



STRONG FOUNDATIONS
GROWTH WITH PROMISE

First Busey Corporation
2010 Annual Report

Busey[®]

*Our vision is to be the premier provider of financial solutions through a customer-centric, low-risk growth strategy and consistent execution of **The Busey Promise**.*

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Jenny Liu
Personal Banker

Tiffany Williams
Teller

In addition to our vision, a clear understanding of our core values, commitments and unique operating terms is essential to executing **The Busey Promise**. In the most simplified statements...

THE 4 BUSEY PILLARS

Customers, Associates, Communities and Shareholders

THE BUSEY MISSION

Busey is a financial services organization that exceeds the service needs of its customers, invests both in its associates and communities, and delivers long-term value to its shareholders.

ONE BUSEY

Busey operates multiple business units; however, we consistently serve our Pillars as one, making it easier for them to have a relationship with us.

BUSEY CORE VALUES

Knowledgeable, Trustworthy, Friendly, Responsive, Community-Minded, Customer-Centric

BUSEY CORE COMMITMENTS

Focus on service, listen to our Pillars, leverage our expertise, treat others with respect, develop trusting relationships and simplify financial solutions.

{ Letter to the Shareholders. }

We are pleased to report that Busey has turned the corner. The Company has achieved four consecutive quarters of improved profitability and other key financial metrics, which I will discuss later in more detail. Busey successfully weathered the worst economic storm in a generation, and ultimately turned a profit as a leaner, stronger organization with disciplined focus, strategic alignment, strong capital reserves and a proven ability to overcome economic instability. In short, we are a well-defined organization, and, as we will share in this report, an organization with a strong foundation and **Promise**.

I want to specifically recognize the unwavering support of our **4 Pillars**—*customers, associates, communities and shareholders*. Without their commitment, it would have been impossible to successfully navigate the issues we faced the past three years. Our associates worked relentlessly during this period, partnering closely with our customers and communities. Our shareholders stood steadfast with us, and in many instances reinvested in Busey during our two critical capital raises—in September 2009 and December 2010. We are truly humbled by the support and guidance received from our associates, customers, communities, shareholders and Boards of Directors. We cherish the confidence you have placed in us, and will strive every day to serve your needs and maintain your trust.

“ *While challenging, the past few years have also been defining.* ”

As we emerged from our difficulties, we developed a proactive, disciplined strategy, namely **The Busey Promise**. Critical foundations were built by our management team and associates to ensure we emerged with a sustainable growth model and related initiatives. Throughout all of this, we refused to lose sight of our purpose—to serve the needs of our **4 Pillars**.

We have begun to realize the fruits of this labor as we posted net income for the year ended December 31, 2010 of \$23.2 million and net income available to common stockholders of \$18.1 million, or \$0.27 per fully-diluted common share. In December 2010, we completed an equity offering yielding net proceeds of \$84.3 million, lifting our total regulatory capital ratio in excess of 17% and our regulatory tier 1 capital and leverage ratios in excess of 16% and 11%, respectively.

In addition, our asset quality continued its trend of gradual improvement. Non-performing loans decreased to \$68.1 million at December 31, 2010 from \$86.3 million at December 31, 2009. The efficiency ratio for the year ended December 31, 2010 was 55.91%, an improvement from 63.12% in 2009. The net interest margin for the year ended December 31, 2010 was 3.58% as compared to 3.05% for the year ended December 31, 2009. Pre-provision, pre-tax operating income was nearly \$75.0 million for the year ended December 31, 2010, compared to nearly \$61.0 million for the year ended December 31, 2009.

Needless to say, this is an enormous momentum shift from the previous two years and one we expect to continue to trend upward. By aggressively pursuing our strategic initiatives and remaining true to our familiar refrain, **balance sheet strength, profitability and growth—in that order**, we are returning to financial strength, stable profits and a commitment to long-term shareholder value.

Looking to 2011 we expect challenges, but challenges we are well-equipped to face. The lingering effects of depressed real estate values, higher tax rates, lack of consumer confidence and higher unemployment will continue to weigh on our economy. **Balance sheet strength** remains paramount, and we will monitor our credit risk and loan portfolio with continued vigor and commitment to a low-risk growth strategy. We will continue to focus on increasing core deposits, relationship lending and wealth management opportunities. There is **profitability** when core deposits are strong, loans are priced for credit risk appropriately and revenue is diversified. We believe the greatest **growth** is built on a strong balance sheet and a profitable operating model.

