

*We Are Busey*  
ANNUAL REPORT

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**Busey**<sup>®</sup>  
FIRST BUSEY CORPORATION

A photograph of three business professionals (two men and one woman) in a meeting, smiling and looking at each other. They are seated around a table in a bright room with large windows. In the background, a large building with a prominent green dome is visible through the windows. The scene is brightly lit, suggesting a sunny day.

# Our Vision



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*.

# We Are Busey



By holding firm to our growth strategy, expanding our quality loan base and remaining mindful of expenses, in 2014 your organization solidified its firm foundation for continued organic and acquisition-based growth; expanded its commitment to premier customer service; and broadened efforts to foster and develop excellence in its associates—all in pursuit of our commitment to remain Busey.

The year ended December 31, 2014 brought \$32.8 million in net income as well as net income available to common shareholders of \$32.0 million, or \$0.37 per fully-diluted common share, to your organization. This nearly 28% growth in fully-diluted earnings per common share from 2013, on top of our almost 32% growth in earnings per share from 2012 to 2013, enabled us to meet Busey's **promise** to provide value to shareholders by growing our quarterly dividend during the year to \$0.05 per share—a 25% increase over prior years.

In addition to income improvement, our ongoing commitment to balance sheet strength, profitability and growth contributed to several notable successes in 2014. We expanded our quality loan portfolio, with an 8% gain in total average gross loans for the year, while non-performing loans declined 48% from 2013. Our net interest margin was stable, while non-interest bearing deposits increased almost 22% for the year and we remained strongly core deposit funded by our loyal customer base at 75% of total assets as of December 31, 2014.

Prior alignment of our commercial sales and credit teams have aided these successes—robust Small Business Lending Fund qualified loan growth in 2013 allowed Busey to realize almost \$3.0 million

in preferred dividend savings in 2014. Beyond the extensive effort to reduce non-performing loans, our net charge-offs declined from \$7.9 million in 2013 to \$2.1 million for 2014. Provision for loan loss in 2014 was \$2.0 million—down from \$7.5 million in 2013—while allowance for loan losses as a percentage of non-performing loans increased to an impressive 527%. This focus on excellent credit quality, coupled with a fortress balance sheet, positions us well to compete and grow.

A secure foundation of quality organic growth enables us to acquire businesses in markets which complement our own, and we were pleased in 2014 to announce our acquisition of Pekin-based Herget Financial Corporation (“Herget”). We expect this proven business with a one hundred year history of providing premier customer service to diverse industry sectors to increase our ranking for total deposits in the Peoria-Pekin metropolitan statistical area from 12th to 6th—providing increased access to a growing customer base in a natural extension of our footprint. Acquiring organizations like Herget reinforces our strong organic growth in thriving areas throughout Illinois, Indiana and Florida as we expand our franchise through balanced, integrated growth strategies that generate value for our shareholders—allowing us to remain Busey.

RESPONSIBLE FOR PRESERVING  
THE BUSEY LEGACY—A LEGACY OF  
CUSTOMER SERVICE, ASSOCIATE  
EXCELLENCE, COMMUNITY  
INVOLVEMENT AND EXPANDING  
SHAREHOLDER VALUE.

## *We Are Busey*

Our strategic focus on growing fee income to balance revenue from traditional banking activities remained a priority in 2014. The strengthening of our McLean and Macon County wealth management teams to further spur growth, coupled with access to a larger customer base through the Herget acquisition we expect to realize in 2015, enables us to increase market penetration throughout central Illinois by providing additional services to our existing customer base while welcoming new customers.

Busey Wealth Management extended four years of successive net income growth, improving net income by 10% in 2014—after a 26% increase for 2013—all while growing assets under care in 2014 to \$5.2 billion as of December 31, 2014 from \$5.0 billion as of December 31, 2013. Our entire wealth management business—with strong contributions from our Busey Ag Services and Trevett Capital Partners teams—also produced over \$22 million of revenue in 2014. We believe the services offered by Trevett Capital Partners and Busey Ag Services broaden our business base and enhance our ability to develop further revenue

sources—especially in thriving communities like Indiana and Florida. Firstech, Inc. likewise grew net income in 2014 to \$1.2 million, bringing in over \$9 million in revenue.

As we enhance our prospects for additional growth and profitability, we are consistently exploring methods to reduce costs and enhance efficiency. This continued commitment to comprehensive expense discipline in 2014 led to a decrease in total other expenses of over \$4 million, in addition to our more than \$7 million reduction in 2013. These successes contributed to a more than 10% increase in net income for each of our business units over 2013. Continuously refining our streamlined delivery model with an eye toward efficiency and long-term sustainability provides a competitive advantage in integrating current and future acquired institutions and serving our customers well.

Organic and external growth require a deep bench of associate excellence and leadership. To attract and retain the best and brightest—leaders that grow Busey into the future—we have launched an array of learning and engagement programs to provide associates the tools they



need to live the **Busey Promise**. These opportunities—from skill-building, sales & service and operational trainings to leadership, management excellence and networking guidance—are designed to unlock the potential of associates at every level, ensuring a secure supply chain of talent within Busey with the knowledge and resources, diversity of thought and cultural alignment needed to execute on our organizational strategy.

Through our efforts to develop our associates, we maintain our commitment to our competitive advantage—the premier customer service we **promise** our customers. We have shared in the past our commitment to measuring and improving our customer service delivery with the *Net Promoter* system. In 2014, we expanded our customer service training and deployed *Service Plus*—a model that provides associates with the skills necessary to consistently deliver a premier customer experience.

