SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

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

For the Quarterly Period Ended 6/30/97 Commission File No. 0-15950

FIRST BUSEY CORPORATION

(Exact name of registrant as specified in its charter)

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

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

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

Yes __X__ No _____

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

Class	Outstanding at August 6, 1997
Class A Common Stock, without par value	5,790,728
Class B Common Stock, without par value	1,125,000

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	June 30, 1997	December 31, 1996
	(Dollars in thousands)	
ASSETS		
Cash and due from banks	$40,049	$33,738
Federal funds sold	10,500	0
Securities held to maturity (fair value 1997 $51,396; 1996 $61,422)	50,738	55,107
Securities available for sale (amort. cost 1997 $158,970; 1996 $177,040)	165,663	171,243
Loans (net of unearned interest)	591,103	569,500
Allowance for loan losses	(6,517)	(6,131)
Net loans	$584,586	$563,369
Premises and equipment	22,639	21,588
Other assets	18,649	19,873
Total assets	$892,824	$864,918
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Deposits:		
Non-interest bearing	$78,590	$ 78,077
Interest bearing	714,829	688,850
Total deposits	$793,419	$766,927
Short-term borrowings	6,000	14,405
Long-term debt	10,000	5,000
Other liabilities	5,291	5,169
Total liabilities	$814,710	$791,501
STOCKHOLDERS' EQUITY		
Preferred stock	$ -	$ -
Common stock	6,291	6,291
Surplus	20,709	20,594
Retained earnings	50,141	47,402
Unrealized gain (loss) on securities available for sale, net	4,350	3,285
Total stockholders' equity before treasury stock, unearned ESOP shares and deferred compensation for stock grants	$81,491	$ 77,572
Treasury stock, at cost	(2,753)	(3,489)
Unearned ESOP shares and deferred compensation for stock grants	(624)	(666)
Total stockholders' equity	$78,114	$ 73,417
Total liabilities and stockholders' equity	$892,824	$ 864,918
Class A Common Shares outstanding at period end	5,790,814	5,721,712
Class B Common Shares outstanding at period end	1,125,000	1,125,000

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	June 30, 1997	June 30, 1996
	(Dollars in thousands)	
ASSETS		
Cash and due from banks	$40,049	$37,530
Federal funds sold	10,500	0
Securities held to maturity (fair value 1997 $51,396; 1996 $61,422)	50,738	61,293
Securities available for sale (amort. cost 1997 $158,970; 1996 $177,040)	165,663	179,912
Trading securities at fair value		1,854
Loans (net of unearned interest)	591,103	537,873
Allowance for loan losses	(6,517)	(5,543)
Net loans	$584,586	$532,330
Premises and equipment	22,639	21,300
Other assets	18,649	21,250
Total assets	$892,824	$855,469
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Deposits:		
Non-interest bearing	$78,590	$76,183
Interest bearing	714,829	682,980
Total deposits	$793,419	$759,163
Short-term borrowings	6,000	16,916
Long-term debt	10,000	5,000
Other liabilities	5,291	5,704
Total liabilities	$814,710	$786,783
STOCKHOLDERS' EQUITY		
Preferred stock	$ -	$ -
Common stock	6,291	6,291
Surplus	20,709	20,395
Retained earnings	50,141	44,858
Unrealized gain (loss) on securities available for sale, net	4,350	1,868
Total stockholders' equity before treasury stock, unearned ESOP shares and deferred compensation for stock grants	$81,491	$ 73,412
Treasury stock, at cost	(2,753)	(4,000)
Unearned ESOP shares and deferred compensation for stock grants	(624)	(726)
Total stockholders' equity	$78,114	$68,686
Total liabilities and stockholders' equity	$892,824	$855,469
Class A Common Shares outstanding at period end	5,790,814	5,669,306
Class B Common Shares outstanding at period end	1,125,000	1,125,000

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 1997 AND 1996
(UNAUDITED)

