# Midland States Bancorp, Inc.
# NASDAQ: MSBI

Investor Presentation

May 2021

**Forward-Looking Statements.** This presentation may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements expressing management's current expectations, forecasts of future events or long-term goals may be based upon beliefs, expectations and assumptions of Midland's management, and 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. All statements in this presentation speak only as of the date they are made, and Midland undertakes no obligation to update any statement. A number of factors, many of which are beyond the ability of Midland to control or predict, could cause actual results to differ materially from those in its forward-looking statements including the effects of the Coronavirus Disease 2019 ("COVID-19") pandemic, including its potential effects on the economic environment, our customers and our operations, as well as any changes to federal, state or local government laws, regulations or orders in connection with the pandemic. 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 Midland and its businesses, including additional factors that could materially affect Midland's financial results, are included in Midland's filings with the Securities and Exchange Commission.

**Use of Non-GAAP Financial Measures.** This presentation may contain certain financial information determined by methods other than in accordance with accounting principles generally accepted in the United States ("GAAP"). These non-GAAP financial measures include "Adjusted Earnings," "Adjusted Pre-Tax, Pre-Provision Income," "Adjusted Diluted Earnings Per Share," "Adjusted Return on Average Assets," "Adjusted Return on Average Shareholders' Equity," "Adjusted Return on Average Tangible Common Equity," "Adjusted Pre-Tax, Provision Return on Average Assets," "Efficiency Ratio," "Tangible Common Equity to Tangible Assets," "Tangible Book Value Per Share," and "Return on Average Tangible Common Equity." The Company believes that these non-GAAP financial measures provide both management and investors a more complete understanding of the Company's funding profile and profitability. These non-GAAP financial measures are supplemental and are not a substitute for any analysis based on GAAP financial measures. Not all companies use the same calculation of these measures; therefore this presentation may not be comparable to other similarly titled measures as presented by other companies. Reconciliations of these non-GAAP measures are provided in the Appendix section of this presentation.

# Company Snapshot

- **$6.88 billion asset community bank established in 1881 and headquartered in Effingham, Illinois**
  - **2nd largest Illinois-based community bank[1]**
- **$3.56 billion Wealth Management business**
- **Diversified lender with national equipment financing and consumer loan origination platforms complementing in-market commercial relationship banking**
- **52 branches in Illinois and Missouri**
- **14 successful acquisitions since 2008**

Notes:
1) Community bank defined as banks with less than $10 billion in assets; Source: S&P Global Market Intelligence
2) All financial data as of March 31, 2021



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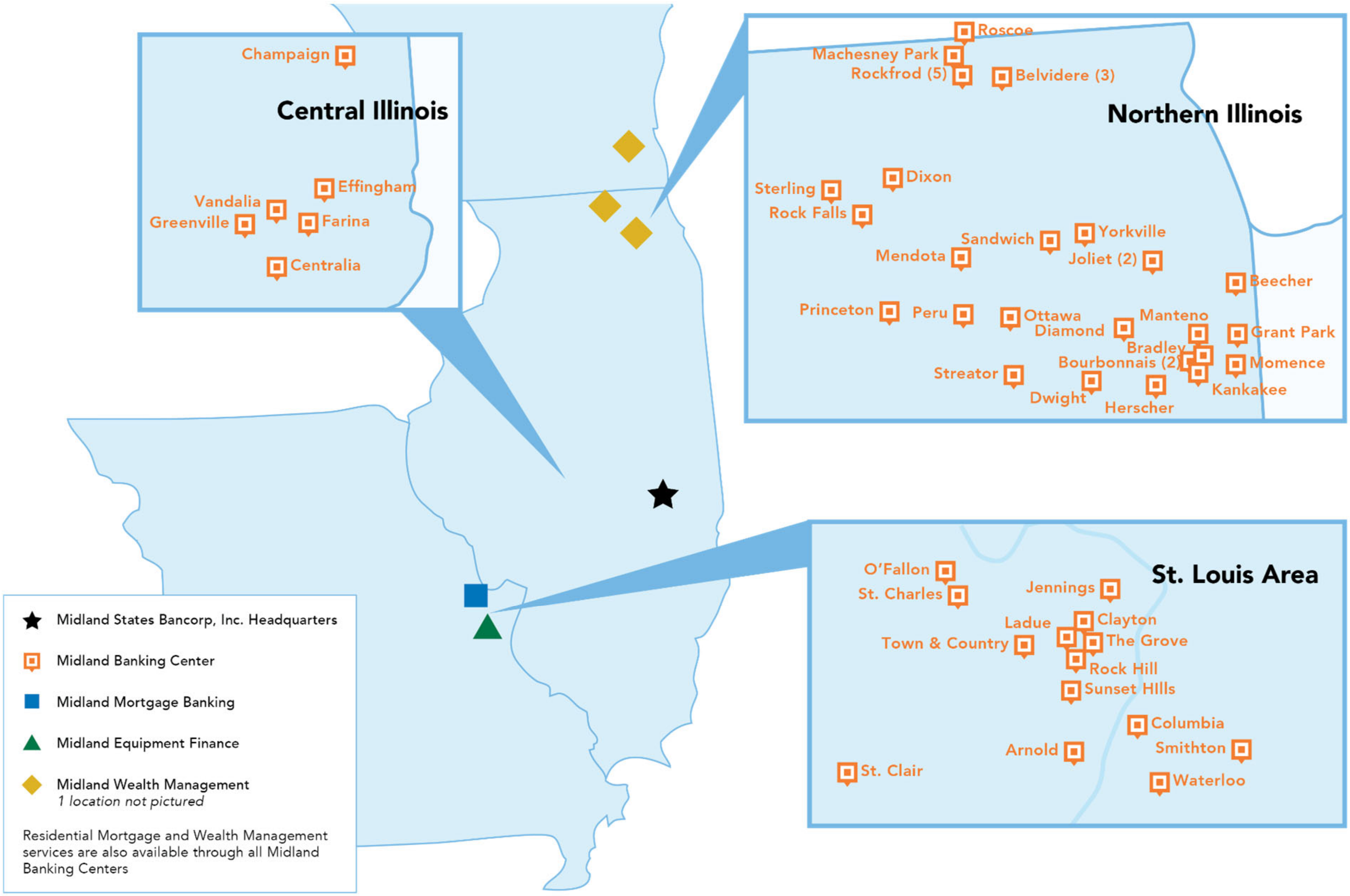
# Financial Services & Banking Center Footprint

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# Investment Summary

**Consistent** track record of driving compelling shareholder returns through disciplined strategic expansion and earnings growth

**Organization-wide focus** on expense management driving improvement in operating efficiencies

29%

**Attractive**, stable core deposit franchise with 29% non-interest bearing accounts[1]

**Leveraging technology** to drive revenue growth, increase market share, and enhance the customer experience

**Proven** track record of successful acquisitions with a focus on enhancing shareholder value while building a platform for scalability

**Illinois** and contiguous states provide ample opportunities for future acquisitions

**Well diversified loan portfolio** across asset classes, industries and property types



Notes:
1. As of March 31, 2021

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# Business and Corporate Strategy

## Customer-Centric Culture

Drive organic growth by focusing on customer service and accountability to our clients and colleagues; seek to develop bankers who create dynamic relationships; pursue continual investment in people; maintain a core set of institutional values, and build a robust technology platform that provides customers with a superior banking experience

## Operational Excellence

A corporate-wide focus on driving improvements in people, processes and technology in order to generate further improvement in Midland's operating efficiency and financial performance

## Enterprise-Wide Risk Management

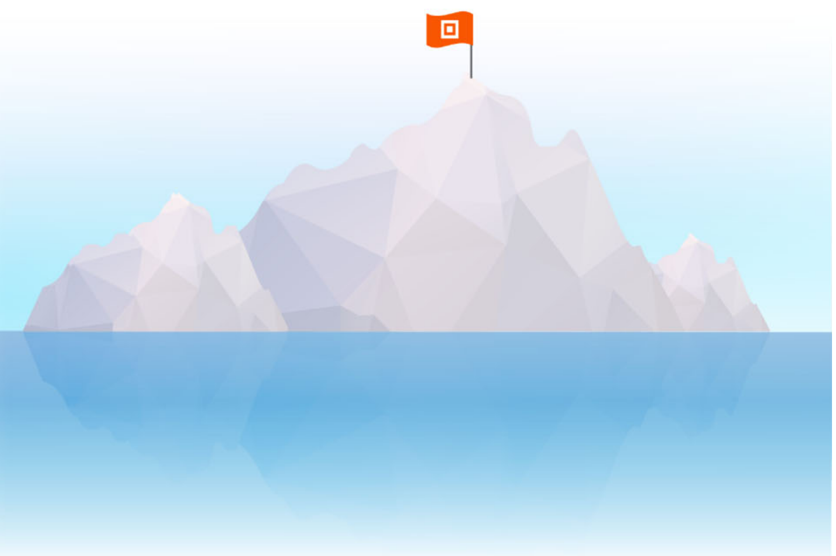
Maintain a program designed to integrate controls, monitoring and risk-assessment at all key levels and stages of our operations and growth; ensure that all employees are fully engaged

