



FIRST BUSEY CORPORATION

ANNUAL REPORT

2003

Corporate Profile

First Busey Corporation is a financial holding company headquartered in Urbana, Illinois. First Busey Corporation has two wholly owned banking subsidiaries with locations in three states. Busey Bank is headquartered in Urbana, Illinois and has eighteen banking centers serving Champaign, McLean and Ford Counties in Illinois. Busey Bank also has a banking center in Indianapolis, Indiana and a loan production office in Ft. Myers, Florida. Total assets of Busey Bank were \$1.4 billion as of December 31, 2003. Busey Bank Florida is a federal thrift headquartered in Ft. Myers, Florida with two banking centers in Cape Coral, Florida. Total assets of Busey Bank Florida were \$113 million as of December 31, 2003. Busey provides electronic delivery of financial services through Busey e-bank, www.busey.com.

Busey Investment Group is a wholly owned subsidiary of First Busey Corporation and owns three subsidiaries:

- **First Busey Trust & Investment Co.** specializes in asset management and trust services with approximately \$1.2 billion in assets under care as of December 31, 2003;
- **First Busey Securities, Inc.** is a full-service broker/dealer subsidiary with more than \$600 million in assets under care as of December 31, 2003 and is a member of NASD/SIPC;
- **Busey Insurance Services, Inc.** provides personal insurance products and specializes in long-term healthcare insurance.

First Busey Corporation and its subsidiaries had a total of 503 employees as of December 31, 2003.

Shareholder Information

Corporate Headquarters

First Busey Corporation, 201 W. Main Street, Urbana, Illinois 61801, (217) 365-4556. Visit Busey's world wide web site at www.busey.com.

Annual Meeting

The Annual Meeting of Shareholders of First Busey Corporation will be held on Tuesday, April 13, 2004, at 7:00 p.m. at the Virginia Theatre, Champaign, Illinois.

First Busey Corporation Common Stock

First Busey Corporation Common Stock is traded on the Nasdaq National Market under the symbol "BUSE." First Busey Corporation's

Forward Looking Statements

This presentation includes forward looking statements that are intended to be covered by the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward looking statements include, but are not limited to, comments with respect to the objectives and strategies, financial condition, results of operations and business of First Busey.

These forward looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, and the risk that predictions and other forward looking statements will not be achieved. First Busey cautions you not to place undue reliance on these forward looking statements, as a number of important factors could cause actual future results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward looking statements.

These risks, uncertainties and other factors include:

- The general state of the economy, both on a local and national level;
- The ability of First Busey to complete acquisitions successfully;
- The continued growth in the geographic area in which the banking subsidiaries operate; and
- The retention of individuals who currently are very important in the management structure of First Busey.

market makers are Howe Barnes Investments, Inc., Chicago; Stephens Inc., Little Rock; and Stifel, Nicolaus & Company, Inc., St. Louis.

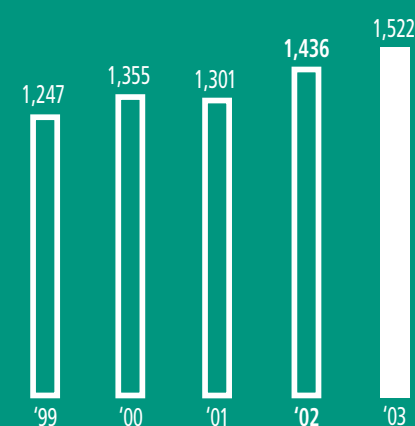
Annual Report on Form 10-K

A copy of the Annual Report on Form 10-K filed with the Securities and Exchange Commission may be obtained at www.busey.com on March 16, 2004 — click on Investor Relations.