To ensure we are meeting customer needs recognized through *Net Promoter* surveys and *Service Plus*, we have instituted quarterly *Customer Experience Panels*—comprised of associates with varied backgrounds and wide ranges of skills and responsibilities. This ongoing effort explores opportunities uncovered for improvement as we continually seek to enhance our customers' experience at Busey.

As we grow these training and development tools and customer feedback channels, we provide associates with detailed, actionable feedback to help establish and nurture the multi-generational relationships with customers that allow Busey to thrive—now and in the future.

We are Busey, and we are responsible for preserving the Busey legacy—a legacy of customer service, associate excellence, community involvement and expanding shareholder value. We believe we are well-positioned to retain and build on our competitive advantage. By continuing to execute the strategic behaviors that have brought us success and further establishing and expanding strong multi-generational relationships, we keep your organization vibrant and growing in 2015 and beyond—and remain Busey for years to come.

We are proud of what we do for our **4 Pillars**—our customers, associates, communities and shareholders. We are proud to remain Busey, and we thank you for supporting us in that goal.



VAN A. DUKEMAN, CFA  
President & Chief Executive Officer  
First Busey Corporation





SERVICE  
LEADERS

*Executive Management*

**Van A. Dukeman**

President & Chief Executive Officer  
First Busey Corporation

**Robin N. Elliott**

Chief Financial Officer  
First Busey Corporation

**Barbara J. Harrington**

Chief Risk Officer  
First Busey Corporation

**Howard F. Mooney II**

Chief Information Officer  
First Busey Corporation

**Robert F. Plecki**

Chief Operating Officer & Chief Credit Officer  
First Busey Corporation

**John J. Powers**

General Counsel  
First Busey Corporation

**Christopher M. Shroyer**

President & Chief Executive Officer  
Busey Bank

*First Busey Corporation Board of Directors*

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Horizon Hobby, Inc.

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President  
The Downey Group, Inc.

**Van A. Dukeman**

President & Chief Executive Officer  
First Busey Corporation

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Chief Executive Officer  
Sloan Implement Company

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Chief Executive Officer  
Tri-Star Marketing, Inc.

**Phyllis M. Wise**

Chancellor  
University of Illinois at Urbana-Champaign

## Corporate Profile

As of December 31, 2014, First Busey Corporation (NASDAQ: BUSE) is a \$3.7 billion financial holding company headquartered in Champaign, Illinois. Busey Bank, First Busey Corporation's wholly-owned bank subsidiary, is also headquartered in Champaign, Illinois and has twenty-eight banking centers serving Illinois, a banking center in Indianapolis, Indiana, and seven banking centers serving southwest Florida. Trevett Capital Partners, a wealth management division of Busey Bank, provides asset management, investment and fiduciary services to high net worth clients in southwest Florida. The wealth management professionals of Trevett Capital Partners can be reached through [trevettcapitalpartners.com](http://trevettcapitalpartners.com). Busey Bank had total assets of \$3.6 billion as of December 31, 2014.

In addition, First Busey Corporation owns a retail payment processing subsidiary, FirsTech, Inc., through Busey Bank, which processes over 23 million transactions per year including online bill payment, lockbox processing and walk-in payments at its 3,000 agent locations in 36 states. More information about FirsTech, Inc. can be found at [firsttechinc.com](http://firsttechinc.com).

Busey Wealth Management, Inc. is a wholly-owned subsidiary of First Busey Corporation. Through Busey Trust Company, Busey Wealth Management provides asset management, investment and fiduciary services to individuals, businesses and foundations. As of December 31, 2014, Busey Wealth Management's assets under care were approximately \$5.2 billion.

Busey Bank and Busey Wealth Management deliver financial services through [www.busey.com](http://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](http://www.busey.com).

### Annual Meeting

The Annual Meeting of Shareholders of First Busey Corporation will be held on Wednesday, May 20, 2015, at 7:30 a.m. at the Champaign Country Club, 1211 S. Prospect Avenue, Champaign, IL 61820.

### 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](http://www.busey.com).

### Stock Transfer Agent

Computershare, P.O. Box 30170, College Station, TX 77842-3170. The transfer agent can be accessed at [www.computershare.com/investor](http://www.computershare.com/investor).

## Forward-Looking Statements

This document may contain 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 ability of the Company to control or predict, could cause actual results to differ materially from those in its forward-looking statements. These factors include, among others, the following: (i) the strength of the local and national economy; (ii) changes in state and federal laws, regulations and governmental policies concerning the Company's general business (including the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the extensive regulations to be promulgated thereunder, as well as the rules adopted by the federal bank regulatory agencies to implement Basel III); (iii) changes in interest rates and prepayment rates of the Company's assets; (iv) increased competition in the financial services sector and the inability to attract new customers; (v) changes in technology and the ability to develop and maintain secure and reliable electronic systems; (vi) the loss of key executives or employees; (vii) changes in consumer spending; (viii) unexpected results of acquisitions, including the acquisition of Herget; (ix) unexpected outcomes of existing or new litigation involving the Company; (x) the economic impact of any future terrorist threats or attacks; (xi) the economic impact of exceptional weather occurrences such as tornados, hurricanes, floods, and blizzards; and (xii) changes in accounting policies and practices. 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 the Company's financial results, is included in the Company's filings with the Securities and Exchange Commission.



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Our Promise.*

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**First Busey Corporation**

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Champaign, IL 61820

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