Because we stayed true to **balance sheet strength, profitability and growth—in that order**, we are now well-positioned to capitalize on both internal and external growth opportunities. In January 2011, we formally launched a relationship growth model outlined in **The Busey Promise**—namely **Busey to the Fifth Power (B⁵)**. B⁵ is our strategic, organic growth initiative that fully leverages the resources of our five lines of business to meet all of our customers' needs. Through this model, we plan to increase customer satisfaction, retention, profitability and growth by identifying and serving the needs of our customers. B⁵ is sustainable and scalable; it defines how we will consistently meet our customers' needs regardless of line of business and increase the number of services per household. In addition, B⁵ can be implemented in future market expansion.

The theme of our 2010 annual report, **Strong Foundations, Growth with Promise**, is very fitting. It shares more details about **The Busey Promise** and our **B⁵ Strategic Initiative**. Because of our Pillars' unprecedented loyalty and support, we have a strong foundation on which to grow and fulfill our **Promise**. We are pleased to provide more specifics about our future direction. It is our hope that as you learn more about our strategy, you will be as excited as we are about the future of your organization.

We express our deepest gratitude for your continued support. Thank you for your commitment to and belief in one resilient, remarkable organization—**Busey!**



VAN A. DUKEMAN

*President & Chief Executive Officer,
First Busey Corporation*

{ All relationships begin with **The Busey Promise.** }

The Busey Promise defines our relationships with our **4 Pillars**—*customers, associates, communities and shareholders*. It is our organization's compass. It gives life to our business model and holds us accountable to our **4 Pillars**. It defines the range of business we pursue, the type of organization we are, and the nature of our economic and non-economic contributions.

The following is a summary of what **The Busey Promise** means to us as an organization and to each of our **4 Pillars**. Using the **Promise** as our guide, we embrace a strategy that stands the test of time and supports Busey's continued success.

We embrace and consistently fulfill **The Busey Promise** to our **4 Pillars**: *Customers, Associates, Communities and Shareholders...*

We are customer-centric and organizationally aligned to anticipate and exceed the needs of our customers. We commit to recruiting and retaining the best and brightest associates. We partner with our customers and associates in support of our communities. By exceeding the needs of our customers through the efforts of talented associates and strengthened communities, our shareholders are rewarded with the sustained financial results and profitability they expect from Busey.

We fulfill our **Promise** through shared resources, behaviors and common goals that clearly define who we are as an organization. Regardless of the situation, we are committed to a relationship culture guided by **The Busey Promise**.

{ *We are as strong as the relationships
we have with our **Pillars**.* }



The Busey Promise: To Our *Customers*.

Our customers are the core of everything Busey. We operate multiple business units; however, we serve our customers as **One Busey**. We are premier service providers in our markets because we fulfill our **Promise** as defined in our core values. We are: knowledgeable, trustworthy, friendly, responsive, community-minded and customer-centric.

*At Busey, we treat every customer
as we would like to be treated.*

The Busey Promise: To Our *Associates*.


Our product is service. As the primary driver of service, associates deliver our competitive advantage—**The Busey Promise**. We exhibit positive attitudes that make Busey a great place to work and conduct financial business. We flourish because our environment supports empowerment, customer-centricity, collaboration, and the convenience to fulfill identified needs. We recruit and retain the best and brightest associates—associates who are positive, determined, thoughtful, resilient and humble. We provide them with the knowledge and resources they need to succeed at Busey, allow them to be responsible and accountable, and reward them accordingly.

*Our associates make Busey. . .Busey.
Because of this, we remain **Busey**.*

The Busey Promise: To Our *Communities*.

We are a premier financial services organization working together with our communities to strengthen and advocate for youth, economic development, health and wellness, education and the arts. We are responsible stewards providing leadership in financial education and sustainability practices within our communities. We **Promise** to bridge needs by providing financial, social and human capital.

Being a community financial services organization means being a good corporate neighbor—partnering for purpose and progress.



