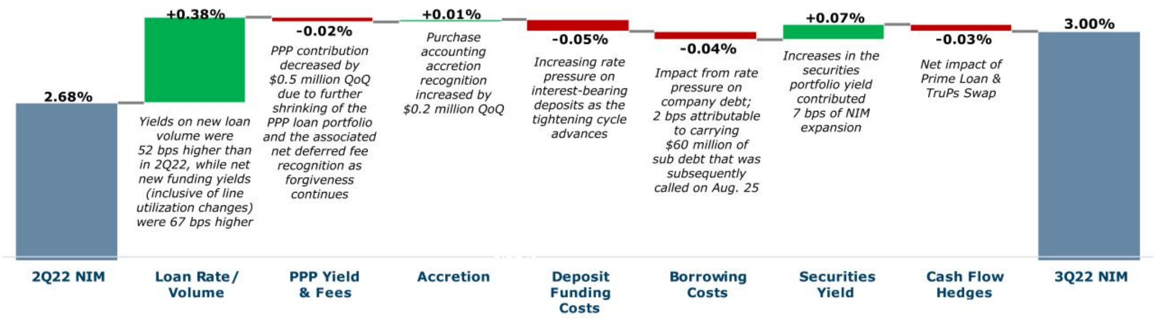
Net Interest Income [1]



Net Interest Margin [1]



Net Interest Margin Bridge – *Factors contributing to **32 bps** NIM increase during quarter*



(1) Tax-equivalent adjusted amounts; Non-GAAP, see Appendix (2) Non-GAAP; Ex-PPP NIM removes the balance of PPP loans and associated income as well as the equivalent amount of self-funding noninterest-bearing deposits

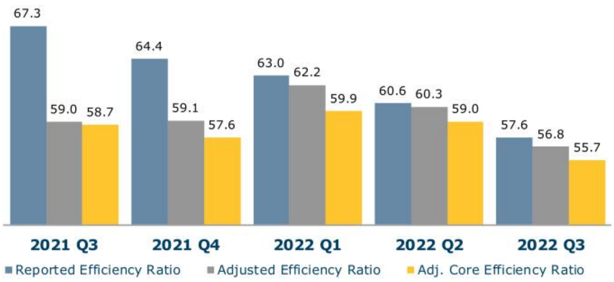
Focused Control on Expenses

Noninterest Expense

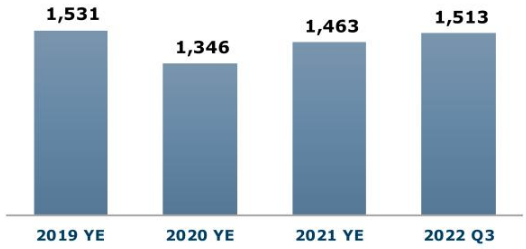
	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3
Noninterest Exp.	$73.5	$71.2	$70.4	$69.1	$70.7
Unfunded Provision	($1.0)	$0.3	$1.1	($0.3)	($0.3)
Acq./Restructuring Exp.	$8.7	$5.6	$0.8	$0.3	$1.0
Intangible Amort.	$3.1	$3.1	$3.0	$3.0	$2.9
NMTC Amort.	$1.2	$1.3	$1.3	$1.7	$1.7
Adj. Core Exp. (1)	$61.4	$60.9	$64.1	$64.4	$65.6

- Adjusted core expenses(1) of $65.6 million in 3Q22
- Continued investment in talent across our business lines, risk management infrastructure and organic growth opportunities
    - QoQ variance in adjusted core expenses attributable to compensation expense
- Subsequent to quarter-end, implemented a targeted restructuring & efficiency optimization plan
    - Projected to generate annual salary & benefits savings of $4.0 to $4.4 million that we expect to reinvest in growth initiatives across our franchise
    - Associated one-time severance-related costs of $1.1 to $1.3 million are expected, mostly to be realized in 4Q22
- Over prior two years, reduced branch count from 87 (proforma for GSB) to 58, while increasing average deposits per branch from $113 million at 9/30/20 to $183 million at 9/30/22

Efficiency Ratio (1)



Full-Time Equivalents (FTE)



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

Continued Investment in Technology Enterprise-Wide

2022 Tech Investment Highlights

Investment Legend

- **Enhanced Customer Experience** (yellow)
- **Scale & Efficiency Upgrades** (blue)

Q1

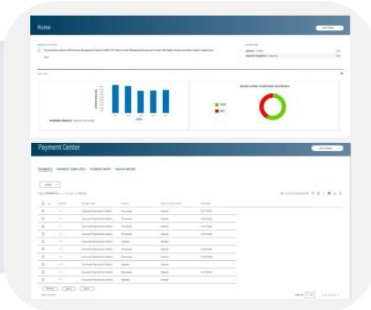
- FirsTech launched new one-time payments platform for Busey Bank customers

Q2

- Launched integrated payables platform, offering commercial clients a portal to manage their payables process
- Mortgage eClosing option integrated into retail platforms; has reduced the loan closing process time by 75%
- Launched dedicated Busey Wealth Management mobile app

Q3

- Upgraded treasury management solution for more robust customer functionality & more detailed internal reporting
- Launched new IT security operations partnership that enhanced 24x7x365 support for monitoring of security alerts & events, incident response & remediation
- Launched new robust & integrated intranet to support growing communication and education needs