	1997	1996
	(Dollars in thousands, except per share amounts)	
INTEREST INCOME:		
Interest and fees on loans	$24,589	$ 21,774
Interest and dividends on investment securities:		
Taxable interest income	5,188	6,768
Non-taxable interest income	1,002	1,036
Dividends	53	61
Interest on federal funds sold	148	392
Total interest income	$30,980	$ 30,031
INTEREST EXPENSE:		
Deposits	$14,419	$14,072
Short-term borrowings	320	623
Long-term debt	247	138
Total interest expense	$14,986	$14,833
Net interest income	$15,994	$15,198
Provision for loan losses	400	250
Net interest income after provision for loan losses	$15,594	$14,948
OTHER INCOME:		
Trust	$1,625	$1,286
Commissions and brokers fees, net	507	421
Service charges on deposit accounts	1,464	1,432
Other service charges and fees	603	441
Security gains (losses), net	265	5
Trading security gains (losses), net	2	(132)
Gain on sales of pooled loans	117	116
Other operating income	410	485
Total other income	$4,993	$4,054
OTHER EXPENSES:		
Salaries and wages	$6,011	$5,759
Employee benefits	1,300	1,124
Net occupancy expense of bank premises	1,066	948
Furniture and equipment expenses	855	793
Data processing	822	684
Stationery, supplies and printing	345	344
Foreclosed property write-downs and expenses	0	75
Amortization expense	660	660
Other operating expenses	2,342	2,091
Total other expenses	$13,401	$12,478
Income before income taxes	$7,186	$6,524
Income taxes	2,131	1,905
Net income	$5,055	$4,619
NET INCOME PER SHARE OF COMMON STOCK AND STOCK EQUIVALENTS:	$0.72	$0.67
DIVIDENDS DECLARED PER SHARE:		
Class A Common Stock	$0.3400	$0.3333
Class B Common Stock	$0.3091	$0.3030

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE QUARTERS ENDED JUNE 30, 1997 AND 1996
(UNAUDITED)

	1997	1996
	(Dollars in thousands, except per share amounts)	
INTEREST INCOME:		
share amounts)		
Interest and fees on loans	$12,581	$ 11,171
Interest and dividends on investment securities:		
Taxable interest income	2,547	3,237
Non-taxable interest income	502	525
Dividends	25	28
Interest on federal funds sold	48	70
Total interest income	$15,703	$ 15,031
INTEREST EXPENSE:		
Deposits	$7,269	$6,943
Short-term borrowings	188	262
Long-term debt	146	69
Total interest expense	$7,603	$7,274
Net interest income	$8,100	$7,757
Provision for loan losses	200	100
Net interest income after provision for loan losses	$7,900	$7,657
OTHER INCOME:		
Trust	$850	$670
Commissions and brokers fees, net	220	216
Service charges on deposit accounts	744	733
Other service charges and fees	333	240
Security gains (losses), net	166	4
Trading security gains (losses), net	1	(44)
Gain on sales of pooled loans	82	68
Other operating income	141	228
Total other income	$2,537	$2,115
OTHER EXPENSES:		
Salaries and wages	$3,006	$2,907
Employee benefits	627	556
Net occupancy expense of bank premises	501	480
Furniture and equipment expenses	425	399
Data processing	463	348
Stationery, supplies and printing	161	186
Foreclosed property write-downs and expenses	0	71
Amortization expense	330	330
Other operating expenses	1,146	1,048
Total other expenses	$6,659	$6,325
Income before income taxes	$3,778	$3,447
Income taxes	1,131	1,019
Net income	$2,647	$2,428
NET INCOME PER SHARE OF COMMON STOCK AND STOCK EQUIVALENTS:	$0.38	$0.35
DIVIDENDS DECLARED PER SHARE:		
Class A Common Stock	$0.1700	$0.1667
Class B Common Stock	$0.1545	$0.1515

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 1997 AND 1996
(UNAUDITED)

	1997	1996
	(Dollars in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$5,055	$4,619
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,686	1,646
Provision for loan losses	400	250
Decrease in deferred income taxes	(625)	(401)
Amortization of investment security discounts	(195)	(892)
Gain on sales of investment securities, net	(265)	(5)
Proceeds from sales of pooled loans	13,734	12,995
Loans originated for sale	(14,139)	(14,834)
Gain on sale of pooled loans	(117)	(116)
Loss on sales and dispositions of premises and equipment	0	9
Change in assets and liabilities:		
Increase (decrease) in other assets	642	1,486
Increase (decrease) in accrued expenses	(179)	(23)
Increase (decrease) in interest payable	(96)	(164)
Increase in income taxes payable	397	574
Net cash provided by operating activities	$6,298	$5,144
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of securities classified available for sale	$3,274	$8,049
Proceeds from maturities of securities classified available for sale	57,490	352,724
Proceeds from maturities of securities classified held to maturity	5,450	18,323
Purchase of securities classified available for sale	(53,116)	(320,675)
Purchase of securities classified held to maturity	(1,050)	(17,951)
(Increase) decrease in federal funds sold	(10,500)	650
Increase in loans	(21,122)	(54,677)
Purchases of premises and equipment	(2,036)	(412)
Proceeds from sales of premises and equipment	1	0
Net cash (used in) investing activities	($21,609)	($13,969)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase (decrease) in certificates of deposit	$23,503	($18,255)
Net increase in demand, money market and saving deposits	2,989	32,521
Cash dividends paid	(2,316)	(2,235)
Purchase of treasury stock	(402)	(367)
Proceeds from sale of treasury stock	1,253	41
Principal payments on short-term borrowings	(2,000)	(1,250)
Proceeds from long-term borrowings	5,000	0
Net increase (decrease) in federal funds purchased, repurchase agreements and Federal Reserve discount borrowings	(6,405)	(3,458)
Net cash provided by (used in) financing activities	$21,622	$6,997
Net increase (decrease) in cash and cash equivalents	$6,311	($1,828)
Cash and due from banks, beginning	$33,738	39,358
Cash and due from banks, ending	$40,049	$37,530