## Accretive Acquisitions

Maintain experienced acquisition team capable of identifying and executing transactions that build shareholder value through a disciplined approach to pricing; take advantage of relative strength in periods of market disruption

## Revenue Diversification

Generate a diversified revenue mix and focus on growing businesses that generate strong recurring revenues such as wealth management



# Experienced Senior Management Team

Jeffrey G. Ludwig | President and CEO of Midland States Bancorp

- Assumed Company CEO role in Jan. 2019 after serving as Bank CEO
- More than 10 years serving as CFO
- Joined Midland in 2006; 16+ years in banking industry

Jeffrey S. Mefford | President of Midland States Bank and EVP of Midland States Bancorp

- Joined Midland in 2003
- Appointed Bank President in March 2018
- Oversees all sales activities for commercial, retail, mortgage, wealth management, equipment finance, and treasury management

Douglas J. Tucker | SVP, Corporate Counsel and Director of IR

- 20+ years experience advising banks and bank holding companies
- Significant IPO, SEC reporting and M&A experience
- Joined Midland in 2010

Eric T. Lemke | Chief Financial Officer

- Promoted to Chief Financial Officer in November 2019
- Joined Midland in 2018 as Director of Assurance and Audit
- 25+ years of financial accounting and reporting experience in financial services

Jeffrey A. Brunoehler | Chief Credit Officer

- 30+ years in banking, lending and credit
- Leads the credit underwriting, approval and loan portfolio management functions
- Joined Midland in 2010



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# Successful Acquisition History

- **Midland States has completed 14 transactions since 2008, including FDIC-assisted, branch, whole bank, asset purchase and business line acquisitions, and a New York trust asset acquisition**
- **Demonstrated history of earnings expansion**
- **Deliberate diversification of geographies and revenue channels**
- **Successful post-closing integration of systems and businesses**

**Selected Acquisitions**

| | 2009 | 2010 | 2014 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|---|---|
| | **Strategic Capital Bank** | **AMCORE Bank, N.A.** | **Love Savings / Heartland Bank** | **Sterling Bancorp** | **Centrue Financial** | **Alpine Bancorp.** | **HomeStar Financial** |
| Acquisition Type | FDIC-Assisted | 12 Branches | Whole Bank | Trust Administration | Whole Bank | Whole Bank and Wealth Mgmt | Whole Bank |
| Assets Acquired ($mm) | $540.4 | $499.5 | $889.0 | - | $990.2 | $1,243.3 | $366.0 |
| Location | Champaign, IL | Northern Illinois | St. Louis, MO | Yonkers, NY | Northern Illinois | Rockford, IL | Kankakee, IL |
| | Financially Transformative | Operationally Transformative | Revenue Diversification | Expansion of Trust Business | Enhanced Scale and Market Presence | Expanded Core Bank and Wealth Management | Low-cost Deposit Franchise and Market Presence |

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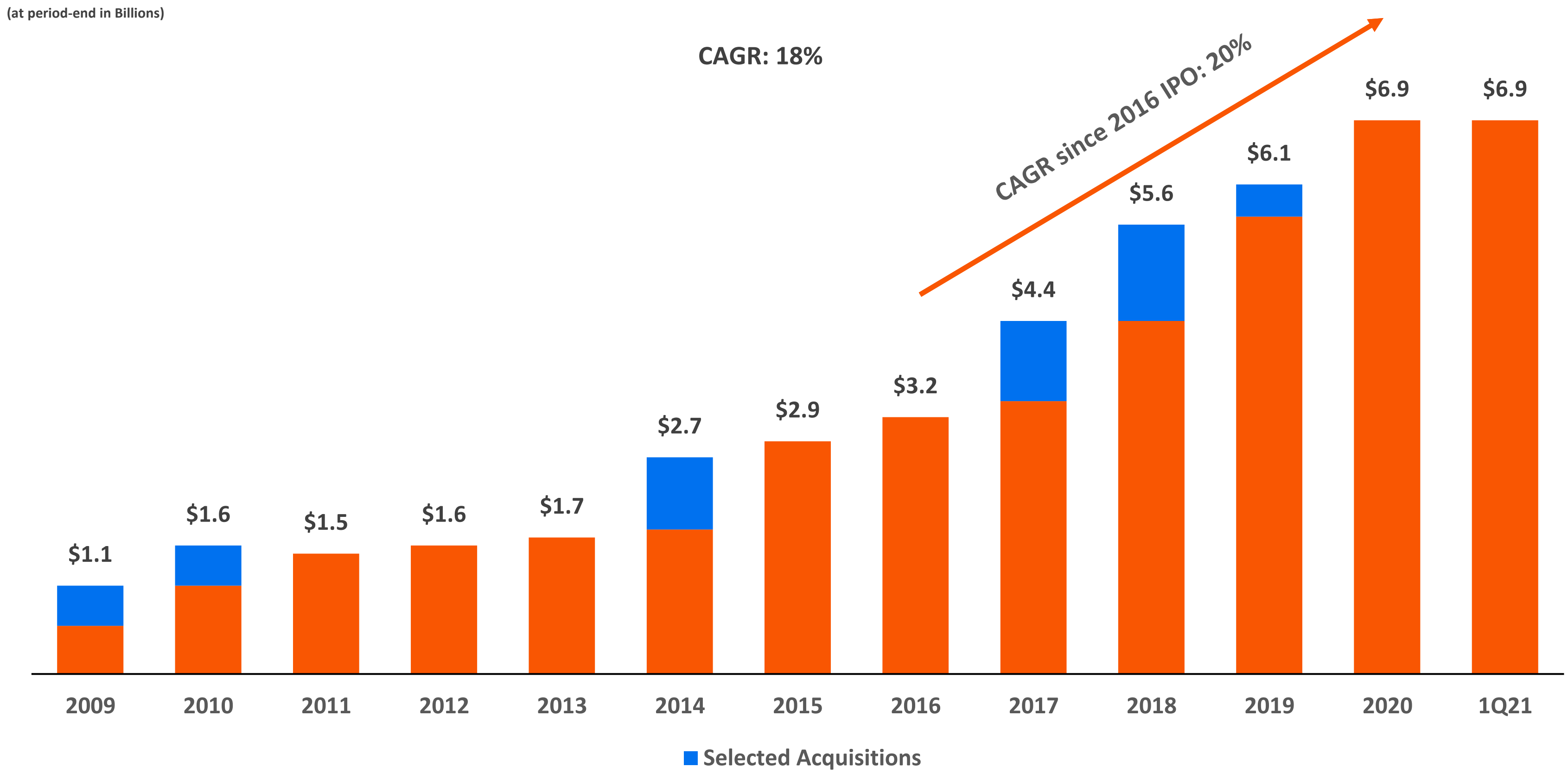
# Successful Execution of Strategic Plan…

## Total Assets




**Selected Acquisitions: Total Assets at Time of Acquisition (in millions)**

| | |
|---|---|
| 2009: Strategic Capital Bank ($540) | 2010: AMCORE Bank ($500) |
| 2014: Love Savings/Heartland Bank ($889) | 2017: Centrue Financial ($990) |
| 2018: Alpine Bancorp. ($1,243) | 2019: HomeStar Financial Group ($366) |