Stock Transfer Agent

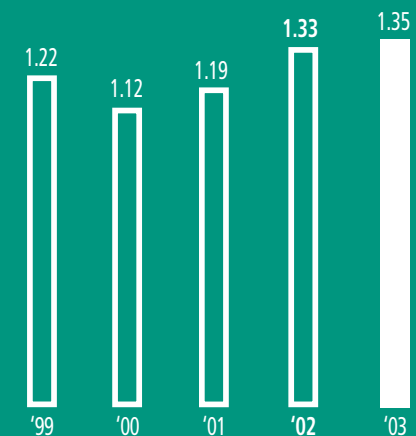
First Busey Corporation acts as its own transfer agent.

Financial Highlights



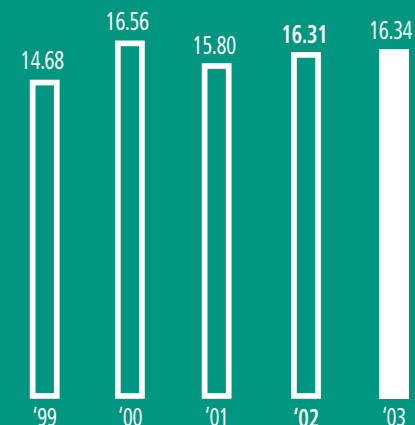
Total Assets

(dollars in millions)



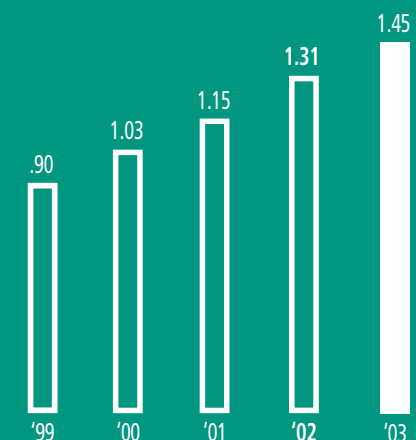
Return On Average Assets

(percentage)



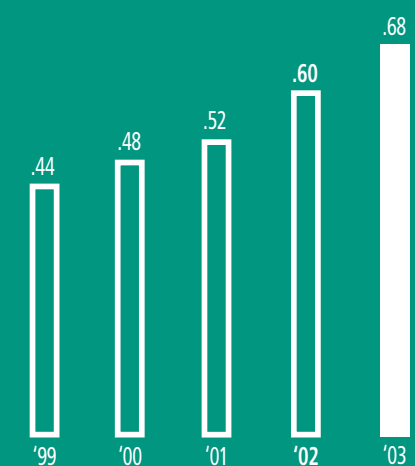
Return On Average Equity

(percentage)



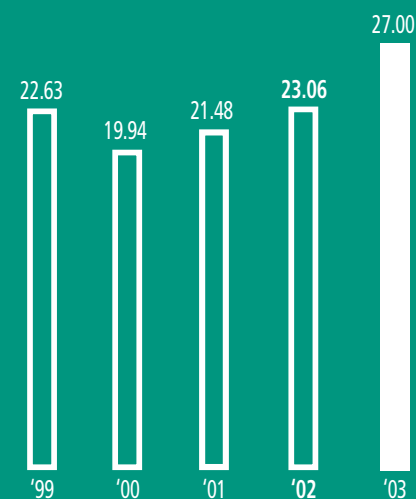
Diluted Earnings Per Share

(dollars)



Dividend

(dollars)



Closing Stock Price

(dollars)



FIRST BUSEY CORPORATION

REPORT FROM FIRST BUSEY CORPORATION'S CHAIRMAN, DOUG MILLS

For the thirteenth consecutive year, First Busey reported increased earnings from the prior year. Net income for 2003 was \$19,864,000, an increase of 10.9% from net income of \$17,904,000 in 2002. First Busey Corporation earned \$1.45 per share on a fully-diluted basis during 2003, an increase of 10.7% over per share earnings of \$1.31 for 2002. Total assets ended the year at \$1.522 billion as compared to \$1.436 billion for the year ending December 31, 2002. Loan growth was strong in 2003 with total loans increasing 8.4% to \$1.193 billion as compared to the year-end balance in 2002 of \$1.101 billion. Loan growth was solid in all of First Busey's markets with the greatest growth occurring in the Florida market. Even though net charge-offs were higher in 2003 than any year since 1986, management believes that the asset quality of the existing loan portfolio is very good and the reserve for loan losses at 1.36% of total loans is adequate.