FIRST BUSEY CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: INTERIM FINANCIAL STATEMENTS

The consolidated interim financial statements of First Busey Corporation and Subsidiaries are unaudited, but in the opinion of management reflect all necessary adjustments, consisting only of normal recurring accruals, for a fair presentation of results as of the dates and for the periods covered by the financial statements. The results for the interim periods are not necessarily indicative of the results of operations that may be expected for the fiscal year.

NOTE 2: LOANS

The major classifications of loans at June 30, 1997 and December 31, 1996 were as follows:

	June 30, 1997	December 31, 1996
	(Dollars in thousands)	
Commercial	$64,495	$62,065
Real estate construction	27,491	26,184
Real estate - farmland	11,721	11,468
Real estate - 1-4 family residential mortgage	221,643	207,946
Real estate - multifamily mortgage	74,608	74,245
Real estate - non-farm nonresidential mortgage	136,168	131,350
Installment	40,311	39,707
Agricultural	14,667	16,537
	$591,104	$569,502
Less:		
Unearned interest	1	2
	$591,103	$569,500
Less:		
Allowance for loan losses	6,517	6,131
Net loans	$584,586	$563,369

The real estate-mortgage category includes loans held for sale with carrying values of $1,969,000 at June 30, 1997 and $1,447,000 at December 31, 1996; these loans had fair market values of $1,996,000 and $1,457,000, respectively.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3: INCOME PER SHARE

Net income per common share has been computed as follows:

	Three Months Ended June 30, 1997	Three Months Ended June 30, 1996	Six Months Ended June 30, 1997	Six Months Ended June 30, 1996
Net income	$2,647,000	$2,428,000	$5,055,000	$4,619,000
Shares:				
Weighted average common shares outstanding	6,914,134	6,795,518	6,912,760	6,800,539
Dilutive effect of outstanding options, as determined by the application of the treasury stock method	100,475	133,507	100,163	120,583
Weighted average common shares outstanding, as adjusted	7,014,609	6,929,025	7,012,923	6,921,122
Net income per share of common stock and stock equivalents:	$0.38	$0.35	$0.72	$0.67

NOTE 4: SUPPLEMENTAL CASH FLOW DISCLOSURES FOR THE SIX MONTHS ENDED JUNE 30, 1997 AND 1996.

	1997	1996
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash payments for:		
Interest	$15,082	$14,997
Income taxes	$1,966	$1,713
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Other real estate acquired in settlement of loans	$27	$351
Change in unrealized gain (loss) on securities available for sale	$1,639	($1,885)
(Decrease) increase in deferred income taxes attributable to the unrealized (gain) loss on investment securities available for sale	($574)	$660

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

The following is management's discussion and analysis of the financial condition of First Busey Corporation and Subsidiaries ("Corporation") at June 30, 1997 (unaudited) when compared with December 31, 1996 and the results of operations for the six months ended June 30, 1997 and 1996 (unaudited) and the results of operations for the three months ended June 30, 1997 and 1996 (unaudited). This discussion and analysis should be read in conjunction with the Corporation's consolidated financial statements and notes thereto appearing elsewhere in this quarterly report.

FINANCIAL CONDITION AT JUNE 30, 1997 AS COMPARED TO DECEMBER 31, 1996

Total assets increased $27,906,000, or 3.2%, to $892,824,000 at June 30, 1997 from $864,918,000 at December 31, 1996.

Securities held to maturity decreased $4,369,000, or 7.9%, to $50,738,000 at June 30, 1997 from $55,107,000 at December 31, 1996. Securities available for sale decreased $5,580,000, or 3.3%, to $165,663,000 at June 30, 1997 from $171,243,000 at December 31, 1996, as security maturities were used to help finance loan growth.

Loans increased $21,603,000 or 3.8%, to $591,103,000 at June 30, 1997 from $569,500,000 at December 31, 1996, primarily due to increases in commercial and mortgage loans.

Total deposits increased $26,492,000, or 3.5%, to $793,419,000 at June 30, 1997 from $766,927,000 at December 31, 1996. Non-interest bearing deposits increased 0.7% to $78,590,000 at June 30, 1997 from $78,077,000 at December 31, 1996. Interest bearing deposits increased 3.8% to $714,829,000 at June 30, 1997 from $688,850,000 at December 31, 1996. Short-term borrowings decreased $8,405,000, or 58.3%, to $6,000,000 at June 30, 1997, as compared to $14,405,000 at December 31, 1996. This was due primarily to a decrease in federal funds purchased.