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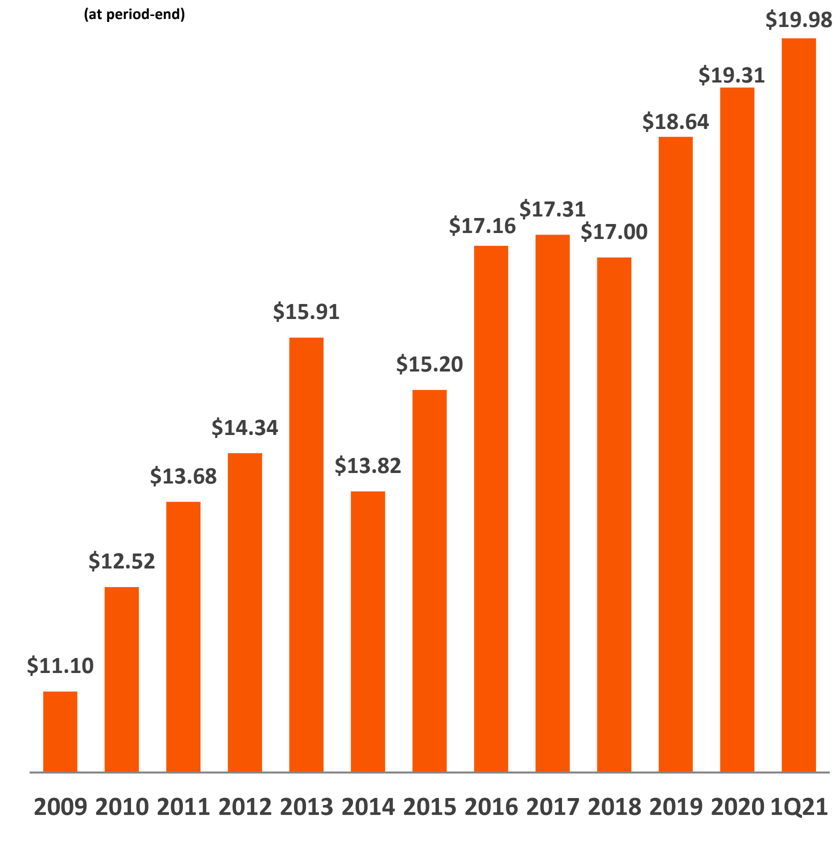
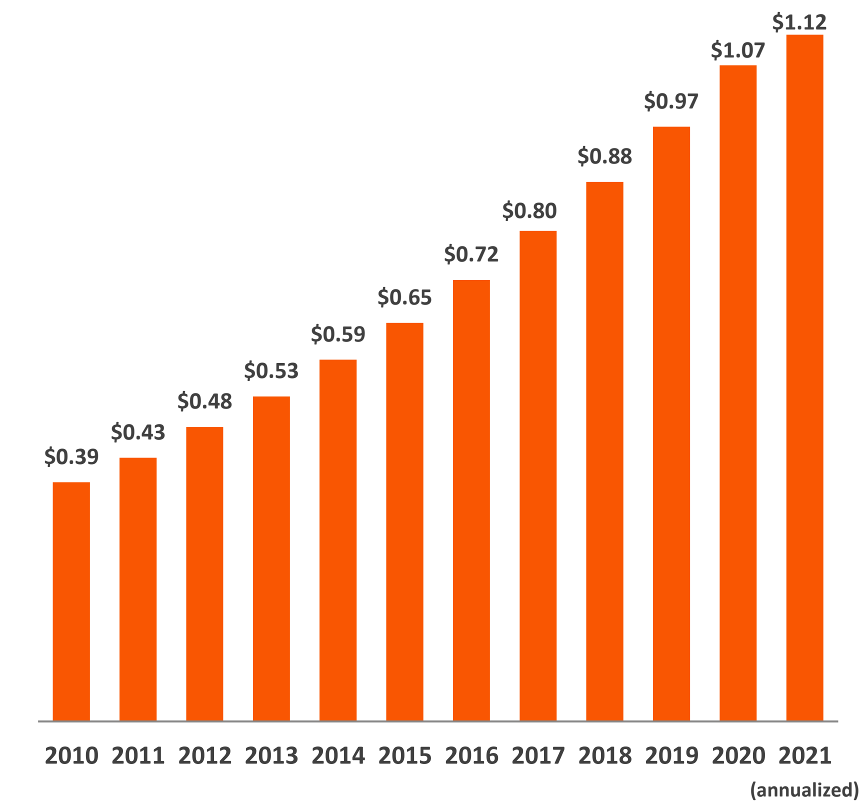
# …Leads to Creation of Shareholder Value

## 21 Consecutive Years of Dividend Increases

### Tangible Book Value Per Share[1]




### Dividends Declared Per Share




Note:
(1) Tangible book value per share is a non-GAAP financial measure; tangible book value per share is defined as tangible common equity divided by shares of common stock outstanding (in the case of the ''as converted'' measure, assuming the conversion of all preferred shares that were outstanding prior to December 31, 2014); please refer to the reconciliation in the Appendix

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# Strategic Initiatives Strengthening Franchise

**Significant Corporate Actions Since Coming Public in 2016…**

**Scale**

| Action | Strategic Rationale | Financial Impact | 2016 | 1Q21 |
|---|---|---|---|---|
| Three whole bank acquisitions | • Low-cost deposits | Total Assets | $3.2B | $6.9B |
| Four Wealth Management acquisitions[1] | • Recurring revenue | AUA | $1.7B | $3.9B |
| Expanded equipment finance group | • Diversify revenue with attractive risk-adjusted yields | Equipment Finance | $191M | $859M |

**Efficiency**

| Action | Strategic Rationale | Financial Impact | 2016 | YTD 2021 |
|---|---|---|---|---|
| Branch network and facility reductions | • Increasing adoption of digital | Efficiency Ratio[2] | 68.66% | 56.88% |
| Sale of Commercial FHA Loan Origination platform | • Remove inconsistent revenue and profit contributor<br>• Retain low-cost servicing deposits | | | |
| Accelerate technology investments | • Digital adoption is increasing | | | |

Notes:
(1) Includes the pending acquisition of ATG Trust Company, which is expected to close during the second quarter of 2021
(2) Represents a non-GAAP financial measure. See "Non-GAAP Reconciliation" in the appendix.



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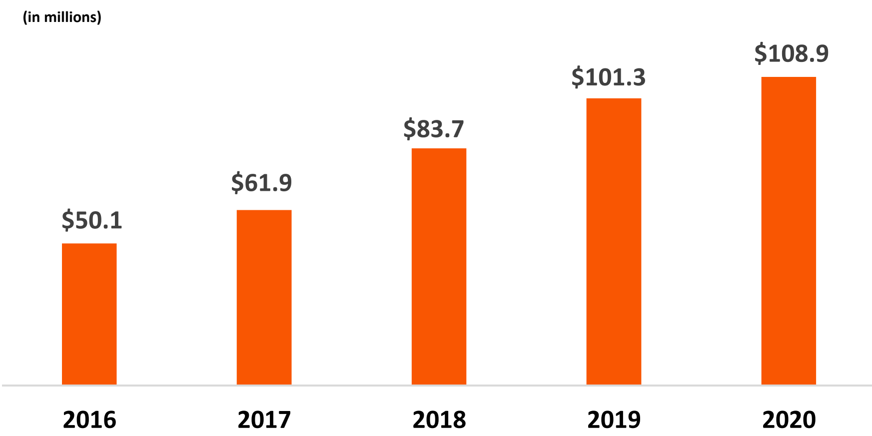
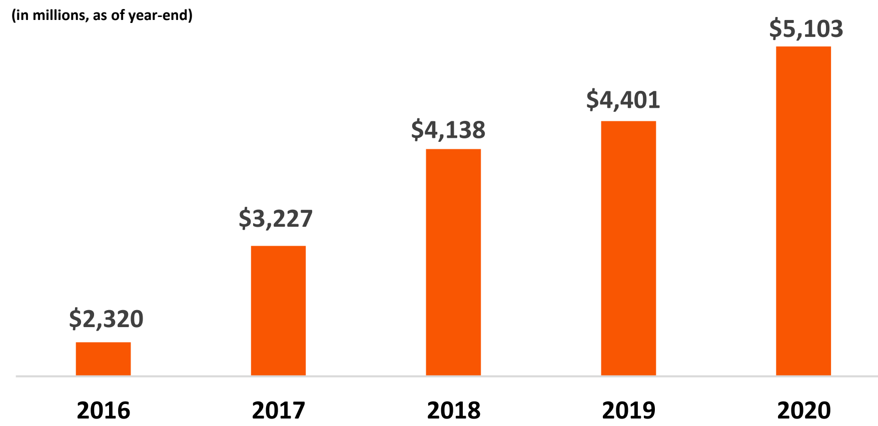
# Strategic Initiatives Strengthening Franchise

**…Have Produced Improved Growth and Profitability**

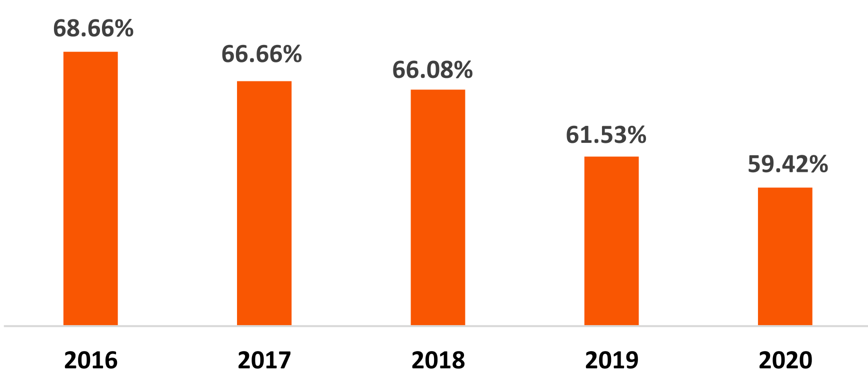
## Adjusted Pre-Tax Pre-Provision Earnings[(1)]



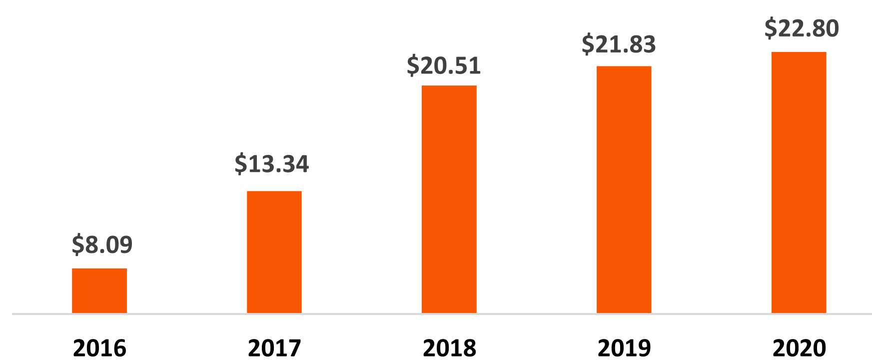

## Total Loans




## Efficiency Ratio[(1)]




## Wealth Management Revenue




Notes:
(1) Represents a non-GAAP financial measure. See "Non-GAAP Reconciliation" in the appendix.