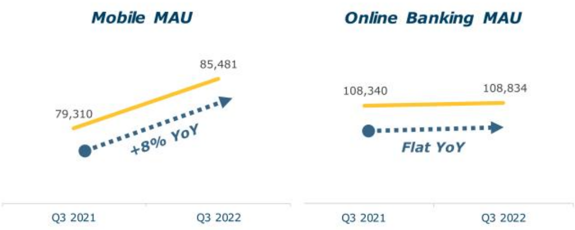
Q4

- Complete migration of disaster recovery environment to cloud

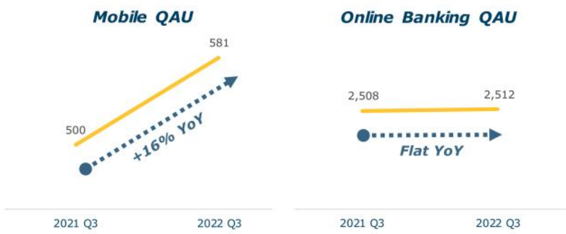
Rising Digital Banking Adoption

Digital engagement of customers continues growth trajectory

Consumer Monthly Active Users (1)



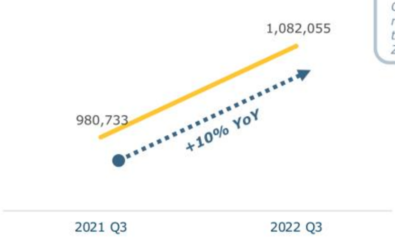
Commercial Quarterly Active Users (2)



Glenview State Bank was integrated into the Bank during 3Q21, further driving YoY digital adoption

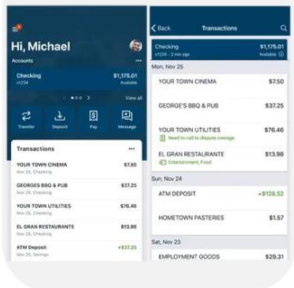
Customer base increasingly relying on self-service features

Consumer Mobile & Online Transaction Activity (Counts, actual)

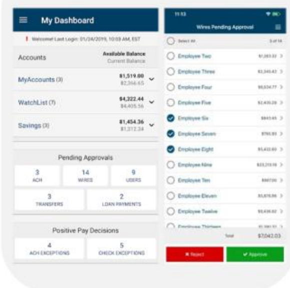


Total Consumer Mobile & Online activity includes remote deposits, transfers, bill pay, and Zelle transactions

Busey Mobile App



Busey Treasury Management Mobile App



(1) Customer has logged in at least once in the 30 days preceding period-end (2) Customer has logged in at least once in the 90 days preceding period-end

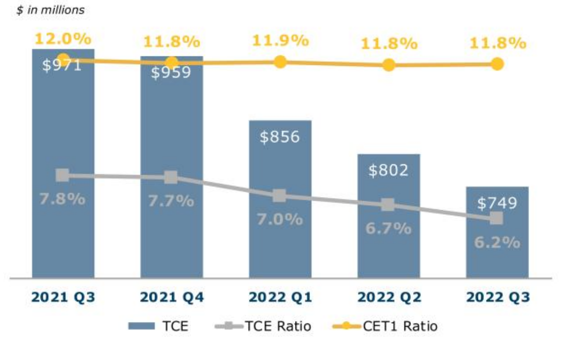
Fortress Balance Sheet

Robust Capital Foundation	▪ Capital ratios significantly in excess of well-capitalized minimums ▪ Total RBC of 16.0% and CET1 ratio of 11.8% at 9/30/22 (1) ▪ TCE/TA ratio of 6.17% at 9/30/22 (2) ▪ TBV per share of $13.39 at 9/30/22 (2) ▪ $100 million of subordinated debt raised in 2Q22 ▪ $60 million of callable subordinated debt issued in 2017 was redeemed on 8/25/22
High Quality, Resilient Loan Portfolio	▪ Diversified portfolio, conservatively underwritten with low levels of concentration ▪ Non-performing (0.14% of total assets) and classified assets (7.4% of capital (3)) both remain near historically low levels ▪ Reserves remain above initial Day 1 CECL coverage of 1.06%: ACL/Loans: 1.18% (4) | ACL/NPLs: 544.75% ▪ 100 / 300 Test: 37% C&D | 213% CRE
Strong Core Deposit Franchise & Ample Liquidity	▪ Robust holding company and bank-level liquidity ▪ Strong core deposit franchise ▪ 72.4% loan-to-deposit ratio, 99.0% core deposits (2) ▪ 34.2% of total deposits are noninterest-bearing ▪ Borrowings accounted for approximately 3.1% of total funding at 9/30/22 ▪ Substantial sources of off-balance sheet contingent funding ($4.1 billion)

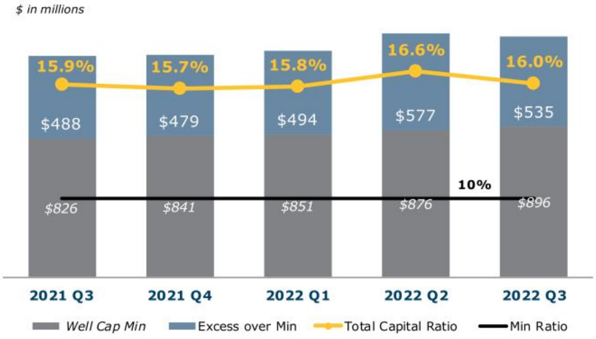
(1) Capital ratios are preliminary estimates (2) Non-GAAP calculation, see Appendix (3) Capital calculated as Bank Tier 1 Capital + Allowance for credit losses (4) Excluding amortized cost of PPP loans