In the first six months of 1997, the Corporation repurchased 17,311 shares of its Class A stock at an aggregate cost of $402,000. The Corporation is purchasing shares for the treasury as they become available in order to meet future issuance requirements of previously granted non-qualified stock options. As of June 30, 1997, 2,250 of the 58,500 options which became exercisable on January 1, 1995 (and expire December 31, 1997) have not yet been exercised and 49,278 of the 133,441 options which became exercisable on January 1, 1997 (and expire December 31, 1999) have not yet been exercised. The Corporation's Board of Directors has extended the Stock Repurchase Plan to June 30, 1998. It is anticipated that the Corporation may from time to time continue to make purchases of its common stock in order to meet future issuance requirements.

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

	June 30, 1997	December 31, 1996
	(Dollars in thousands)	
Non-accrual loans	$0	$0
Loans 90 days past due, still accruing	1,781	1,002
Restructured loans	0	0
Other real estate owned	441	805
Non-performing other assets	1	1
Total non-performing assets	$2,223	$1,808
Total non-performing assets as a percentage of total assets	0.25%	0.21%
Total non-performing assets as a percentage of loans plus non-performing assets	0.38%	0.32%

The ratio of non-performing assets to loans plus non-performing assets increased to 0.38% at June 30, 1997 from 0.32% at December 31, 1996. This was due to an increase in the balance of non-accrual loans, offset partially by a decrease in the balance of other real estate owned. The balance of loans outstanding increased during the period at a rate slower than the rate of growth in non-performing assets, thereby causing an increase in the percentage of non-performing assets.

RESULTS OF OPERATIONS
SIX MONTHS ENDED JUNE 30, 1997 AS COMPARED TO JUNE 30, 1996

SUMMARY

Net income for the six months ended June 30, 1997 increased 9.4% to $5,055,000 as compared to $4,619,000 for the comparable period in 1996. Earnings per share increased 7.5% to $.72 at June 30, 1997 as compared to $.67 for the same period in 1996.

Operating earnings, which exclude security gains and the related tax expense, were $4,883,000, or $.70 per share for the six months ended June 30, 1997, as compared to $4,616,000, or $.67 per share for the same period in 1996.

The Corporation's return on average assets was 1.18% for the six months ended June 30, 1997, as compared to 1.09% for the comparable period in 1996. The return on average assets from operations of 1.14% for the six months ended June 30, 1997 was 5 basis points higher than the 1.09% level achieved in the comparable period of 1996.

Net interest margin, the Corporation's net interest income expressed as a percentage of average earning assets stated on a fully taxable equivalent basis, was 4.24% for the six months ended June 30, 1997, as compared to 4.07% for the same period in 1996. The net interest margin expressed as a percentage of average total assets, also on a fully taxable equivalent basis, was 3.88% for the six months ended June 30, 1997, compared to 3.74% for the same period in 1996. The increase in the net interest margin reflects the increase in interest income the Corporation experienced due to an increase in average earning assets and a larger net interest spread.

During the six months ended June 30, 1997, the Corporation recognized security gains of approximately $172,000, after income taxes, representing 3.4% of net income. During the same period in 1996, security gains of $3,000, after income taxes, were recognized, representing 0.1% of net income.

INTEREST INCOME

Interest income, on a tax equivalent basis, for the six months ended June 30, 1997 increased 3.1% to $31,676,000 from $30,727,000 for the comparable period in 1996. The increase in interest income resulted from an increase in average earning assets of $9,660,000 for the period ended June 30, 1997, as compared to the same period of 1996, along with a 7 basis point increase in the average yield on interest earning assets to 8.04% in the current period when compared to the same period in 1996. The increase in yield resulted from the reinvestment of security proceeds into loans, while yields for all interest-earning assets declined in the current period, when compared to the same period in 1996.

INTEREST EXPENSE

Total interest expense increased 1.0% for the six months ended June 30, 1997 as compared to the prior year period. This increase resulted in large part from a 29 basis point increase in the average rate paid on transaction deposits and a 7 basis point increase in the average rate paid on time deposit balances for the six months ended June 30, 1997, as compared to the same period in 1996.

PROVISION FOR LOAN LOSSES

The provision for loan losses of $400,000 for the six months ended June 30, 1997 is $150,000 more than the provision for the comparable period in 1996. The provision and the net charge-offs of $14,000 for the period resulted in the reserve representing 1.10% of total loans and 366% of non-performing loans at June 30, 1997, as compared to the reserve representing 1.08% of total loans and 612% of non-performing loans at December 31, 1996. The adequacy of the reserve for loan losses is consistent with management's consideration of the composition of the portfolio, recent credit quality experience, and prevailing economic conditions.