# 2020 Optimization and Efficiency Initiatives

| | Initiative Details | FY 2021 Expected Financial Impact |
|---|---|---|
| **Sale of Commercial FHA Loan Origination Platform** | • Sale of origination platform to Dwight Capital<br>• No significant gain on sale (reduced goodwill by $10.9 million)<br>• $3.0 million tax charge on sale<br>• Retain servicing and low-cost deposits<br>• Ongoing warehouse and servicing deposit relationship with Dwight Capital | • Ongoing commercial FHA revenue of $1.2 million for servicing<br>• $8-$9 million expense reduction |
| **Branch Network and Facilities Optimization** | • Consolidation of 13 branches (20% of network and ~30 FTEs)<br>• Most affected branches located within 3 miles of another Midland branch<br>• 4 of the branches had been closed since March due to pandemic<br>• Expected to retain 70% to 80% of deposits from consolidated branches<br>• Exited three corporate locations including St. Louis and Denver | • Restructuring charge in 3Q20 of $13.6 million<br>• Other branch renovation and upgrading projects beginning in 4Q20 and continuing in 2021 at a cost of $4 million<br>• $6 million expense reduction in 2021 |



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# Technology Roadmap

**Midland's technology investments are enhancing efficiencies, improving client experience, and positively impacting retail deposit gathering and commercial/consumer loan production**

| | Consumer | Small Business | Commercial | Wealth |
|---|---|---|---|---|
| Customer Facing | **Near real time payments** (Q1 2021) – Zelle | | | |
| | **Consumer online loan Origination** (Q1 2021) – blend | | **Loan pricing optimization engine** (2021) – precisionlender | |
| | **Consumer online account opening** (2020) – ncino | **Digital Paycheck Protection Program Portal** (2020) – salesforce | | |

**Automated analytics-based marketing platform deployed with access to all datasets and all businesses** (2020 and on-going) – salesforce marketing cloud

**CRM deployed to 600+ front office employees with rich view of the customer, automated leads, and single view of pipelines for executive team** (2020) – salesforce

**Digital mortgage application** (2020) – blend

**Self service loan portal and treasury on-boarding** (2021) – salesforce

## Foundational

**Fintech Partnerships Established**
Canapi Fund, Alloy, Blend, Plaid, GreenSky
GreenSky, CANAPI, alloy, PLAID

**CX Platform Customer Feedback (2020, 2021)** – NICE

**Artificial Intelligence (2020, 2021)** 200+ RPA "bots" deployed in the last 18 months, AI based solutions applied in Risk Management, Mortgage Operations (Q2 2021), and Cyber Security (UEBA) – nintex

**Silo-elimination and 360 view of customer (2020)**
All sales teams on single sales platform using same 360 view of customer – SAS Viya, Power BI

**Centralized Data Analytics - PowerBI, SAS Viya (2018, 2019, 2020)**
Oracle data warehouse with 98% of data accessible for analytics across all products, services and channels

**Digital Talent (39 FTE)** Chief Digital Officer, Director – Digital Customer Experience, Director – Enterprise Data Services, Director – Digital Solution Delivery, Lead Engineer API Development, Senior Manager – Digital Marketing, Manager – Customer Experience, Board Member – Digital Expertise

# Recent Financial Trends

# Overview of 1Q21

| | |
|---|---|
| **1Q21 Earnings** | • Net income of $18.5 million, or $0.81 diluted EPS<br>• Adjusted Pre-Tax, Pre-Provision (PTPP) Income[(1)] of $29.1 million |
| **Improving Performance Metrics** | • Efficiency ratio improves to 56.9% from 58.6% in 4Q20<br>• Return on average shareholders' equity of 12.04%<br>• Return on average tangible common equity[(1)] of 17.28%<br>• Adjusted PTPP ROAA[(1)] of 1.75% |
| **Increases in Capital Ratios and Book Value** | • All capital ratios increased between 21 and 49 basis points from prior quarter<br>• Book value and tangible book value per share[(1)] increased 2.2% and 3.5%, respectively |
| **Loan and Deposit Trends** | • Total loan balances declined $192.5 million due to elevated payoffs/paydowns<br>• Stable asset quality resulted in decline in provision for credit losses<br>• Total deposits increased $239.5 million driven by growth in demand deposits |
| **Announced Acquisition of ATG Trust Company** | • Further scales Wealth Management business<br>• Adds specialized expertise expected to positively impact new business development<br>• Continues to grow recurring fee income |



Notes:
(1) Represents a non-GAAP financial measure. See "Non-GAAP Reconciliation" in the appendix.

# Loan Portfolio

- **Total loans decreased $192.5 million from prior quarter to $4.91 billion**
- **Decline due to elevated payoffs/paydowns including lower line utilization by ag borrowers and continued runoff in residential real estate portfolio driven by refinancing activity**
- **Average balances on commercial FHA warehouse credit lines increased in 1Q21, but end of period balances were $68.2 million lower than 4Q20**
- **PPP loans were $211.6 million at March 31, 2021, an increase of $27.2 million from December 31, 2020**

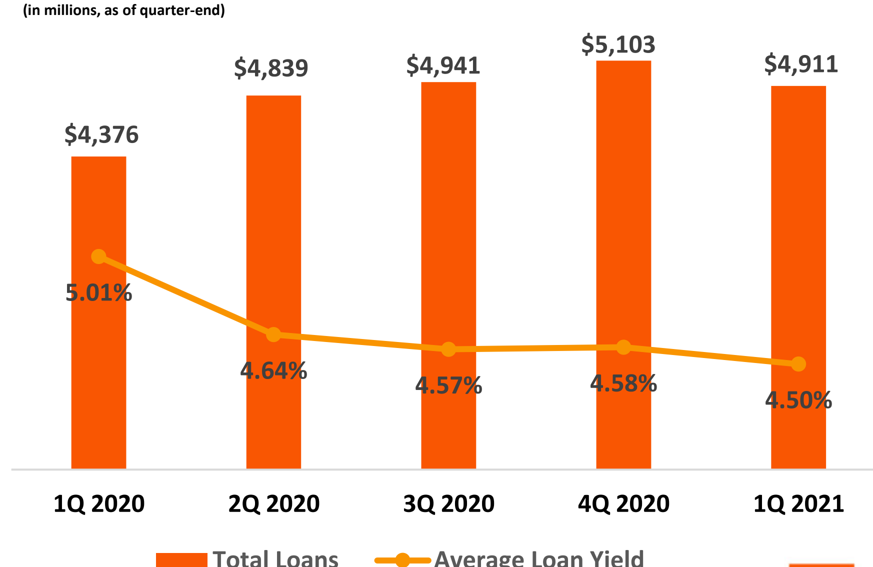
## Loan Portfolio Mix

(in millions, as of quarter-end)

| | 1Q 2021 | 4Q 2020 | 1Q 2020 |
|---|---|---|---|
| Commercial loans and leases | $ 1,977 | $ 2,096 | $ 1,439 |
| Commercial real estate | 1,494 | 1,526 | 1,507 |
| Construction and land development | 192 | 173 | 208 |
| Residential real estate | 399 | 443 | 548 |
| Consumer | 849 | 866 | 673 |
| **Total Loans** | **$4,911** | **$5,103** | **$4,376** |

## Total Loans and Average Loan Yield

(in millions, as of quarter-end)

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# Total Deposits

- **Total deposits increased $239.5 million, or 4.7% from prior quarter, to $5.34 billion**
- **Growth in deposits largely attributable to increase in demand deposits from commercial clients and retail deposits resulting from stimulus payments**
- **$159 million of CDs maturing in 2Q21 with a weighted average rate of 1.06%**

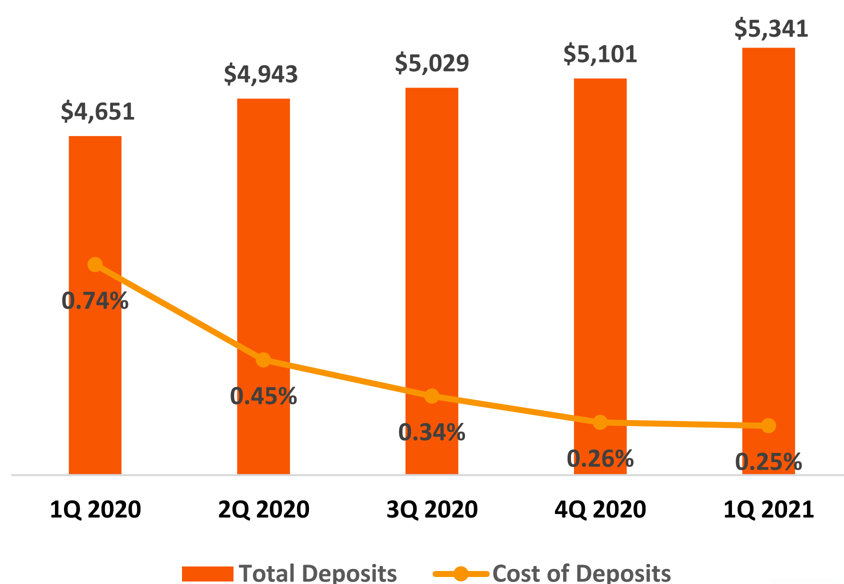
## Deposit Mix

(in millions, as of quarter-end)

| | 1Q 2021 | 4Q 2020 | 1Q 2020 |
|---|---|---|---|
| Noninterest-bearing demand | $ 1,522 | $ 1,470 | $ 1,053 |
| Interest-bearing: | | | |
| Checking | 1,601 | 1,569 | 1,425 |
| Money market | 819 | 786 | 850 |
| Savings | 653 | 598 | 534 |
| Time | 719 | 656 | 766 |
| Brokered time | 25 | 23 | 23 |
| **Total Deposits** | **$5,341** | **$5,101** | **$4,651** |