Robust Capital Foundation

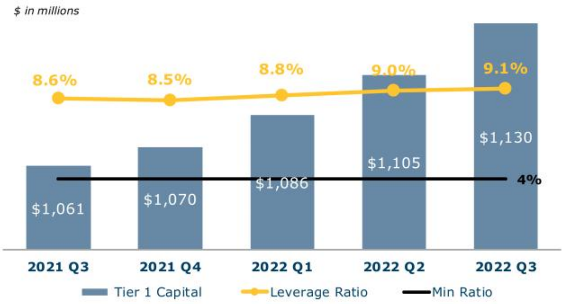
Tangible Common Equity (1) & CET1 Ratios (2)



Total Capital Ratio (2)



Leverage Ratio (2)



Consolidated Capital as of 9/30/22 (2)

$ in millions

	Common Equity Tier 1 Ratio	Tier 1 Capital Ratio	Total Capital Ratio
Capital Ratio	11.8%	12.6%	16.0%
Minimum Well Capitalized Ratio	*6.5%*	*8.0%*	*10.0%*
Amount of Capital	$1,056	$1,130	$1,431
Well Capitalized Minimum	*$582*	*$717*	*$896*
Excess Amount over Minimum	$474	$413	$535

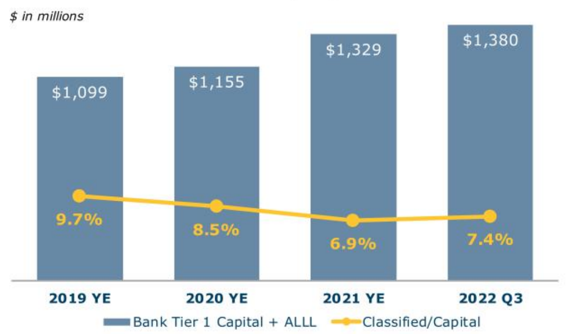
(1) Non-GAAP calculation, see Appendix (2) 3Q22 capital ratios are preliminary estimates

Pristine Credit Quality

- Conservative underwriting leads to pristine credit quality
  - CRE factors of DSCR, Debt Yield, & LTV stressed for effective gross income decline and interest & cap rate stress
  - C&I factors including core, operating, traditional cash flows, working capital, and leverage ratios that each are stressed for rate hikes, historical revenue volatility, and a rigorous breakeven analysis
- Strong portfolio management that identifies early warning indicators and proactively engages the special assets group early in the credit review process (special assets group has remained intact since the Global Financial Crisis)
- Non-performing asset, classified asset, and net charge-off ratios remain near historically low levels
- Company-wide attention to changing economic environment and potential impact on credit
- LTM net charge-offs total $1.1 million, which equates to 0.02% of LTM average loans

NPAs / Assets

Classifieds / Capital (1)



NCOs / Average Loans

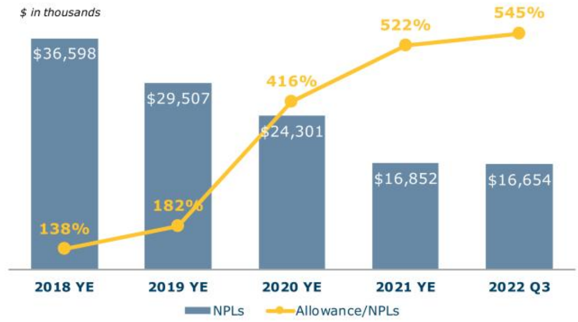
(1) Capital calculated as Busey Bank Tier 1 Capital + Allowance for credit losses

Reserve Supports Credit & Growth Profile

- Reserve to loans of 1.18% (ex-PPP)
  - Day 1 CECL coverage was 1.06%
- Non-performing loan balances remain near historically low levels and decreased by $0.8 million QoQ
- Reserves to NPLs now equal to 545%

Allowance / Loans (ex-PPP)

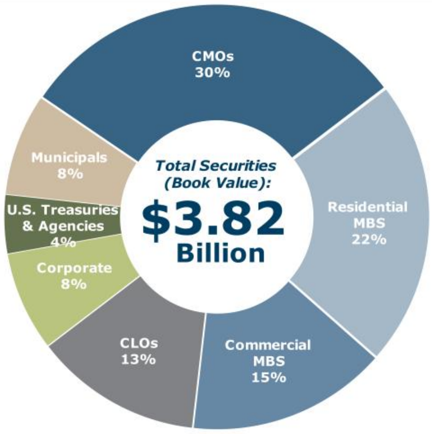
Allowance / NPLs



Allowance / NPAs

Balanced, Low-Risk, Short-Duration Investment Portfolio

Investment Portfolio Composition – Q3 2022



- All Mortgage-Backed Securities & Collateralized Mortgage Obligations are Agency
- 90% of Municipal holdings rated AA or better and 9% rated A
- 100% of Corporate holdings are investment grade
- Collateralized Loan Obligation portfolio consists of 86% rated AAA and 14% rated AA

- BUSE carried $936 million in held-to-maturity (HTM) securities as of 9/30/22
  - Transferred a portion of the portfolio comprised of Agency RMBS & CMBS from available-for-sale (AFS) to HTM during 1Q22
- The duration of the securities portfolio including HTM is 4.1 years and our fair value duration, which excludes the HTM portfolio, is 3.8 years
- After-tax net AFS unrealized loss position of $328.8 million
- Carrying value of investment portfolio is 28% of total assets
- Projected remaining 2022 roll off cash flow (based on static rates) of $150 million at ~1.75% yield
- Over the last two quarters the investment portfolio's book value has reduced by $254 million as balance sheet rotation into loans continues