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

OTHER INCOME, OTHER EXPENSE AND INCOME TAXES

Total other income, excluding security gains, increased 16.8% for the six months ended June 30, 1997 as compared to the same period in 1996. This was a combination of increases in trust revenue, commissions and brokers fees, and other service charges and fees, for the six months ended June 30, 1997 as compared to the same period in 1996. As of June 30, 1997, the asset management divisions of the Corporation had $887,293,000 in assets under care, an increase of 27.2% from $697,342,000 at June 30, 1997. Gains of $117,000 were recognized on the sale of $13,617,000 of pooled loans for the six months ended June 30, 1997 as compared to gains of $116,000 on the sale of $12,879,000 of pooled loans in the prior year period.

Management anticipates continued sales from the current mortgage loan production of the Corporation if mortgage loan originations allow and the sales of the loans are necessary to maintain the asset/liability structure that the Corporation is trying to effect. The Corporation may realize gains and/or losses on these sales dependent upon interest rate movements and upon how receptive the debt markets are to mortgage backed securities.

Total other expense increased 7.4% or $923,000 for the six months ended June 30, 1997 as compared to the same period in 1996.

Salaries and wages expense increased $252,000 or 4.4% and employee benefits expense increased $176,000 or 15.7% for the six months ended June 30, 1997, as compared to the same period last year. The Corporation had 393 full time equivalent employees as of June 30, 1997 as compared to 387 as of June 30, 1996. Occupancy and furniture and equipment expenses increased 10.3% to $1,921,000 for the six months ended June 30, 1997 from $1,741,000 in the prior year period. Data processing expense increased $138,000 or 20.2% to $822,000 for the six months ended June 30, 1997 from the prior year period. There were no foreclosed property write-downs and expenses in the current period, while there was $75,000 of expense for the six months ended June 30, 1996.

The Corporation's net overhead expense, total non-interest expense less non-interest income divided by average assets, increased to 2.02% for the six months ended June 30, 1997 from 1.95% in the prior year period as a result of the income and expense items described above.

The Corporation's efficiency ratio is defined as operating expenses divided by net revenue. (More specifically it is defined as non interest expense expressed as a percentage of the sum of tax equivalent net interest income and non interest income, excluding security gains). The consolidated efficiency ratio for the six months ended June 30, 1997 was 62.6%, identical to the ratio achieved for the prior year period. When the gains on the sales of pooled loans are excluded, these ratios are each 62.9%. The static nature of the current year efficiency ratio is due to the income and expense items noted above.

Income taxes for the six months ended June 30, 1997 increased to $2,131,000 as compared to $1,905,000 for the comparable period in 1996. As a percent of income before taxes, the provision for income taxes increased to 29.7% for the six months ended June 30, 1997 from 29.2% for the same period in 1996.

RESULTS OF OPERATIONS
THREE MONTHS ENDED JUNE 30, 1997 AS COMPARED TO JUNE 30, 1996

SUMMARY

Net income for the three months ended June 30, 1997 increased 9.0% to $2,647,000 as compared to $2,428,000 for the comparable period in 1996. Earnings per share increased 8.6% to $.38 at June 30, 1997 as compared to $.35 for the same period in 1996.

Operating earnings, which exclude security gains and the related tax expense, were $2,540,000, or $.37 per share for the three months ended June 30, 1997, as compared to $2,426,000, or $.35 per share for the same period in 1995.

The Corporation's return on average assets was 1.22% for the three months ended June 30, 1997, as compared to 1.15% achieved for the comparable period in 1996. The return on average assets from operations of 1.17% for the three months ended June 30, 1997 was more than the 1.14% level achieved in the comparable period of 1996.

The net interest margin expressed as a percentage of average earning assets was 4.26% for the three months ended June 30, 1997, an increase of 9 basis points from the level achieved for the like period in 1996. The net interest margin expressed as a percentage of average total assets was 3.90% for the three months ended June 30, 1997, compared to 3.83% for the same period in 1996.

During the three months ended June 30, 1997, the Corporation recognized security gains of approximately $108,000, after income taxes, representing 4.1% of net income. During the same period in 1996, security gains of approximately $2,000, after income taxes, were recognized, representing an insignificant portion of net income.

INTEREST INCOME

Interest income on a fully taxable equivalent basis increased $668,000, or 4.3% for the three months ended June 30, 1997 from the same period in 1996. The increase resulted from a higher level of interest income on greater average volumes of loans, offset in part by lower levels of interest income on lower average balances of U.S. government obligations outstanding, for the three months ended June 30, 1997 as compared to the same period of 1996. The yield on interest earning assets increased 17 basis points for the three months ended June 30, 1997 as compared to the same period in 1996.

INTEREST EXPENSE

Total interest expense increased 4.5% for the three months ended June 30, 1997 as compared to the prior year period. This increase resulted in large part from a $10,428,000 increase in average time deposit balances and 41 basis point and 15 basis point increases in average rates on transaction deposits and time deposits, respectively, for the three months ended June 30, 1997, as compared to the same period in 1996.