The highlights of 2003 were:

- Busey Bank recorded an 8% increase in net income in 2003 ending the year at \$19,758,000 as compared to \$18,292,000 during 2002. Busey capitalized on the boom in the first real estate mortgage market, generating approximately \$6,000,000 in gains on the sale of first real estate mortgages. Busey Bank was the top producer of mortgage loans in both Champaign and McLean Counties. Busey anticipates enhancing its franchise in 2004 with the addition of a new facility in McLean County.
- Busey Bank Florida ended 2003 with total assets in excess of \$110 million and generated \$287,000 in net profit. The Bank also expanded its branch network with the addition of a new branch in Cape Coral. Another branch in Cape Coral is anticipated to be opened in 2004.
- Busey Investment Group ("BIG") increased its assets under care 22% in 2003, ending

the year at \$1.8 billion. Two new entities were established in 2003, Busey Capital Management and Physician Advisory Resources, LLC. Busey Capital Management is a Registered Investment Advisory Company designed to serve our customers who wish to delegate to us full investment discretion. Physician Advisory Resources is a joint venture

with Cozad Asset Management to provide investment management and financial planning to the physician community throughout the United States.

- A great deal of time and effort in 2003 was spent seeking an acquisition to further enhance the Busey Organization. In January of 2004, First Busey Corporation announced that an agreement had been entered into to acquire First Capital Bankshares, Inc. in Peoria, Illinois. First Capital is the holding company for the \$219 million First Capital Bank. This acquisition is in line with the strategic business plan of First Busey which calls for increasing its core asset base in Central Illinois. This acquisition is expected to close prior to June 30, 2004.
- First Busey's stock closed the year at a price of \$27.00 per share, an increase of 17.1% over the closing price of \$23.06 in 2002. The stock performance of BUSE compares very favorably to any comparable index over the time periods of three, five and ten years.

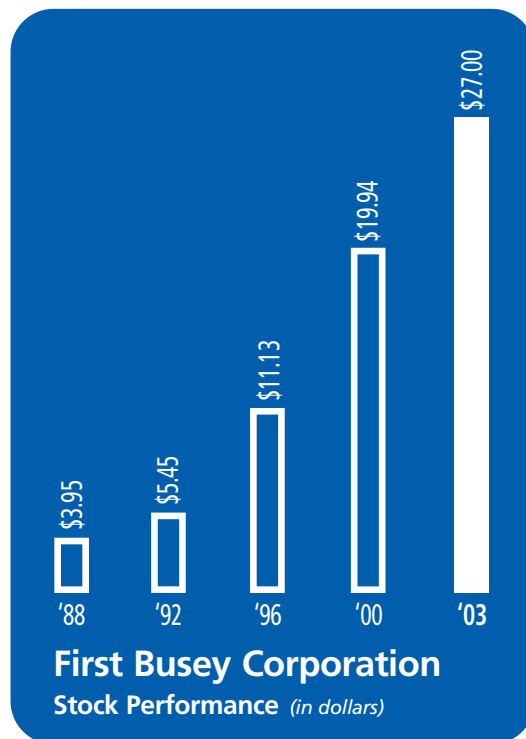
- First Busey Corporation celebrated fifteen years of being a public company on July 1, 2003. Annualized total return on BUSE stock exceeds 17% since June 30, 1988.
- On October 1, 2003, BUSE celebrated its fifth anniversary of trading on the Nasdaq National Market. Currently, First Busey has approximately 2,000 Shareholders, a majority of whom reside in the Midwest.
- First Busey Corporation increased its dividend from \$0.60 per share to \$0.68 per share, an increase of 13.3%. First Busey's headquarters are located in an enterprise zone, thus allowing its dividends to be excluded from Illinois state tax by Illinois residents.
- The Board of Directors, Executive Officers and Associates of First Busey continue to be very significant Shareholders owning almost 50% of the 13.7 million shares outstanding.
- The First Busey Employee Stock Ownership Plan ("ESOP") increased its holdings in BUSE by purchasing 50,000 shares on the open market in

December, 2003. The ESOP owns 887,822 shares representing 6.5% of the outstanding shares.