Securities Portfolio – Book Value vs. TE Yield

Actively Managing Asset-Sensitive Balance Sheet

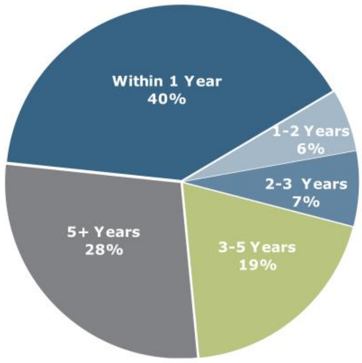
- Balance sheet remains materially asset-sensitive
- Vigilant focus on pricing discipline for both loans and deposits
- 40% of loan portfolio reprices in less than one year
- Less than 4% of deposits are indexed/floating rate
- Tightening cycle-to-date deposit beta of 5% vs. conservative ALCO model assumption of 30%

Annual % Change in Net Interest Income under Shock Scenarios

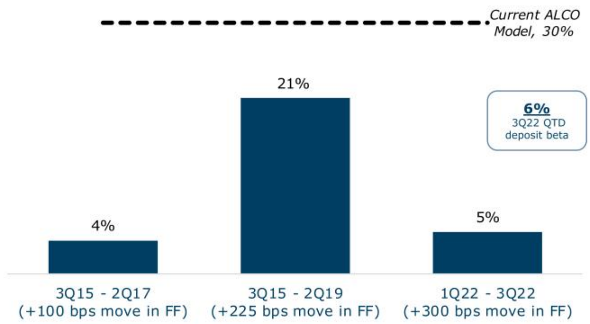
Rate Shock	Year 1	Year 2
+300 bps	+13.8%	+16.8%
+200 bps	+9.2%	+11.1%
+100 bps	+4.6%	+5.5%
-100 bps	-5.8%	-7.2%

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

Repricing / Maturity Structures of Portfolio Loans



IB Non-Maturity Deposit Betas [1] in Last Tightening Cycle vs. Current ALCO Model



(1) Deposit betas are calculated based on an average fed funds target rate of 2.35% during 3Q22

Quarterly Earnings Review

Net Interest Income	▪ Net interest income was $86.3 million in 3Q22 vs. $75.9 million in 2Q22 and $70.8 million in 3Q21 ▪ Net interest margin (1) was 3.00% in 3Q22, an increase of 32 bps vs. 2.68% in 2Q22 ▪ Adjusted net interest margin (1) (ex-PAA) was 2.97% in 3Q22, an increase of 31 bps vs. 2.66% in 2Q22 ▪ Primary factors contributing to the quarter's NIM expansion was the growth of the loan portfolio combined with higher new volume rates & repricing rates (38 bps increase) and securities portfolio yield (7 bps increase), offset partially by increased funding costs ▪ Total 3Q22 deposit growth of $204 million, primarily in Commercial noninterest-bearing & interest-bearing checking accounts and offset by $114 million in total retail deposit outflow
Noninterest Income	▪ Noninterest income (ex-securities gains/losses) of $30.9 million in 3Q22, representing 26% of revenue ▪ Wealth management fees of $12.5 million in 3Q22, down from $14.1 million in 2Q22 and down 9% YoY driven primarily by reduction in market valuations ▪ Payment tech solutions revenue of $5.1 million in 3Q22, up from $4.9 million in 2Q22 and up 10% YoY ▪ Fees for customer services of $7.6 million in 3Q22, down 20% QoQ and down 18% YoY, attributable to impact from Durbin Amendment ($2.4 million impact in 3Q22)
Noninterest Expense	▪ Adjusted noninterest expense (1) (ex-amortization of intangibles, one-time acquisition and restructuring related items) of $66.9 million in 3Q22, resulting in a 56.8% adjusted efficiency ratio (1) ▪ Adjusted core noninterest expense (1) of $65.6 million (ex-amortization of intangible assets, unfunded commitment provision, NMTC amortization, and one-time items) in 3Q22, equating to 55.7% adjusted core efficiency ratio (1)
Provision	▪ $2.4 million loan loss provision expense ▪ $0.3 million negative provision for unfunded commitments (captured in other noninterest expense) ▪ Net charge-offs of $0.4 million in 3Q22
Earnings	▪ Adjusted net income of $36.4 million or $0.65 per diluted share (1) ▪ Adjusted pre-provision net revenue of $48.8 million (1.54% PPNR ROAA) in 3Q22 (1) ▪ 1.15% Adjusted ROAA and 17.79% Adjusted ROATCE in 3Q22 (1)

(1) Non-GAAP, see Appendix

Earnings Performance

Adjusted Net Income & Earnings Per Share [1]

Adjusted ROAA & Adjusted ROATCE [1]

Adjusted Pre-Provision Net Revenue / Avg. Assets [1]

Historical Key Rates [2]

(1) Non-GAAP calculation, see Appendix (2) Per FRED, Federal Reserve Bank of St. Louis

Environmental, Social and Governance Responsibility

Building on 150 Years of Excellence | Advancing a Comprehensive ESG Strategy

*Launched **Thrive**, a high-performance associate development series dedicated to support continuous learning no matter where associates are on their career path.*

*Partnered with the Ecology Action Center, a local environmental nonprofit, planting **1,500 new trees** in honor of Associate Appreciation Month.*

Commitment to Environment

- Helping our clients reduce their footprint from sustainable agriculture to green construction, financing for solar arrays, energy efficiency improvements, and more.
- Recycling nearly 500 tons of paper and saving nearly 2 million kilowatts of energy in 2021 alone.
- Providing all associates training on how to reduce their environmental impact at home and in the office.