OTHER INCOME, OTHER EXPENSE AND INCOME TAXES

Total other income, excluding security transactions, increased 12.3% for the three months ended June 30, 1997 as compared to the same period in 1996. This was a combination of increased trust revenue, and other service charges and fees. Gains of $82,000 were recognized on the sale of $8,472,000 of pooled loans for the three months ended June 30, 1997 as compared to gains of $68,000 on the sale of $8,419,000 of pooled loans in the prior year period.

Total other expense increased 5.3% or $334,000 for the three months ended June 30, 1997 as compared to the same period in 1996

Salaries and wages expense increased $99,000 or 3.4% and employee benefits expense increased $71,000 or 12.8% for the three months ended June 30, 1997, as compared to the same period last year. Occupancy and furniture and equipment expenses increased 5.4% to $926,000 for the three months ended June 30, 1997 from $879,000 in the prior year period. Data processing expense increased $115,000 or 33.0% to $463,000 for the three months ended June 30, 1997 from the prior year period. Foreclosed property write-downs and expenses decreased to nothing in the current period from $71,000 for the three months ended June 30, 1997.

The consolidated efficiency ratio for the three months ended June 30, 1997 was 61.5% as compared to 61.9% for the prior year period. When the gains on the sales of pooled loans are excluded, this ratio is 62.3% for each period. The change in the current year efficiency ratio is due to the income and expense items noted above.

Income taxes for the three months ended June 30, 1997 increased to $1,131,000 as compared to $1,019,000 for the comparable period in 1996. As a percent of income before taxes, the provision for income taxes increased to 29.9% for the three months ended June 30, 1997 from 29.6% for the same period in 1996.

LIQUIDITY

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

The sources of short-term liquidity utilized by the Corporation consist of non-reinvested asset maturities, deposits and capital funds. Long-term liquidity needs will be satisfied primarily through retention of capital funds. The Corporation does not deal in or use brokered deposits as a source of liquidity. The Corporation purchases federal funds as a service to its respondent banks, but generally does not rely upon these purchases for liquidity needs. Additional liquidity is provided by bank lines of credit, repurchase agreements and the ability to borrow from the Federal Reserve Bank. The Corporation has an operating line with American National Bank and Trust Company of Chicago in the amount of $10,000,000 with $4,500,000 available as of June 30, 1997.

The Corporation's dependence on large liabilities (defined as time deposits over $100,000 and short-term borrowings) increased to 11.9% at June 30, 1996 from 10.1% at December 31, 1996. This is the ratio of total large liabilities to total liabilities, and is low in comparison to the Corporation's peers. This change was due largely to a $25,197,000 increase in time deposits over $100,000 and a $6,400,000 decrease in federal funds purchased which resulted in a higher ratio of large liabilities to total liabilities.

CAPITAL RESOURCES

Other than from the issuance of common stock, the Corporation's primary source of capital is retained net income. During the six months ended June 30, 1997, the Corporation earned $5,055,000 and paid dividends of $2,316,000 to stockholders, resulting in a retention of current earnings of $2,739,000. The Corporation's dividend payout for the six months ended June 30, 1997 was 45.8%. The Corporation's risk-based capital ratio was 12.90% and the leverage ratio was 7.65% as of June 30, 1997, as compared to 12.48% and 7.14% respectively as of December 31, 1996. The Corporation and its bank subsidiary were well above all minimum required capital ratios as of June 30, 1997.

RATE SENSITIVE ASSETS AND LIABILITIES

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

The following table sets forth the static rate-sensitivity analysis of the Corporation as of June 30, 1997.

	Rate Sensitive Within					
	1-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
	(Dollars in thousands)					
Federal funds sold	$10,500	$0	$0	$0	$0	$10,500
Investment securities						
U.S. Governments	7,126	14,082	30,243	36,457	70,254	158,162
Obligations of states and political subdivisions	354	0	5,847	895	29,687	36,783
Other securities	2,167	58	584	519	18,128	21,456
Loans (net of unearned int.)	182,006	27,271	29,628	71,651	280,547	591,103
Total rate-sensitive assets	$202,153	$41,411	$66,302	$109,522	$398,616	$818,004
Interest bearing transaction deposits	$142,600	$0	$0	$0	$0	$142,600
Savings deposits	78,175	0	0	0	0	78,175
Money market deposits	123,689	0	0	0	0	123,689
Time deposits	41,126	58,250	69,677	86,857	114,455	370,365
Short-term borrowings:						
Federal funds purchased & repurchase agreements	0	0	0	0	0	0
Other	6,000	0	0	0	0	6,000
Long-term debt	0	0	0	0	10,000	10,000
Total rate-sensitive liabilities	$391,590	$58,250	$69,677	$86,857	$124,455	$730,829
Rate-sensitive assets less rate-sensitive liabilities	($189,437)	($16,839)	($3,375)	$22,665	$274,161	$87,175
Cumulative gap	($189,437)	($206,276)	($209,651)	($186,986)	$87,175	
Cumulative gap as a percentage of total rate-sensitive assets	-23.16%	-25.22%	-25.63%	-22.86%	10.66%	
Cumulative ratio (cumulative RSA/RSL)	0.52X	0.54X	0.60X	0.69X	1.12X	1.12X