The Busey Organization had a very successful year in 2003 and remains optimistic about the growth opportunities ahead for us in financial services in the communities we serve. Our opportunities for market share gains in all segments of the financial industry, banking, investments, mortgage and insurance, are significant.

We thank our team members for their loyalty, professionalism, dedication and hard work. We are a team that remains committed to "Vision 2010." We thank our communities for the privilege of helping make them a better place to live and work. And we thank you, our Shareholders, for your confidence in First Busey as we begin our 136th year.

Douglas C. Mills
Chairman of the Board
and Chief Executive Officer





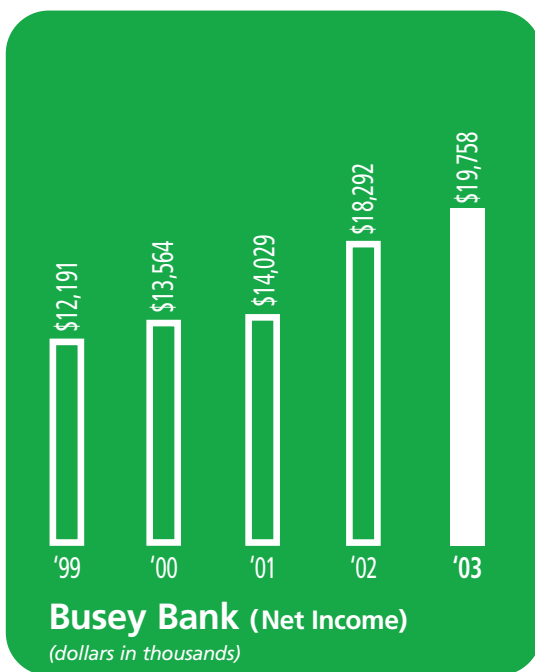
BUSEY BANK

REPORT FROM BUSEY BANK'S CHAIRMAN, DAVE KUHL

It is my pleasure to report that Busey Bank had another record setting year! Net income reached \$19.8 million, representing a return on average assets of 1.45% and a return on average equity of 17.3%. Total assets at the end of 2003 were \$1.4 billion, with total loans growing 5.3% to \$1.1 billion and total deposits ending the year at \$1.2 billion. Our reserve for loan losses on December 31, 2003 was a very healthy 1.39% of net loans. Busey Bank continues to be a very strong economic engine for our holding company, First Busey Corporation.

While our financial numbers are important and impressive, our people continue to be the element that makes it all possible. We are constantly vigilant to keep the proper people on staff and to have a management succession plan in place. In light of that, David D. Mills was named President and Chief Operating Officer of Busey Bank in January of 2003. David has been with Busey for eight years and most recently spent three years in our Indianapolis Loan Production Office under the tutelage of Don Monteith

and Lou Hensley. Our management team is already benefiting from David's enthusiasm and his fresh outlook on our industry. We continue to recruit additional bright young minds for other areas of the Busey Organization in order to stimulate our growth.



For Busey Bank to remain successful, it must continue to grow. We are fortunate to be located in two of the most dynamic counties in downstate Illinois — Champaign County and McLean

County. We currently have a market share in Champaign County of almost 30% and approximately 11% in McLean County. In 2004, we will be undertaking a goal of expanding our penetration in the McLean County market through the expansion of branches. Our Indianapolis banking center saw their loan portfolio grow 3% in 2003 in a market that is very competitive. Another excellent performer was our Loan Production Office located in Ft. Myers, Florida. This office grew its commercial loan portfolio by over 33% in 2003 while preserving excellent credit quality. Establishing loan production offices in high growth areas has proven to be an excellent way to enter a new market.