Commitment to People

- Donating more than $1 million annually and volunteering over 10,000 hours in 2021.
- Attracting and retaining talent across a diverse set of backgrounds and experiences and investing in associate wellness and training and development.
- Building upon a legacy of corporate responsibility through an Enterprise Community Banking program.

Commitment to Strong Governance

- Leading at the Board and Executive level with a team of diverse backgrounds and experiences.
- Adhering to a stringent code of ethics set forth standards that all Executives, Directors and Officers are expected to follow.
- Prioritizing strong corporate governance – employing sustainable and scalable processes, policies, and customs – exceeding industry metrics.

First bank to be Illinois Green Business Association certified in 2012

Over $16 million in commitments to new green construction (1)

2022 Associate Engagement Score is the **highest in Busey's history** at 4.28/5.00 (2)

8.5 years average tenure (3)

95% engagement in wellness program (3)

Strong **7% insider ownership** (1)

40% of Board have underrepresented backgrounds, with diverse lengths of tenure (1)

ISS Score (4) (1-10 Range, lower is better)	Environmental Disclosures	Social Disclosures	Governance Risk
	3	4	2

Sustainalytics Score (5) (Lower is better – Proxy Peers average 29.5): **29.1** BUSE Score

To view the full Corporate Social Responsibility Report, visit busey.com/CSR.

(1) Definitive Proxy filed 4/14/22 (2) Gallup-conducted survey completed Apr. 2022; first conducted in 2014 (3) Annual Report filed 4/26/22 (4) Last ISS Governance data profile update: 3/28/22; Last ISS E&S data profile update: 9/10/21 (5) Sustainalytics Scores updated through 10/12/22. Reporting peer group is: ABCB, BANF, CUBI, EFSC, FFBC, FIBK, FRME, GBCI, HOMB, HTLF, ONB, PRK, RNST, SFBS, SFNC, STBA, TRMK, WSBC

APPENDIX

Hurricane Ian Response

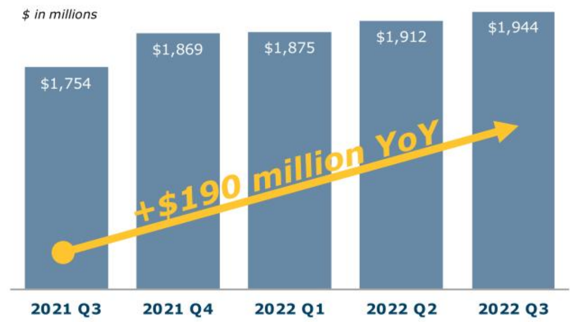
On September 28, 2022, Hurricane Ian made landfall in southwest Florida, impacting our operations in the region, and we continue to assess the effects. We are focused on assisting our customers and associates as they navigate the challenges posed from this historic storm.

- Quickly re-established operations at Florida locations
  - Through dedicated work from teams across Busey and determination by Florida associates, we were able to reopen two of three branches with normal operating hours within two weeks of the storm's landfall
  - Establishing an on-site mobile branch to provide temporary service to customers affected by the one damaged location that was unable to fully reopen
- Set up dedicated hotline & webpage for impacted customers – resources include insurance claim guide, fraud education and government assistance information
- Fee waivers & deferrals for impacted customers – fees incurred from Sept. 28 through Oct. 31 are being waived
- One office location set up as a Relief Center for associates to gather, stock up on needed supplies and utilize office space
- Providing financial assistance to associates & their families through an associate assistance fund and additional direct monetary distributions to cover critical necessities
- Every Florida-based associate continued to be paid regular wages regardless of ability to work through the impact period and provided all Florida associates additional personal days to help meet with insurance adjusters, contractors, etc.
- Dedicated to helping rebuild the area through lending of funds for commercial & retail projects; proactive customer outreach for the SBA programs of Home Disaster Loans, Business Physical Disaster Loans, and Economic Injury Disaster Loans
- Implementing a payment relief modification program for existing commercial customers
  - Offered in 3-month increments of interest-only or full payment deferral
  - Options are available on fully-secured pass or watch rated term loans
    - Relief for other loan segments require approval by loan committee or special assets group
- Completed third-party inspections of all properties in our CRE portfolio located in the impacted region

High Quality Loan Portfolio: C&I

- 25.3% of total loan portfolio (ex-PPP loans)
- All C&I loans are underwritten to 1.20x FCCR requirement and RLOCs greater than $1 million require a monthly borrowing base
- Diversified portfolio results in low levels of concentrated exposure
  - Top concentration in one industry (manufacturing) is 15% of C&I loans, or 4% of total loans
- Only 2.3% of C&I loans are classified
  - Manufacturing classified balances are primarily one credit ($16 million outstanding) in the Transportation subsector that is experiencing persistent pandemic impacts; relationship was downgraded from special mention to classified during 2Q22

Total C&I Loans [1]



C&I Loans by Sector (ex-PPP)