The foregoing table shows a negative (liability sensitive) rate-sensitivity gap of $189.4 million in the 1-30 day repricing category. The gap beyond 30 days, through 180 days, becomes slightly more liability sensitive as rate-sensitive assets that reprice in those time periods are slightly less in volume than rate-sensitive liabilities that are subject to repricing in the same respective time periods. The gap beyond 180 days becomes less liability sensitive as rate-sensitive assets that reprice after 180 days become greater in volume than rate-sensitive liabilities that are subject to repricing in the same respective time periods. The composition of the gap structure at June 30, 1997, will benefit the Corporation more if interest rates fall during the next 180 days by allowing the net interest margin to grow as liability rates would reprice more quickly than rates on interest rate-sensitive assets. After 180 days, a rate increase would benefit the Corporation because the volume of rate-sensitive assets repricing would exceed the volume of rate-sensitive liabilities that would be repricing.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
AVERAGE BALANCE SHEETS AND INTEREST RATES
SIX MONTHS ENDED JUNE 30, 1997 AND 1996

	1997			1996		
	Average Balance	Income/ Expense	Yield Rate	Average Balance	Income/ Expense	Yield/ Rate
	(Dollars in thousands)					
ASSETS						
Federal funds sold	$5,561	$148	5.36%	$14,548	$392	5.42%
Investment securities						
U.S. Government obligations	163,457	4,734	5.84%	210,816	6,146	5.86%
Obligations of states and political subdivisions (1)	36,989	1,543	8.41%	37,977	1,594	8.44%
Other securities	20,605	507	4.96%	24,079	683	5.70%
Loans (net of unearned interest) (1) (2)	567,982	24,744	8.79%	497,514	21,912	8.86%
Total interest earning assets	$794,594	$31,676	8.04%	$784,934	$30,727	7.87%
Cash and due from banks	38,241			34,832		
Premises and equipment	22,236			21,465		
Reserve for possible loan losses	(6,337)			(5,582)		
Other assets	18,072			20,045		
Total Assets	$866,806			$855,694		
LIABILITIES AND STOCKHOLDERS' EQUITY						
Interest bearing transaction deposits	$145,648	$1,373	1.90%	$131,916	$1,059	1.61%
Savings deposits	82,113	1,327	3.26%	79,040	1,225	3.12%
Money market deposits	119,682	2,219	3.74%	134,735	2,538	3.79%
Time deposits	347,663	9,500	5.51%	341,868	9,250	5.44%
Short-term borrowings:						
Federal funds purchased and repurchase agreements	2,921	85	5.87%	12,347	318	5.17%
Other	6,714	235	7.05%	8,557	305	7.17%
Long-term debt	8,591	247	5.80%	5,000	138	5.55%
Total interest bearing liabilities	$713,332	$14,986	4.24%	$713,463	$14,833	4.18%
Net interest spread			3.80%			3.69%
Demand deposits	72,466			68,535		
Other liabilities	5,689			5,554		
Stockholders' equity	75,319			68,142		
Total Liabilities and Stockholders' Equity	$866,806			$855,694		
Interest income / earning assets (1)	$794,594	$31,676	8.04%	$784,934	$30,727	7.87%
Interest expense / earning assets	794,594	14,986	3.80%	784,934	14,833	3.80%
Net interest margin (1)		$16,690	4.24%		$15,894	4.07%

(1) On a tax-equivalent basis, assuming a federal income tax rate of 35% for 1997 and 1996.
(2) Non-accrual loans have been included in average loans, net of unearned interest.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CHANGES IN NET INTEREST INCOME
SIX MONTHS ENDED JUNE 30, 1997 AND 1996

	Change due to (1)		
	Average Volume	Average Yield/Rate	Total Change
	(Dollars in thousands)		
Increase (decrease) in interest income:			
Federal funds sold	($239)	($5)	($244)
Investment securities:			
U.S. Government obligations	(1,389)	(23)	(1,412)
Obligations of states and political subdivisions (2)	(44)	(7)	(51)
Other securities	(92)	(84)	(176)
Loans (2)	3,134	(302)	2,832
Change in interest income (2)	$1,370	($421)	$949
Increase (decrease) in interest expense:			
Interest bearing transaction deposits	$116	$198	$314
Savings deposits	46	56	102
Money market deposits	(284)	(35)	(319)
Time deposits	141	109	250
Short-term borrowings:			
Federal funds purchased and repurchase agreements	(282)	49	(233)
Other	(65)	(5)	(70)
Long-term debt	103	6	109
Change in interest expense	($225)	$378	$153
Increase in net interest income (2)	$1,595	($799)	$796