## Total Deposits and Cost of Deposits

(in millions, as of quarter-end)

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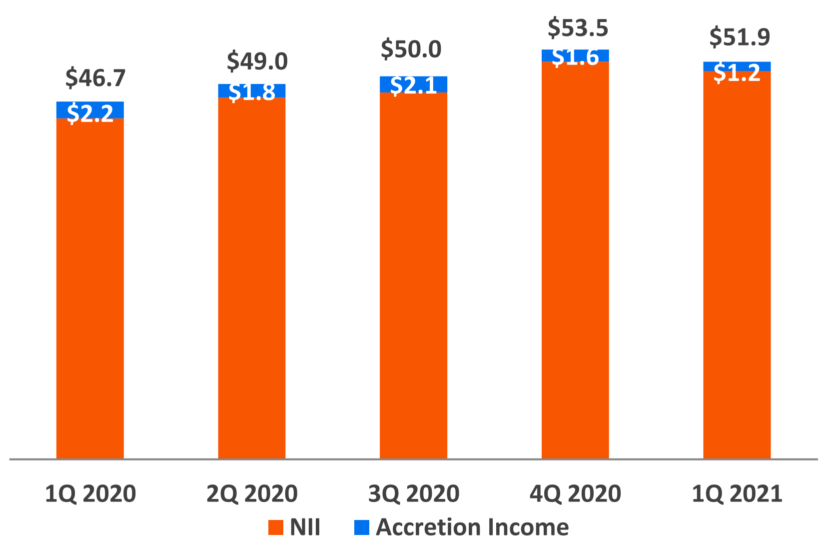
# Net Interest Income/Margin

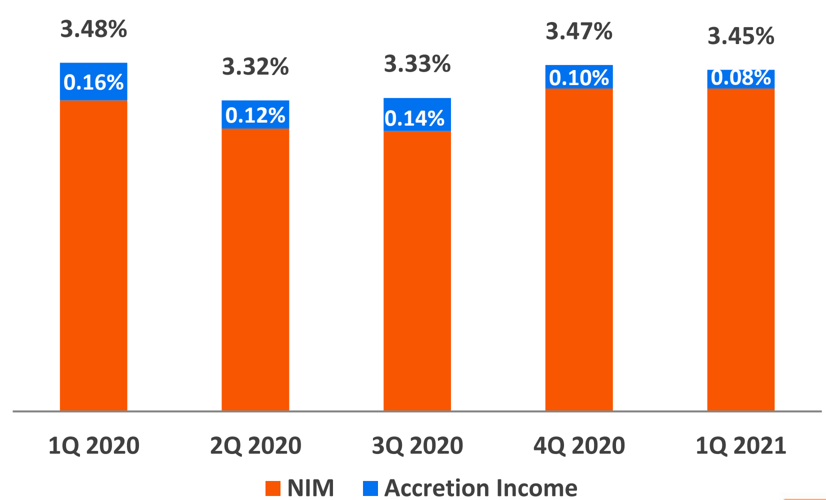
- Net interest income decreased 3.1% from the prior quarter due to lower accretion income and lower PPP income
- Net interest margin, excluding accretion income, was unchanged from prior quarter as a favorable shift in the mix of earning assets and a reduction in the average cost of funds were offset by a decline in the average yield on loans and securities
- Redeployment of excess liquidity and higher rates on new securities purchases expected to keep NIM relatively stable, excluding impact of accretion and PPP income

## Net Interest Income

(in millions)




## Net Interest Margin

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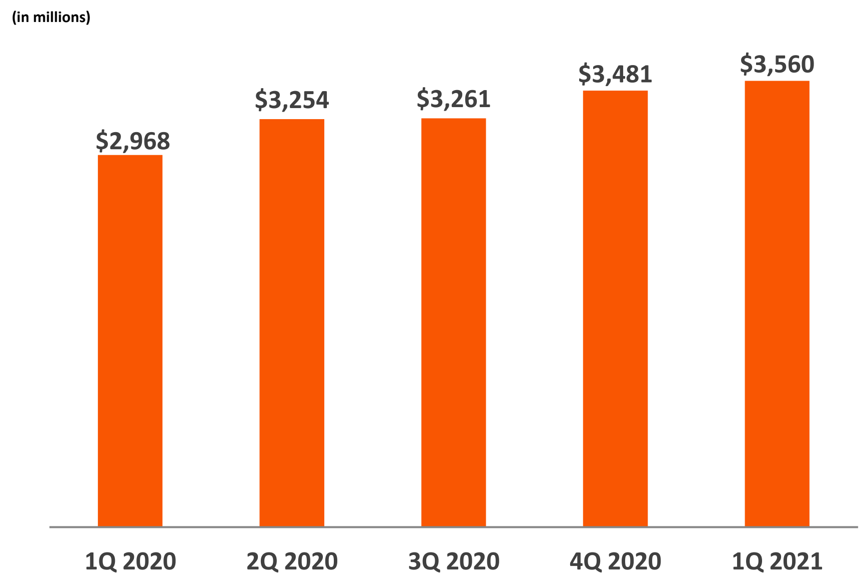
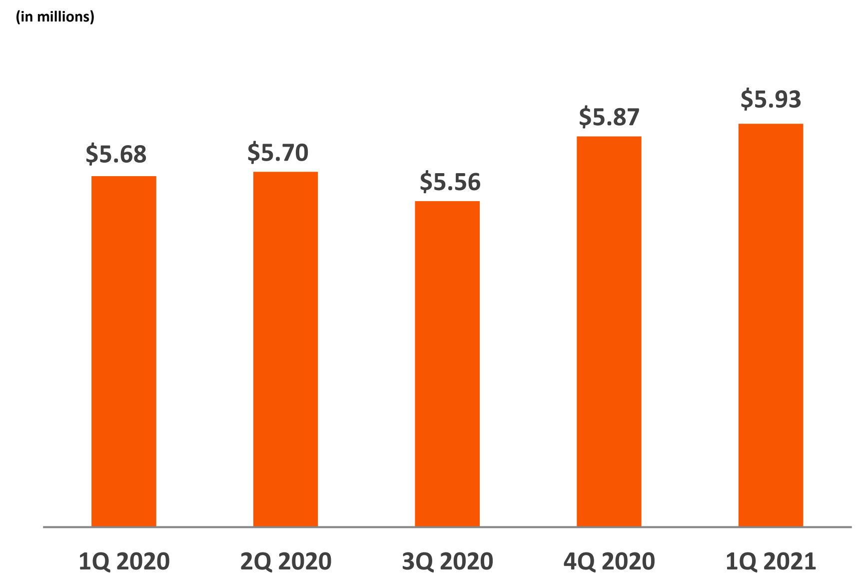
# Wealth Management

- **During 1Q21, assets under administration increased $79.7 million, primarily due to market performance**
- **Wealth Management revenue increased 1.1% from prior quarter, primarily due to higher assets under administration and seasonal impact of fees related to tax preparation**