The Busey Promise: To Our *Shareholders*.

We believe our long-term value is rooted in a low-risk financial practice, and we **Promise** our shareholders the highest level of stewardship over their company—stewardship built on the values of core deposit funding, risk mitigation, a strong capital position, diversified revenue streams and delivering long-term returns.

Our priorities are balance sheet strength, profitability and growth—in that order.





Pam Huffman
Teller



Danny Mitchell
Customer Service Representative

{ Building relationships through B⁵. }

Busey to the Fifth Power (B⁵) is a relationship sales model that leverages the power of our five business lines – retail, mortgage, business, cash management, and wealth management – in support of meeting our customers' needs as **One Busey** and increasing household services and retention.

The B⁵ model unites us as **One Busey** to increase our services per household and offers customers the full resources of Busey and its people – resulting in:

- A customer-centric culture;
- Associates who operate in a simplified business model;
- Associates who are rewarded for building relationships and doing what is right for our customers;
- Shareholders who invest and prosper with us.

By increasing services per household, we strengthen our market position and increase value to our **4 Pillars**. A customer with multiple services has a stronger connection to Busey. This deep relationship is what makes Busey a premier provider of financial services. Throughout this report, you see photos of “associates in action” serving our **Pillars'** needs. To give you a flavor of this service and showcase what the B⁵ initiative is about, we asked associates from our five lines of business to share their thoughts on this organic growth initiative. Here is what they are saying...



Kelli Hill
Branch Manager

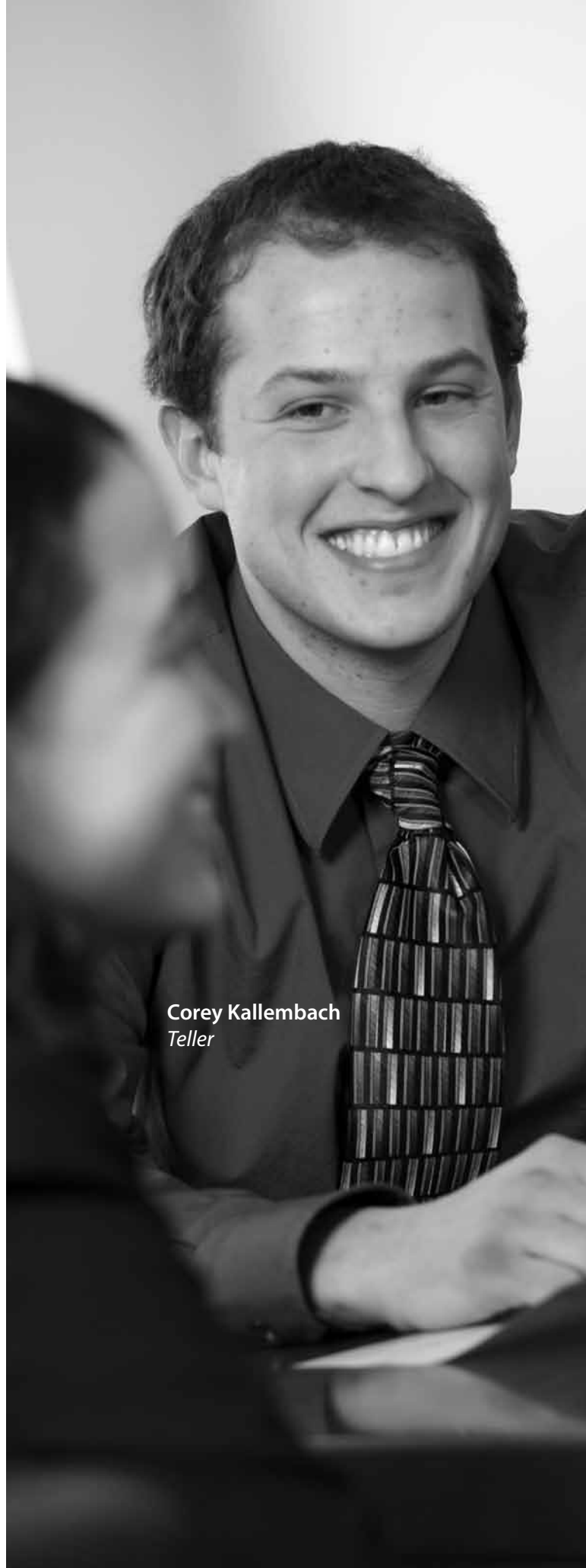
Janet Ladron
Personal Banker



Matthew Danbury
Mortgage Originator



Sarah Daniel
Personal Banker



Corey Kallembach
Teller



Antonia Dietrich
Customer Service
Representative



Brad Bengtson
Mortgage Originator

RETAIL.