(1) Changes due to both rate and volume have been allocated proportionally.
(2) On a tax-equivalent basis, assuming a federal income tax rate of 35% for 1997 and 1996.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
AVERAGE BALANCE SHEETS AND INTEREST RATES
QUARTERS ENDED JUNE 30, 1997 AND 1996

	1997			1996		
	Average Balance	Income/ Expense	Yield Rate	Average Balance	Income/ Expense	Yield/ Rate
	(Dollars in thousands)					
ASSETS						
Federal funds sold	$3,466	$48	5.49%	$5,421	$71	5.22%
Investment securities						
U.S. Government obligations	159,621	2,318	5.83%	199,395	2,919	5.89%
Obligations of states and political subdivisions (1)	37,081	774	8.36%	38,778	808	8.38%
Other securities	20,811	254	4.90%	24,066	346	5.79%
Loans (net of unearned interest) (1) (2)	575,126	12,657	8.83%	513,897	11,239	8.80%
Total interest earning assets	$796,105	$16,051	8.09%	$781,557	$15,383	7.92%
Cash and due from banks	37,988			35,010		
Premises and equipment	22,529			21,313		
Reserve for possible loan losses	(6,425)			(5,658)		
Other assets	18,340			20,403		
Total Assets	$868,537			$852,625		
LIABILITIES AND STOCKHOLDERS' EQUITY						
Interest bearing transaction deposits	$148,418	$757	2.05%	$131,937	$539	1.64%
Savings deposits	79,947	650	3.26%	81,161	624	3.09%
Money market deposits	117,928	1,104	3.75%	137,953	1,300	3.79%
Time deposits	346,409	4,759	5.51%	335,981	4,480	5.36%
Short-term borrowings:						
Federal funds purchased and repurchase agreements	5,502	79	5.75%	8,925	117	5.27%
Other	6,125	108	7.08%	8,162	145	7.14%
Long-term debt	10,000	146	5.85%	5,000	69	5.55%
Total interest bearing liabilities	$714,329	$7,603	4.27%	$709,119	$7,274	4.13%
Net interest spread			3.82%			3.79%
Demand deposits	72,374			69,853		
Other liabilities	5,667			5,585		
Stockholders' equity	76,167			68,068		
Total Liabilities and Stockholders' Equity	$868,537			$852,625		
Interest income / earning assets (1)	$796,105	$16,051	8.09%	$781,557	$15,383	7.92%
Interest expense / earning assets	796,105	7,603	3.83%	781,557	7,274	3.75%
Net interest margin (1)		$8,448	4.26%		$8,109	4.17%

(1) On a tax-equivalent basis, assuming a federal income tax rate of 35% for 1997 and 1996.
(2) Non-accrual loans have been included in average loans, net of unearned interest.

FIRST BUSEY CORPORATION AND SUBSIDIARIES
CHANGES IN NET INTEREST INCOME
QUARTERS ENDED JUNE 30, 1997 AND 1996

	Change due to (1)		
	Average Volume	Average Yield/Rate	Total Change
	(Dollars in thousands)		
Increase (decrease) in interest income:			
Federal funds sold	($27)	4	($23)
Investment securities:			
U.S. Government obligations	(570)	(31)	(601)
Obligations of states and political subdivisions (2)	(32)	(2)	(34)
Other securities	(43)	(49)	(92)
Loans (2)	1,376	42	1,418
Change in interest income (2)	$704	($36)	$668
Increase (decrease) in interest expense:			
Interest bearing transaction deposits	$73	$145	$218
Savings deposits	(9)	35	26
Money market deposits	(184)	(12)	(196)
Time deposits	148	131	279
Short-term borrowings:			
Federal funds purchased and repurchase agreements	(50)	12	(38)
Other	(36)	(1)	(37)
Long-term debt	73	4	77
Change in interest expense	$15	$314	$329
Increase in net interest income (2)	$689	($350)	$339

(1) Changes due to both rate and volume have been allocated proportionally.
(2) On a tax-equivalent basis, assuming a federal income tax rate of 35% for 1997 and 1996.

PART II - OTHER INFORMATION

ITEM 6: Exhibits and Reports on Form 8-K

(a) There were no reports on Form 8-K filed during the three months ending June 30, 1997.

SIGNATURES

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

FIRST BUSEY CORPORATION
(REGISTRANT)

By: //Scott L. Hendrie//

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

Date: August 8, 1997

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