**Assets Under Administration**




**Wealth Management Revenue**

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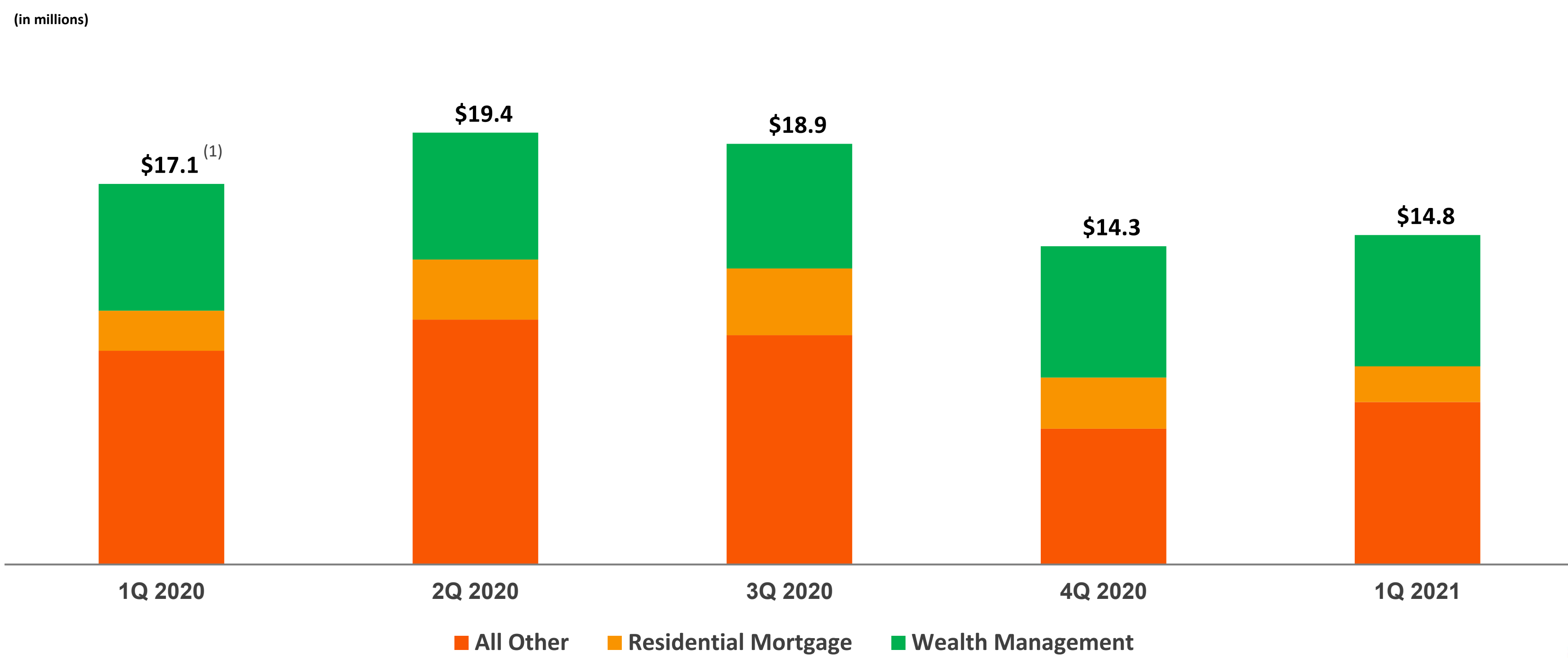
# Noninterest Income

- Noninterest income increased 3.3% from prior quarter
- Impairment on commercial MSRs impacted noninterest income by $1.3 million and $2.3 million in 1Q21 and 4Q20, respectively
- Excluding the impact of the impairment of commercial MSRs, noninterest income decreased primarily due to lower levels of residential mortgage banking revenue and service charges on deposit accounts

## Noninterest Income

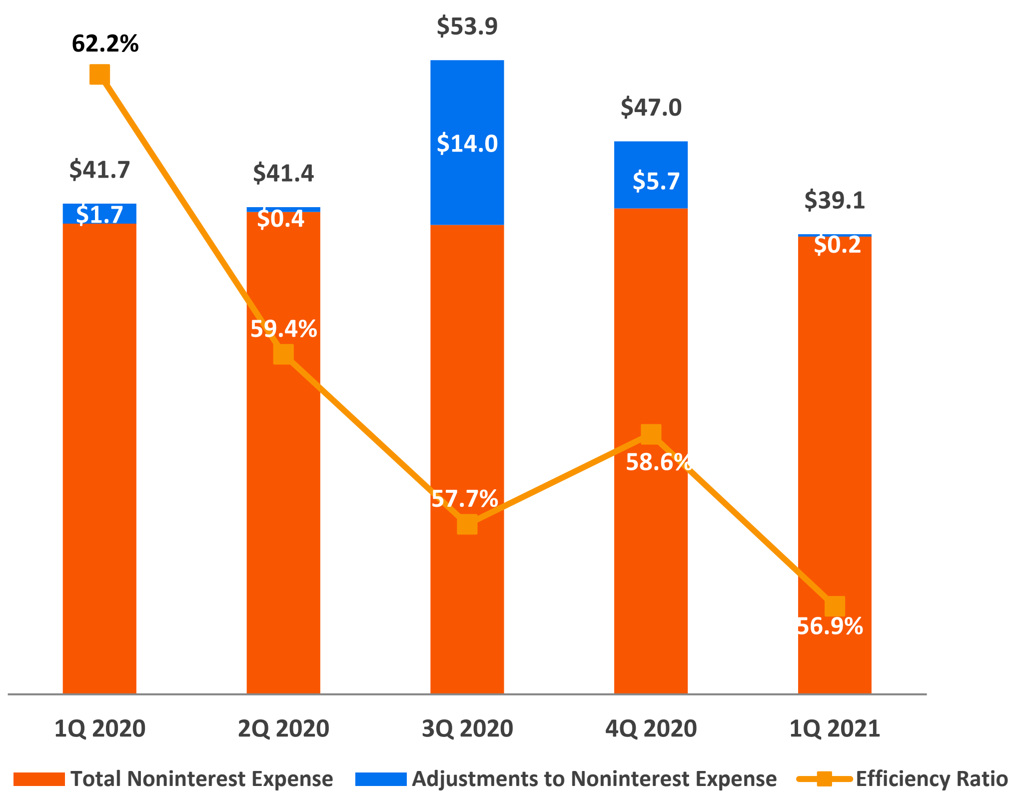



Notes:
(1) Excludes $8.5 million impairment of commercial mortgage servicing rights

# Noninterest Expense and Operating Efficiency

## Noninterest Expense and Efficiency Ratio (1)

(Noninterest expense in millions)




- **Efficiency Ratio (1) was 56.9% in 1Q21 vs. 58.6% in 4Q20**
- **Adjustments to non-interest expense:**

| ($ in millions) | 1Q21 | 4Q20 |
|---|---|---|
| Integration and acquisition related expenses | ($0.2) | ($0.2) |
| Loss on MSRs held for sale | -- | ($0.6) |
| FHLB advances prepayment fees | -- | ($4.9) |

- **Excluding these adjustments, noninterest expense decreased primarily due to:**
  - **Lower salaries and benefits expense resulting from branch network and facilities consolidation**
  - **Accrual in 4Q20 for one-time rollover of vacation time due to COVID-19**



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Notes:
(1) Represents a non-GAAP financial measure. See "Non-GAAP Reconciliation" in the appendix.

# COVID-19
# Response and Impact

# Paycheck Protection Program Overview

| Paycheck Protection Program (as of 3/31/21) | |
|---|---|
| Loans Outstanding | $211.6 million |
| Round 1 | $132.2 million |
| Round 2 | $79.3 million |
| Total Fees Earned | $13.7 million |
| Fees Recognized in 1Q21 | $2.1 million |
| Remaining Fees to be Recognized | $6.0 million |

| Paycheck Protection Program Loan Forgiveness | | |
|---|---|---|
| | **As of 12/31/20** | **As of 3/31/21** |
| Loans Submitted to SBA | $155.6 million | $196.5 million |
| Loans Forgiven by SBA | $93.2 million | $146.0 million |
| Percentage of Total Round 1 PPP Loans Forgiven | 33.6% | 52.6% |

**Impact on 1Q21 Financials**

| | At or for the Three Months Ended 3/31/21 | Metrics Excluding PPP Impact |
|---|---|---|
| Total Loans | $4.91 billion | $4.70 billion |
| Average Loans | $4.99 billion | $4.80 billion |
| Net Interest Income FTE[(1)] | $52.3 million | $49.6 million |
| Net Interest Margin[(1)] | 3.45% | 3.38% |
| ACL/Total Loans | 1.28% | 1.33% |