"I don't really do anything all that unusual," says Antonia Dietrich, a customer service representative in Champaign, Illinois. "I just look at the customer's relationship and see where there are gaps, or listen to the customer." B⁵ is about being aware of opportunities to strengthen relationships with our customers—not selling a product for the sake of selling. "I had a customer come in the other day asking for a letter of verification. I know those are used for mortgages, so I asked if he had considered opening his mortgage with us. He hadn't, and I was able to have him sit down with a mortgage originator immediately. Simply listening and asking the question meant opening a home mortgage Busey wouldn't have had otherwise, and I owe that to the B⁵ initiative."

This is B⁵—engaged associates becoming aware of customer needs and making connections to take advantage of opportunities.

MORTGAGE.

Many customers visit us for a mortgage, not having any other products with Busey. Our Mortgage Relationship Pack, a sales tool designed to help our associates value package B⁵, aims to change all that. *"Before the relationship packs I, of course, knew about the products we offered through retail," says Mortgage Originator Brad Bengtson, "and I knew some of the benefits, but I didn't have the in-depth knowledge necessary to showcase the value of those products. Now I know what the benefits of the main products are, how the products can effectively meet my customers' needs and who I can have my customers talk to when they're ready to open a new product. Best of all, it's all organized right there for my customer and I to reference together."*

This is B⁵—better awareness of the benefits of our products, and consistent, clear services that meet our customers' needs.



Jeff Troxell
Business Banker



Briggett Carter
Cash Management
Sales Representative



Vanessa Levan
Financial Advisor

BUSINESS.

Business banking is about building relationships. When Busey funds a customer's loan for a new location, or opens a new business' first account, we begin building a successful relationship. B⁵ helps us enhance our relationships. *"I've worked with most of my customers for several years,"* says Jeff Troxell, Business Banker in Champaign, Illinois, *"and many of them work with other areas of the bank. The B⁵ initiative allows me to expand our relationship by referring customers directly to our associates to make sure all of their financial needs are met."* In this way we meet business needs and explore customers' other needs as well.

This is B⁵—one relationship builds many across Busey's comprehensive range of financial services.

CASH MANAGEMENT.

"Almost all business customers can benefit from at least one cash management service. The best thing about B⁵ has been the increased awareness of the services we offer," according to Briggett Carter, a cash management representative in Peoria, Illinois. *"Our services offer time and cost saving benefits to our business customers—increasing their efficiency and streamlining their operations. Now that all of our associates understand our service offerings, we are top of mind when a customer expresses frustration because of a manual process."*

This is B⁵—keeping all associates aware of opportunities outside of their line of business, and filling needs that may not have been filled in the past.

WEALTH MANAGEMENT.

Our wealth management customers know the value of a strong relationship and trusted advice. B⁵ offers us the opportunity to discuss our value proposition with customers who may not be aware of the services we offer. *"It was only a few days after the B⁵ initiative started that wealth management received a great referral from Jason Van Antwerp, a branch manager in Champaign,"* says Financial Advisor Vanessa Levan. *"It was very exciting. Just a few days out of the gate, and we have a multi-million dollar referral in the market I know best. B⁵ showcases the value of our services by allowing us the opportunity to develop new relationships."*

This is B⁵—increasing awareness in our communities, with our customers and among our associates of the services we offer and the value of these services.