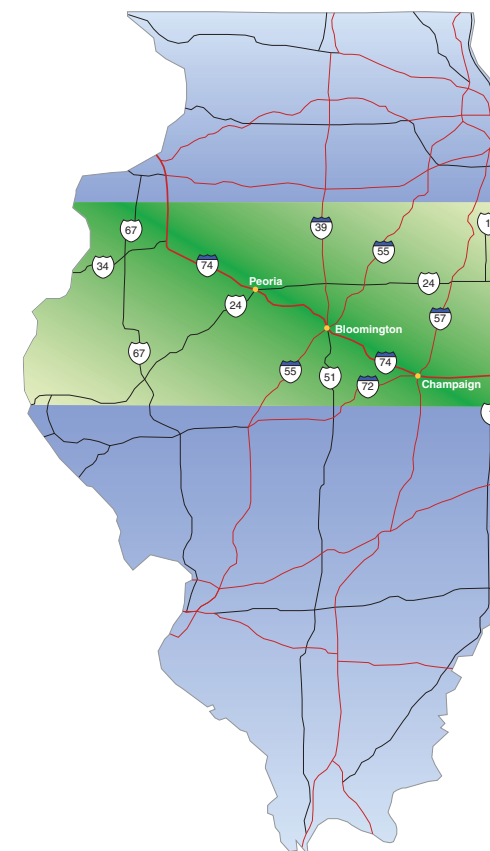
Our Florida banking operation continues to enjoy tremendous growth as well. Busey Bank Florida had assets exceeding \$110 million and recorded net profit of \$287,000 in just its third year of operation. Loan growth during 2003 was almost 67% while deposit growth exceeded 58%. Mike Geml and the staff he has assembled in Florida have done an outstanding job of making Busey a viable financial

organization in Southwest Florida. Another goal for 2004 will be to continue to expand our presence in Lee and Collier Counties.

Busey Bank is extremely excited about the addition in mid 2004 of First Capital Bankshares in Peoria, IL. First Capital Bank is a solid financial institution with an impressive history of growth and profitability. We are looking forward to working with this new sister bank in developing our franchise in the Peoria market. With our footprint already in Champaign County, Ford County, and McLean County, the addition of Peoria and Tazewell Counties provides Busey with an even larger presence in downstate Illinois. A quick glance at a map of Illinois shows that our goal of being the dominant financial institution in downstate Illinois is getting closer.

We can't talk about 2003 without mentioning the incredible performance of our mortgage division. With interest rates at a forty-year low, our first mortgage financing business ballooned to approximately \$400 million of loans originated for sale. That translated into gains on the sale of real estate mortgages of almost \$6

million. David Strang took over the leadership of the mortgage division in August of last year and is doing an outstanding job. As you can imagine, putting that many mortgages on the books in 2003 without significantly increasing staff was an admirable feat. While we wish 2004 would be as productive, the recent rise in interest rates has slowed



the mortgage business considerably.

During 2003, the entire Busey organization embraced The FISH! Philosophy™ with its four major tenets for customer satisfaction: Choose Your Attitude, Make Their Day, Play, Be Present. The result has been an improved work environment where associates have fun while making sure that our customers receive service that exceeds their expectations. Customers are the most important element in our business and our implementation of The FISH! Philosophy™ allows us to recognize that fact on a practical level. I would encourage you to read the FISH!™ Book by ChartHouse Learning™ to find out how Busey is becoming FISH!-y.

While past performance doesn't always guarantee future success, I firmly believe that we will continue to capitalize on the experience of our officers and employees to insure the continued success of Busey Bank. As I look to 2004 and beyond, I remember our motto from the 80's — **The Future is Bright and Strong!** The future is indeed bright. I am excited by our opportunities and proud that our past strengths will be the foundation for our future successes.