1. Loan fees and deferred loan origination costs being amortized over an estimated 24 to 60 month life of PPP loans



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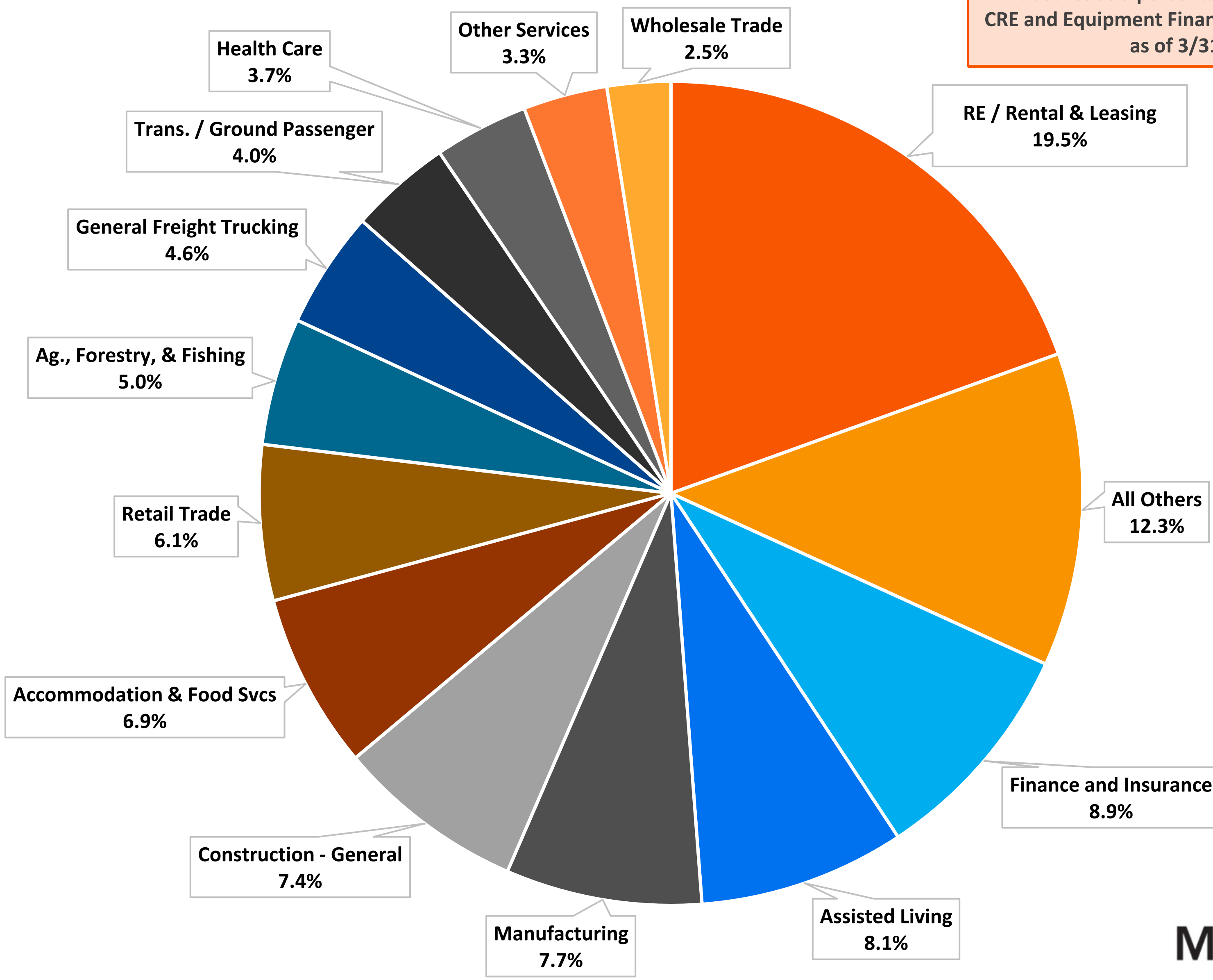
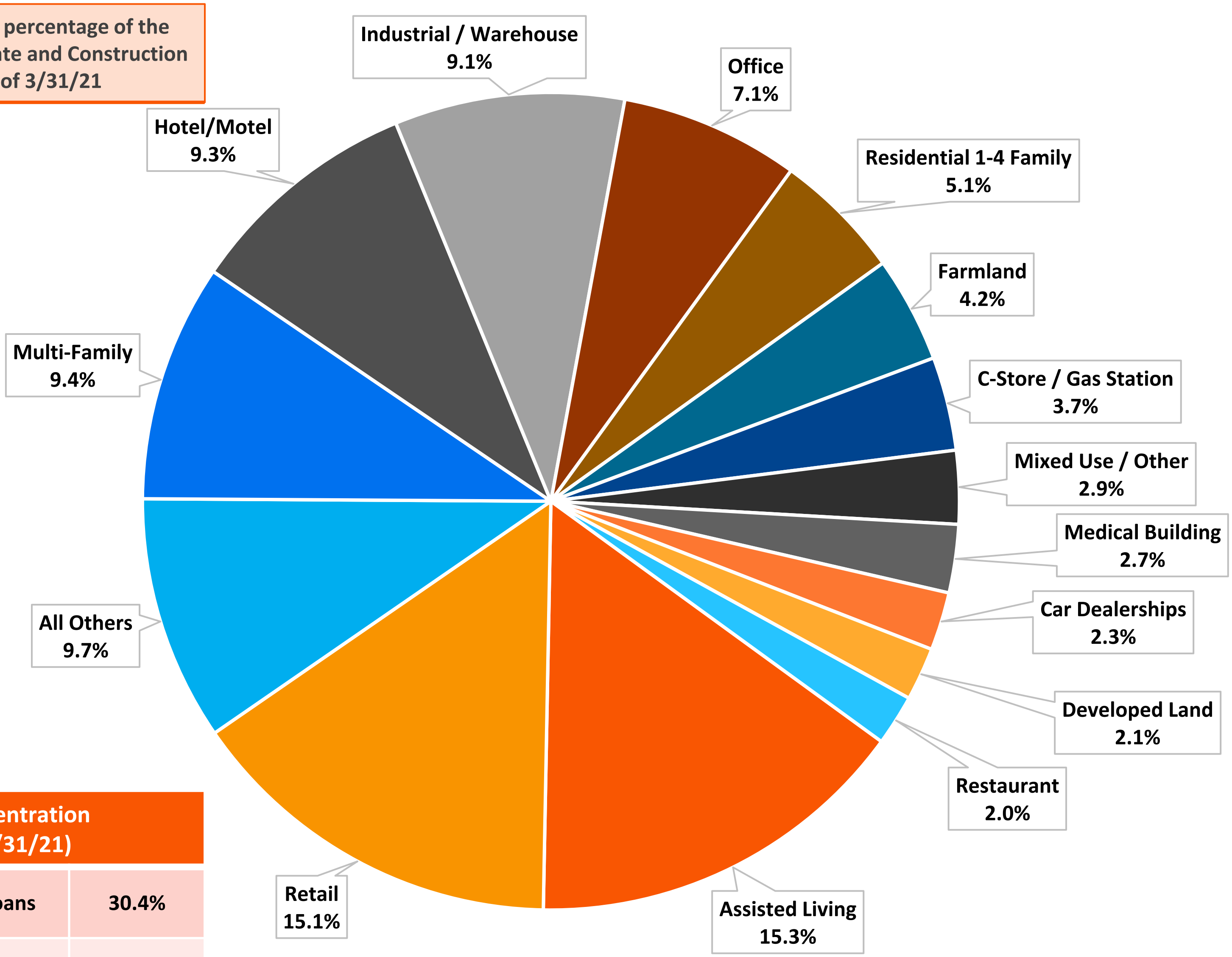
# Commercial Loans and Leases by Industry

Industries as a percentage of Commercial, CRE and Equipment Finance Loans and Leases as of 3/31/21



# Commercial Real Estate Portfolio by Collateral Type

Collateral type as a percentage of the Commercial Real Estate and Construction Portfolio as of 3/31/21




| CRE Concentration (as of 3/31/21) | |
|---|---|
| CRE as a % of Total Loans | 30.4% |
| CRE as a % of Total Risk-Based Capital[(1)] | 178.7% |



Notes:
(1) Represents non-owner occupied CRE loans only

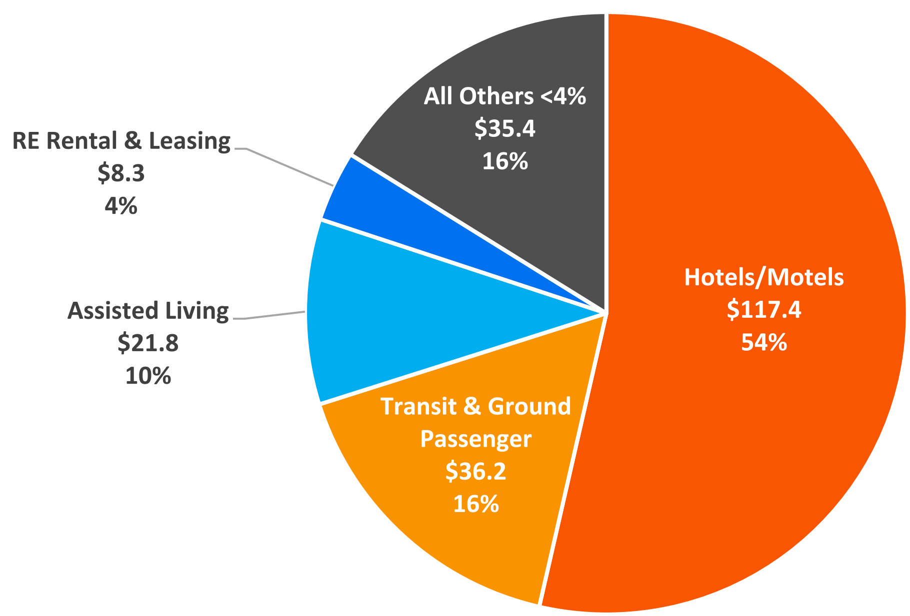
# Loan Deferral Overview

| Total Loan Deferrals | | | |
|---|---|---|---|
| | As of Sept. 30, 2020 | As of Dec. 31, 2020 | As of Mar. 31, 2021 |
| Total Loans Deferred | $279.3 million | $209.1 million | $219.1 million |
| % of Total Loans | 5.7% | 4.1% | 4.5% |

| Deferral Type (as of March 31, 2021) | |
|---|---|
| Full Payment Deferral | $131.9 million |
| Deferred Loans Making I/O or Other Payments | $87.2 million |