EXECUTIVE MANAGEMENT

Daniel P. Daly

*Executive Vice President, West Region President
Busey Bank*

Van A. Dukeman

*President & Chief Executive Officer
First Busey Corporation*

Donna R. Greene

*President & Chief Executive Officer
Busey Wealth Management*

Barbara J. Harrington

*Executive Vice President & Chief Risk Officer
First Busey Corporation*

Gary L. Jackson

*Executive Vice President, Mortgage Banking
Busey Bank*

Leanne C. Kopischke

*Executive Vice President & Chief Information Officer
First Busey Corporation*

Howard F. Mooney II

*President & Chief Executive Officer
FirsTech, Inc.
Executive Vice President, Cash Management
Busey Bank*

Robert F. Plecki

*Executive Vice President & Chief Credit Officer
First Busey Corporation*

Christopher M. Shroyer

*President & Chief Executive Officer
Busey Bank*

N. John Waddock, Jr.

*Executive Vice President, Business Banking
Busey Bank*

Nancy E. Weimer

*Executive Vice President, Retail Banking
Busey Bank*

David B. White

*Executive Vice President & Chief Financial Officer
First Busey Corporation*

BOARD OF DIRECTORS, FIRST BUSEY CORPORATION

Joseph M. Ambrose

*President & Chief Executive Officer
Horizon Hobby, Inc.*

David J. Downey

*President
The Downey Group, Inc.*

Van A. Dukeman

*President & Chief Executive Officer
First Busey Corporation*

Dr. David L. Ikenberry

*Professor of Finance
Dean of the Leeds School of Business
University of Colorado*

E. Phillips Knox

*Attorney
Tummelson, Bryan & Knox, LLP*

V. B. Leister, Jr.

*Chairman
Carter's Furniture, Inc.*

Gregory B. Lykins

*Chairman
First Busey Corporation*

August C. Meyer, Jr.

*Chairman
Midwest Television, Inc.*

George T. Shapland

*President
Shapland Management Company*

Thomas G. Sloan

*Chief Executive Officer
Sloan Implement Company*

CORPORATE PROFILE.

First Busey Corporation is a \$3.6 billion financial holding company headquartered in Champaign, Illinois. Busey Bank, First Busey Corporation's wholly-owned bank subsidiary, also headquartered in Champaign, Illinois, has thirty full-service and four teller service branches serving downstate Illinois, a commercial service branch in Indianapolis, Indiana, and seven full-service branches serving southwest Florida. Busey Bank had total assets of \$3.6 billion as of December 31, 2010.

Busey Wealth Management is a wholly-owned subsidiary of First Busey Corporation. Through Busey Trust Company, Busey Wealth Management delivers trust, asset management, retail brokerage and insurance products and services. As of December 31, 2010, Busey Wealth Management had approximately \$3.5 billion in assets under care.

First Busey Corporation owns a retail payment processing subsidiary, FirsTech, Inc., which processes over 28 million transactions per year through online bill payments, lockbox processing and walk-in payments through its 3,100 agent locations in 38 states.

Busey provides electronic delivery of financial services through our website, www.busey.com.

SHAREHOLDER INFORMATION.

Corporate Headquarters

First Busey Corporation, 100 W. University Ave., Champaign, Illinois 61820, 217.365.4500. Visit Busey's website at www.busey.com.

Annual Meeting

The Annual Meeting of Shareholders of First Busey Corporation will be held on Tuesday, May 17, 2011, at 6:30 p.m. at Busey Bank, 100 W. University Ave., Champaign, Illinois.

First Busey Corporation Common Stock

First Busey Corporation Common Stock is listed on the Nasdaq Global Select Market under the symbol BUSE.

Annual Report on Form 10-K

A copy of the Annual Report on Form 10-K filed with the Securities and Exchange Commission can be found at www.busey.com.

FORWARD-LOOKING STATEMENTS.

The information in this report may contain certain forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended. These may include statements as to future financial and operating results, cost savings, enhanced revenues and the accretion/dilution to reported earnings that may be realized as well as any other statements regarding future results or expectations. First Busey intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and is including this statement for purposes of these safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe future plans, strategies, and expectations of First Busey are generally identified by the use of words such as "believe," "expect," "intend," "anticipate," "estimate," or "project" or similar expressions. First Busey's ability to predict results, or the actual effect of future plans or strategies, is inherently uncertain.

Member FDIC





First Busey Corporation
100 W. University Ave.
Champaign, IL 61820
217.365.4500
busey.com | NASDAQ: BUSE

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