$ in thousands NAICS Sector	9/30/22 Balances (ex-PPP)	% of Total Loans (ex-PPP)	9/30/22 Classified Balances
Manufacturing	$292,976	3.8%	$19,968
Finance and Insurance	$232,984	3.0%	$0
Real Estate Rental & Leasing	$217,743	2.8%	$1,142
Wholesale Trade	$200,216	2.6%	$486
Educational Services	$177,569	2.3%	$0
Construction	$172,692	2.3%	$2,505
Health Care and Social Assistance	$104,805	1.4%	$6,780
Agriculture, Forestry, Fishing	$97,677	1.3%	$1,547
Food Services and Drinking Places	$74,233	1.0%	$693
Public Administration	$74,163	1.0%	$0
Transportation	$68,848	0.9%	$79
Retail Trade	$70,625	0.9%	$3,989
Other Services (except Public Admin)	$50,940	0.7%	$59
Professional, Scientific, & Tech Svcs	$44,304	0.6%	$4,754
Arts, Entertainment, and Recreation	$29,494	0.4%	$2,107
Administrative and Support Services	$16,356	0.2%	$814
Mining, Quarrying, & Oil & Gas Extr.	$7,271	0.1%	$0
Waste Management Services	$6,632	0.1%	$0
Information	$2,743	0.0%	$0
Management of Cos. & Enterprises	$1,125	0.0%	$0
Utilities	$735	0.0%	$0
Grand Total	**$1,944,128**	**25.3%**	**$44,922**

(1) Ex-PPP loan totals include purchase accounting, FASB, overdrafts, etc.

High Quality Loan Portfolio: CRE

Owner Occupied CRE Loans by Property Type

$ in thousands Property Type	9/30/22 Balances	% of Total Loans (ex-PPP)	9/30/22 Classified Balances
Industrial/Warehouse	$328,708	4.3%	$2,166
Specialty	$222,777	2.9%	$1,118
Medical Office	$148,490	1.9%	$0
Traditional Office	$115,069	1.5%	$480
Retail	$64,149	0.8%	$2,108
Restaurant	$57,033	0.7%	$2,904
Nursing Homes	$1,470	0.0%	$0
Health Care	$999	0.0%	$0
Other	$898	0.0%	$0
Hotel	$614	0.0%	$0
Apartments	$433	0.0%	$0
Student Housing	$105	0.0%	$0
Grand Total	**$940,744**	**12.3%**	**$8,776**

Total CRE: CRE-I and OOCRE Portfolio

- Only 1.3% of total CRE loans and 1.4% of CRE-I loans are classified
- CRE-I permanent financing guidance requires 1.15x-1.35x pre-distr. DSCR & 65%-80% LTV depending on property type, with lower of LTC or LTV for construction projects
- Owner-occupied properties are underwritten to operating cash flow and guidance requires a 1.20x FCCR
- Low levels of concentrated exposure
  - Continue to actively monitor CRE-I concentrations vs. internally-defined appetite thresholds
  - Industrial/Warehouse top concentration at 18% of total CRE
  - Over 42% of total Office CRE portfolio is Medical Office, a segment minimally impacted by work-from-home trends; Urban business-district exposure is minimal

Investor Owned CRE Loans by Property Type [1]

$ in thousands Property Type	9/30/22 Balances	% of Total Loans (ex-PPP)	9/30/22 Classified Balances
Apartments	$582,540	7.6%	$731
Retail	$469,075	6.1%	$1,137
Industrial/Warehouse	$315,104	4.1%	$0
Traditional Office	$298,749	3.9%	$537
Student Housing	$237,886	3.1%	$0
Hotel	$210,490	2.7%	$502
Senior Housing	$182,062	2.4%	$0
Medical Office	$154,508	2.0%	$0
LAD	$139,394	1.8%	$2,400
Specialty CRE	$91,318	1.2%	$37
Nursing Homes	$60,373	0.8%	$34,795
Restaurant CRE	$26,744	0.3%	$0
Health Care	$20,000	0.3%	$0
1-4 Family	$14,388	0.2%	$0
Continuing Care Facilities	$14,252	0.2%	$0
Other	$923	0.0%	$0
Grand Total	**$2,817,806**	**36.7%**	**$40,139**

- Apartments & Student Housing represents 29% of CRE-I
  - 61.7% WAvg LTV & 59.9% long-term customers (4+ yrs)
- Nursing Home portfolio has been a primary focus of ongoing monitoring activities since onset of pandemic
  - Customers experienced significant occupancy declines (62.4% avg occupancy of portfolio as of YE 2021) and have been slow to recover
  - Illinois law boosting funding by $700 million annually for Medicaid-funded nursing homes went into effect on 7/1/22; provides new support for Illinois-based customers

(1) Investor owned CRE includes C&D, Multifamily and non-owner occupied CRE

Non-GAAP Financial Information

Pre-Provision Net Revenue, Adjusted Pre-Provision Net Revenue,
Pre-Provision Net Revenue to Average Assets, and Adjusted Pre-Provision Net Revenue to Average Assets
(dollars in thousands)

		Three Months Ended			Nine Months Ended	
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
PRE-PROVISION NET REVENUE						
Net interest income		$ 86,305	$ 75,928	$ 70,755	$ 232,289	$ 200,190
Total noninterest income		30,933	31,019	33,259	97,724	97,715
Net security (gains) losses		(4)	1,714	(57)	2,324	(2,596)
Total noninterest expense		(70,736)	(69,092)	(73,487)	(210,204)	(190,611)
Pre-provision net revenue		46,498	39,569	30,470	122,133	104,698
Non-GAAP adjustments:						
Acquisition and other restructuring expenses		957	303	8,677	2,095	11,710
Provision for unfunded commitments		(320)	(267)	(978)	525	(1,068)
Amortization of New Markets Tax Credits		1,665	1,662	1,240	4,668	4,308
Adjusted pre-provision net revenue		$ 48,800	$ 41,267	$ 39,409	$ 129,421	$ 119,648
Pre-provision net revenue, annualized	[a]	$ 184,476	$ 158,711	$ 120,886	$ 163,291	$ 139,981
Adjusted pre-provision net revenue, annualized	[b]	193,609	165,521	156,351	173,035	159,969
Average total assets	[c]	12,531,856	12,452,070	12,697,795	12,547,816	11,571,270
Reported: Pre-provision net revenue to average assets[1]	[a÷c]	1.47 %	1.27 %	0.95 %	1.30 %	1.21 %
Adjusted: Pre-provision net revenue to average assets[1]	[b÷c]	1.54 %	1.33 %	1.23 %	1.38 %	1.38 %