BUSEY INVESTMENT GROUP

REPORT FROM BUSEY INVESTMENT GROUP'S CHAIRMAN, ED SCHARLAU

Where in downstate Illinois can you find the financial expertise offered by the Busey Investment Group ("BIG")? With over fifty investment professionals including five Certified Financial Planners, three Chartered Financial Analysts, two Certified Public Accountants and a licensed attorney, Busey's investment team offers the finest in wealth management and wealth transfer knowledge. Our clients appreciate the ability to work with experienced individuals whose average tenure with Busey is 17 years.

BIG offers services needed today to develop and manage a person's, corporation's or not-for-profit's investment needs. Whether it's asset management, trust services, financial planning, tax preparation, insurance products, or private banking, our customers enjoy these services through the Busey Investment Group.

The success of our investment team is evident when reviewing our growth. Assets under care have increased to \$1.8 billion, up \$1 billion over the last ten years.

SEMINARS

Following a longstanding tradition, the staff of BIG hosted an annual seminar series last Fall designed both to educate and entertain the 200-plus in attendance each night. The seminars covered a wide range of financial topics which included, among others, "New Changes in the Tax Law," "Building One's Wealth," and "Portfolio Strategies for All Seasons." This year's marquee seminar featured Don Phillips, the Managing Director and Editor of Morningstar, Inc.

TAX PREPARATION

As tax ramifications often play a significant role in many of our investment decisions and related activities, the decision was made in late 2002 to add a tax professional to our BIG team. Josh Horn, a local CPA, was hired to fulfill these needs. Josh's broad range of expertise has brought additional depth to our team over the last year and has given the BIG organization a dedicated tax professional who can advise clients on complicated tax issues and prepare their personal income tax returns.

FLORIDA

The commitment we have made to our Florida-based operation remains strong. At the Fort Myers Busey Bank facility, the niche remains personal trust and agency relationships. Our customer base continues to grow in Florida, with assets under care now in excess of \$20 million.

RETIREMENT PLANS

The Busey Investment Group has become one of the leading providers of retirement plan solutions in Central Illinois. We are currently responsible for \$330 million of retirement plan assets serving over 8,000 plan participants. In addition we provide consulting services to another \$115 million in plan assets and 2,200 participants. In 2003, the largest plan administrator in America, Nationwide Insurance, ranked us as one of the top 50 firms in the United States in terms of new plan assets.

BUSEY CAPITAL MANAGEMENT

On November 1, 2003, First Busey Trust was granted regulatory approval to form Busey Capital Management, a Registered Investment Advisory. This new entity, designed exclusively

for those clients who allow our managers full investment discretion, will give us the opportunity to build an unencumbered record of our equity and fixed income performance results, which will be presented in an AIMR compliant format to potential new clients.

PHYSICIAN ADVISORY RESOURCES

The Busey Investment Group and Cozad Asset Management entered into a joint venture in 2003 to provide investment management and financial planning services to the physician community throughout the United States through a new firm, Physician Advisory Resources, LLC, or PAR. Both Busey and Cozad have a significant clientele of physicians and other healthcare professionals.

Joining us in this venture are Dr. John "Jack" Pollard, former CEO of Carle Clinic, and Dr. Ralph Broadwater. Dr. Broadwater, a nationally recognized surgical oncologist and Certified Financial Planner, was recently featured on the front page of the *Wall Street Journal* in an article discussing his passion for medicine and finance. The fact that *Medical*

Economics magazine recognized Busey and Cozad as having two of the top 150 financial advisors for physicians in the United States adds to our belief that we have a prescription for success.

PRIVATE CLIENT SERVICES

The Busey Investment Group clients have benefited from the services of Donna Goldenstein, the Busey banking professional at our location. She has done a magnificent job serving the banking needs of our clients in a comfortable, convenient and private setting.