1. Annualized measure.

Non-GAAP Financial Information

Adjusted Net Income, Adjusted Diluted Earnings Per Share, Adjusted Return on Average Assets, Return on Average Tangible Common Equity, and Adjusted Return on Average Tangible Common Equity
(dollars in thousands, except per share amounts)

		Three Months Ended			Nine Months Ended	
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
NET INCOME ADJUSTED FOR NON-OPERATING ITEMS						
Net income	[a]	$ 35,661	$ 29,824	$ 25,941	$ 93,924	$ 93,523
Non-GAAP adjustments:						
Acquisition expenses:						
Salaries, wages, and employee benefits		—	—	4,462	587	5,587
Data processing		—	—	3,182	214	3,557
Professional fees, occupancy, and other		4	204	776	242	2,309
Other restructuring expenses:						
Salaries, wages, and employee benefits		—	—	257	—	257
Loss on leases or fixed asset impairment		877	99	—	976	—
Professional fees, occupancy, and other		76	—	—	76	—
Related tax benefit		(183)	(46)	(1,773)	(399)	(2,402)
Adjusted net income	[b]	$ 36,435	$ 30,081	$ 32,845	$ 95,620	$ 102,831
DILUTED EARNINGS PER SHARE						
Diluted average common shares outstanding	[c]	56,073,164	56,104,017	56,832,518	56,123,756	55,872,835
Reported: Diluted earnings per share	[a÷c]	$ 0.64	$ 0.53	$ 0.46	$ 1.67	$ 1.67
Adjusted: Diluted earnings per share	[b÷c]	$ 0.65	$ 0.54	$ 0.58	$ 1.70	$ 1.84
RETURN ON AVERAGE ASSETS						
Net income, annualized	[d]	$ 141,481	$ 119,624	$ 102,918	$ 125,576	$ 125,040
Adjusted net income, annualized	[e]	144,552	120,655	130,309	127,844	137,485
Average total assets	[f]	12,531,856	12,452,070	12,697,795	12,547,816	11,571,270
Reported: Return on average assets[1]	[d÷f]	1.13 %	0.96 %	0.81 %	1.00 %	1.08 %
Adjusted: Return on average assets[1]	[e÷f]	1.15 %	0.97 %	1.03 %	1.02 %	1.19 %
RETURN ON AVERAGE TANGIBLE COMMON EQUITY						
Average common equity		$ 1,181,448	$ 1,197,052	$ 1,351,416	$ 1,219,645	$ 1,323,571
Average goodwill and other intangible assets, net		(368,981)	(371,890)	(380,885)	(371,873)	(370,829)
Average tangible common equity	[g]	$ 812,467	$ 825,162	$ 970,531	$ 847,772	$ 952,742
Reported: Return on average tangible common equity[1]	[d÷g]	17.41 %	14.50 %	10.60 %	14.81 %	13.12 %
Adjusted: Return on average tangible common equity[1]	[e÷g]	17.79 %	14.62 %	13.43 %	15.08 %	14.43 %

1. Annualized measure.

Non-GAAP Financial Information

Adjusted Net Interest Income and Adjusted Net Interest Margin

(dollars in thousands)

		Three Months Ended			Nine Months Ended	
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Net interest income		$ 86,305	$ 75,928	$ 70,755	$ 232,289	$ 200,190
Non-GAAP adjustments:						
Tax-equivalent adjustment		543	546	598	1,635	1,778
Tax-equivalent net interest income		86,848	76,474	71,353	233,924	201,968
Purchase accounting accretion related to business combinations		(830)	(599)	(1,799)	(2,588)	(5,682)
Adjusted net interest income		$ 86,018	$ 75,875	$ 69,554	$ 231,336	$ 196,286
Tax-equivalent net interest income, annualized	[a]	$ 344,560	$ 306,736	$ 283,085	$ 312,756	$ 270,030
Adjusted net interest income, annualized	[b]	341,267	304,334	275,948	309,295	262,434
Average interest-earning assets	[c]	11,497,783	11,453,198	11,730,637	11,550,887	10,651,386
Reported: Net interest margin[1]	[a÷c]	3.00 %	2.68 %	2.41 %	2.71 %	2.54 %
Adjusted: Net interest margin[1]	[b÷c]	2.97 %	2.66 %	2.35 %	2.68 %	2.46 %

1. Annualized measure.

Non-GAAP Financial Information

Adjusted Noninterest Expense, Adjusted Core Expense,
Efficiency Ratio, Adjusted Efficiency Ratio, and Adjusted Core Efficiency Ratio
(dollars in thousands)