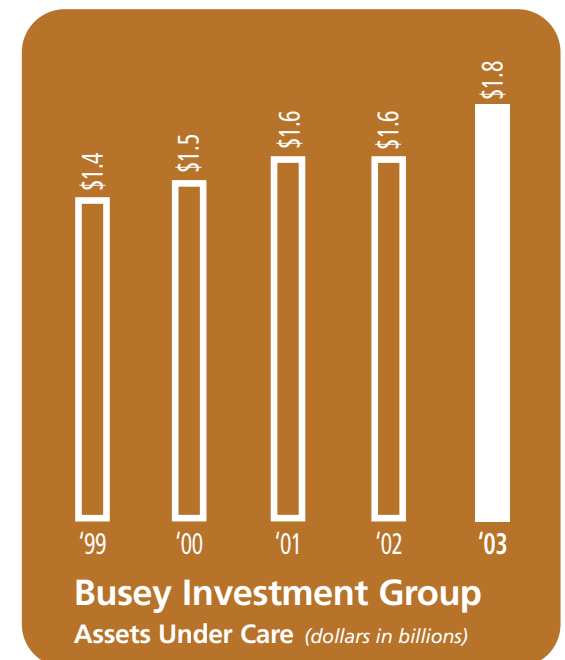
BUSEY INSURANCE SERVICES

Busey Insurance Services, Inc. ("BISI") had a good year in building for the future. In 2003, the focus of BISI broadened as we began to offer insurance-based estate planning solutions to our existing life insurance, health insurance and long-term care lineup.

SERVICES IN EIGHT LOCATIONS

To better serve current and prospective clients at Busey

banking centers, we added a full-time financial consultant to the bank's busy Champaign facility. We now have a Busey Investment Group financial consultant available full-time or part-time at eight Busey locations. In addition, our BIG team of investment professionals located in Bloomington-Normal offers complete trust and investment services. Of course, we serve our clients by appointment at any location, whether it be a home, office, or Busey facility.



EXECUTIVE MANAGEMENT



David D. Mills, President & Chief Operating Officer, Busey Bank and
Barbara J. Kuhl, President & Chief Operating Officer, First Busey Corporation



(L to R) Lee O'Neill, Commercial Lending; Scott MacAdam, First Busey Trust & Investment Co.; Tom Good, Risk Management; Susan Abbott, Retail/Marketing; Don Schlorff, Operations;
Glen Paine, Busey Investment Group; Barb Harrington, CFO; Dave Wampler, McLean County; Curt Anderson, First Busey Securities, Inc.; (Not pictured) Don Monteith, Indiana

FIRST BUSEY CORPORATION

BOARD OF DIRECTORS

Joseph M. Ambrose	P. David Kuhl
Samuel P. Banks	V. B. Leister, Jr.
T. O. Dawson	Douglas C. Mills
Victor F. Feldman, M.D.	Linda M. Mills
Kenneth M. Hendren	Edwin A. Scharlau II
E. Phillips Knox	David C. Thies
Barbara J. Kuhl	Arthur R. Wyatt

BUSEY BANK

BOARD OF DIRECTORS

Same as above with the addition of David D. Mills

BUSEY BANK FLORIDA

BOARD OF DIRECTORS

Todd A. Caruso	Michael P. Geml
Carol P. Conway	Edwin A. Scharlau II
Michael J. Frye	

MANAGEMENT TEAMS

FIRST BUSEY CORPORATION

Douglas C. Mills, Chairman & CEO	Barbara J. Kuhl, President & COO
Edwin A. Scharlau II, Vice Chairman	Barbara J. Harrington, EVP & CFO
Thomas M. Good, EVP	

BUSEY BANK

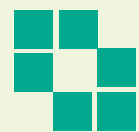
P. David Kuhl, Chairman & CEO	David D. Mills, President & COO
Susan E. Abbott, EVP	Lee H. O'Neill, EVP
Don A. Monteith, EVP	Donald J. Schlorff, EVP
David R. Wampler, EVP	

BUSEY BANK FLORIDA

Edwin A. Scharlau II, Chairman & CEO	Michael P. Geml, President & COO
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BUSEY INVESTMENT GROUP

Edwin A. Scharlau II, Chairman & CEO	Curt A. Anderson, President
R. Scott MacAdam, President & CEO First Busey Trust & Investment Co.	Glen C. Paine, Chairman First Busey Trust & Investment Co.



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