		Three Months Ended			Nine Months Ended	
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Net interest income		$ 86,305	$ 75,928	$ 70,755	$ 232,289	$ 200,190
Non-GAAP adjustments:						
Tax-equivalent adjustment		543	546	598	1,635	1,778
Tax-equivalent net interest income		86,848	76,474	71,353	233,924	201,968
Total noninterest income		30,933	31,019	33,259	97,724	97,715
Non-GAAP adjustments:						
Net security (gains) losses		(4)	1,714	(57)	2,324	(2,596)
Noninterest income excluding net securities gains and losses		30,929	32,733	33,202	100,048	95,119
Tax-equivalent net interest income plus noninterest income excluding net securities gains and losses	[a]	$ 117,777	$ 109,207	$ 104,555	$ 333,972	$ 297,087
Total noninterest expense		$ 70,736	$ 69,092	$ 73,487	$ 210,204	$ 190,611
Non-GAAP adjustments:						
Amortization of intangible assets	[b]	(2,871)	(2,951)	(3,149)	(8,833)	(8,200)
Non-interest expense excluding amortization of intangible assets	[c]	67,865	66,141	70,338	201,371	182,411
Non-operating adjustments:						
Salaries, wages, and employee benefits		—	—	(4,719)	(587)	(5,844)
Data processing		—	—	(3,182)	(214)	(3,557)
Impairment, professional fees, occupancy, and other		(957)	(303)	(776)	(1,294)	(2,309)
Adjusted noninterest expense	[f]	66,908	65,838	61,661	199,276	170,701
Provision for unfunded commitments		320	267	978	(525)	1,068
Amortization of New Markets Tax Credits		(1,665)	(1,662)	(1,240)	(4,668)	(4,308)
Adjusted core expense	[g]	$ 65,563	$ 64,443	$ 61,399	$ 194,083	$ 167,461
Noninterest expense, excluding non-operating adjustments	[f-b]	$ 69,779	$ 68,789	$ 64,810	$ 208,109	$ 178,901
Reported: Efficiency ratio	[c÷a]	57.62 %	60.56 %	67.27 %	60.30 %	61.40 %
Adjusted: Efficiency ratio	[f÷a]	56.81 %	60.29 %	58.97 %	59.67 %	57.46 %
Adjusted: Core efficiency ratio	[g÷a]	55.67 %	59.01 %	58.72 %	58.11 %	56.37 %

1. Annualized measure.

Non-GAAP Financial Information

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

		As of				
		September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
Total stockholders' equity		$ 1,106,588	$ 1,161,957	$ 1,218,025	$ 1,319,112	$ 1,333,076
Goodwill and other intangible assets, net		(367,091)	(369,962)	(372,913)	(375,924)	(378,891)
Tangible book value	[a]	$ 739,497	$ 791,995	$ 845,112	$ 943,188	$ 954,185
Ending number of common shares outstanding	[b]	55,232,434	55,335,703	55,278,785	55,434,910	55,826,984
Tangible book value per common share	[a÷b]	$ 13.39	$ 14.31	$ 15.29	$ 17.01	$ 17.09

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

		As of				
		September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
Total assets		$ 12,497,388	$ 12,356,433	$ 12,567,509	$ 12,859,689	$ 12,899,330
Non-GAAP adjustments:						
Goodwill and other intangible assets, net		(367,091)	(369,962)	(372,913)	(375,924)	(378,891)
Tax effect of other intangible assets[1]		9,369	9,905	10,456	16,254	17,115
Tangible assets	[a]	$ 12,139,666	$ 11,996,376	$ 12,205,052	$ 12,500,019	$ 12,537,554
Total stockholders' equity		$ 1,106,588	$ 1,161,957	$ 1,218,025	$ 1,319,112	$ 1,333,076
Non-GAAP adjustments:						
Goodwill and other intangible assets, net		(367,091)	(369,962)	(372,913)	(375,924)	(378,891)
Tax effect of other intangible assets[1]		9,369	9,905	10,456	16,254	17,115
Tangible common equity	[b]	$ 748,866	$ 801,900	$ 855,568	$ 959,442	$ 971,300
Tangible common equity to tangible assets[2]	[b÷a]	6.17 %	6.68 %	7.01 %	7.68 %	7.75 %

1. Net of estimated deferred tax liability.
2. Tax-effected measure.

Non-GAAP Financial Information

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

		As of				
		September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
Portfolio loans	[a]	$ 7,670,114	$ 7,497,778	$ 7,272,873	$ 7,188,998	$ 7,150,635
Non-GAAP adjustments:						
PPP loans amortized cost		(1,426)	(7,616)	(31,769)	(74,958)	(178,231)
Core loans	[b]	$ 7,668,688	$ 7,490,162	$ 7,241,104	$ 7,114,040	$ 6,972,404
Total deposits	[c]	$ 10,601,397	$ 10,397,228	$ 10,591,836	$ 10,768,577	$ 10,817,867
Non-GAAP adjustments:						
Brokered transaction accounts		(2,006)	(2,002)	(2,002)	(2,248)	(2,002)
Time deposits of $250,000 or more		(103,534)	(117,957)	(139,245)	(137,449)	(156,419)
Core deposits	[d]	$ 10,495,857	$ 10,277,269	$ 10,450,589	$ 10,628,880	$ 10,659,446
RATIOS						
Core loans to portfolio loans	[b÷a]	99.98 %	99.90 %	99.56 %	98.96 %	97.51 %
Core deposits to total deposits	[d÷c]	99.00 %	98.85 %	98.67 %	98.70 %	98.54 %
Core loans to core deposits	[b÷d]	73.06 %	72.88 %	69.29 %	66.93 %	65.41 %