**Deferrals by Industry**
(as of March 31, 2021)

**($ in millions)**



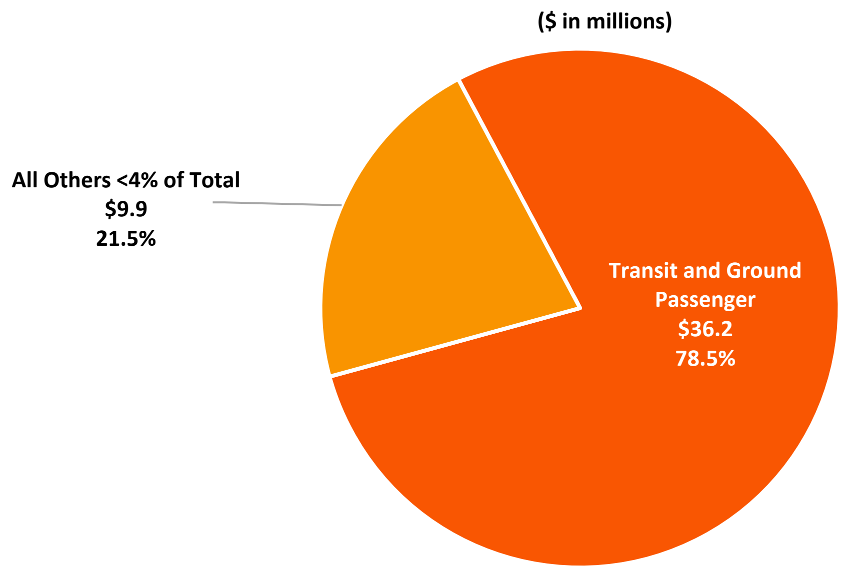
# Midland Equipment Finance Portfolio Overview

| Portfolio Characteristics (as of 3/31/21) | |
|---|---|
| ***Nationwide portfolio providing financing solutions to equipment vendors and end-users*** | |
| Total Outstanding Loans and Leases | $858.6 million (17.5% of total loans) |
| Number of Loans and Leases | 6,904 |
| Average Loan/Lease Size | $122,291 |
| Largest Loan/Lease | $1.5 million |
| Weighted Average Rate | 4.89% |

**Total Deferred Loans and Leases**

| | As of 9/30/20 | As of 12/31/20 | As of 3/31/21 |
|---|---|---|---|
| Total Deferrals | $75.2 million | $50.1 million | $46.1 million |
| Percentage of Portfolio | 9.2% | 5.8% | 5.4% |
| Deferred Loans Making I/O or Other Payments | - | $28.2 million | $35.8 million |

**Equipment Finance Deferrals by Industry**
(as of March 31, 2021)

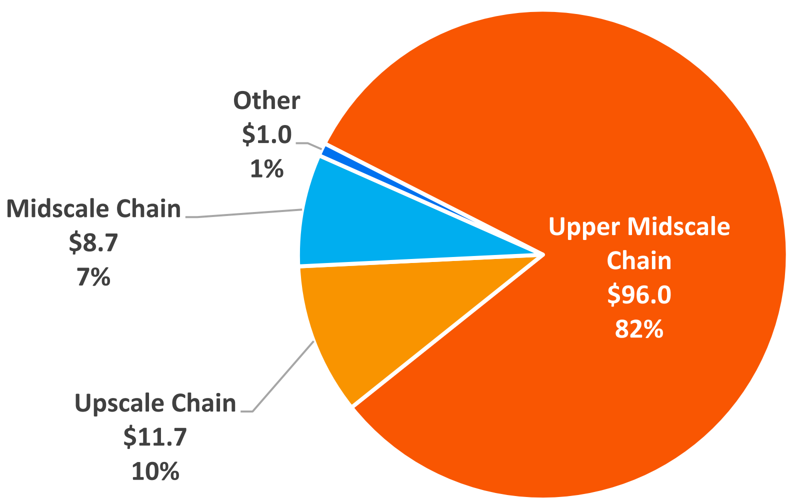


# Hotel/Motel Portfolio Overview

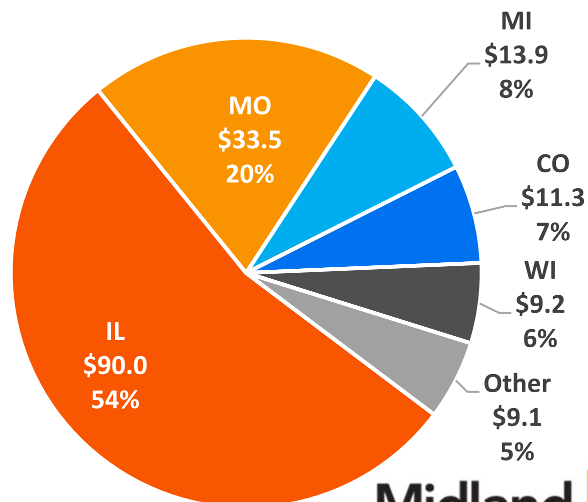
| Portfolio Characteristics (CRE & C&I)<br>(as of 3/31/21) | |
|---|---|
| Total Outstanding | $167.0 million (3.4% of total loans) |
| Number of Loans | 46 |
| Average Loan Size | $3.6 million |
| Largest Loan | $11.3 million |
| Average LTV | 57% |
| Total Deferred Loans as of 12/31/20 | $82.6 million (45.8% of portfolio) |
| Total Deferred Loans as of 3/31/21 | $117.4 million (70.3% of portfolio) |
| Average LTV of Deferred Loans as of 3/31/21 | 59% |
| Deferred Loans Making I/O or Other Payments | $24.8 million (21.1% of deferrals) |

**Deferrals by Chain Scale**

($ in millions)




**Portfolio by State**

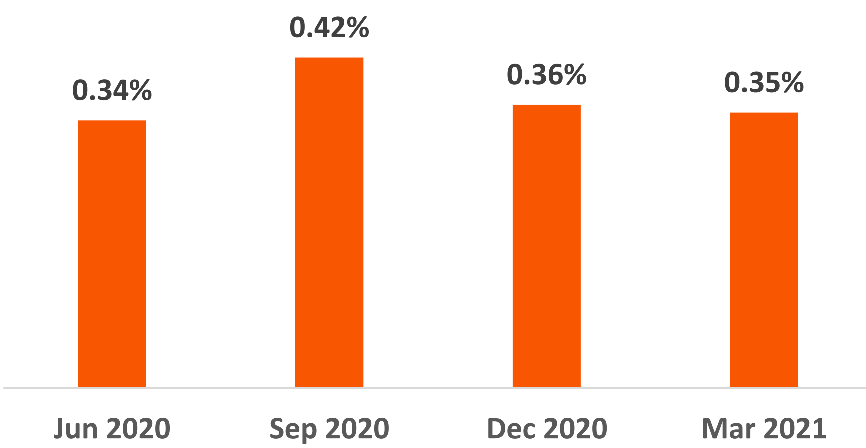



Midland States Bancorp, Inc.

# GreenSky Consumer Loan Portfolio Overview

| Portfolio Characteristics (as of 3/31/21) | |
|---|---|
| Total Outstanding | $754.6 million (15.4% of total loans) |
| Number of Loans | 351,417 |
| Average Loan Size | $2,147 |
| Average FICO Score | 771 |
| Total Deferred Loans (as of December 31, 2020) | $3.1 million (0.4% of portfolio) |
| Total Deferred Loans (as of March 31, 2021) | $3.8 million (0.5% of portfolio) |

**Delinquency Rate (greater than 60 days)**




**Prime Credit**

- Average FICO score of 771
- No losses to MSBI in 10 year history of portfolio
- Portfolio can be sold to provide liquidity; Loan sales were executed at par in Mar 2021

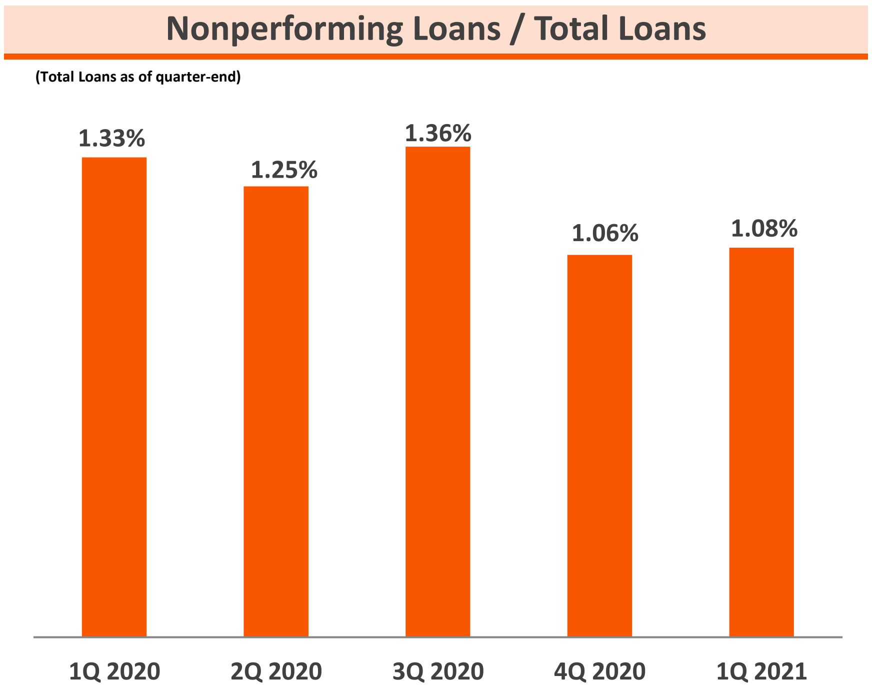
**Credit Enhancement**

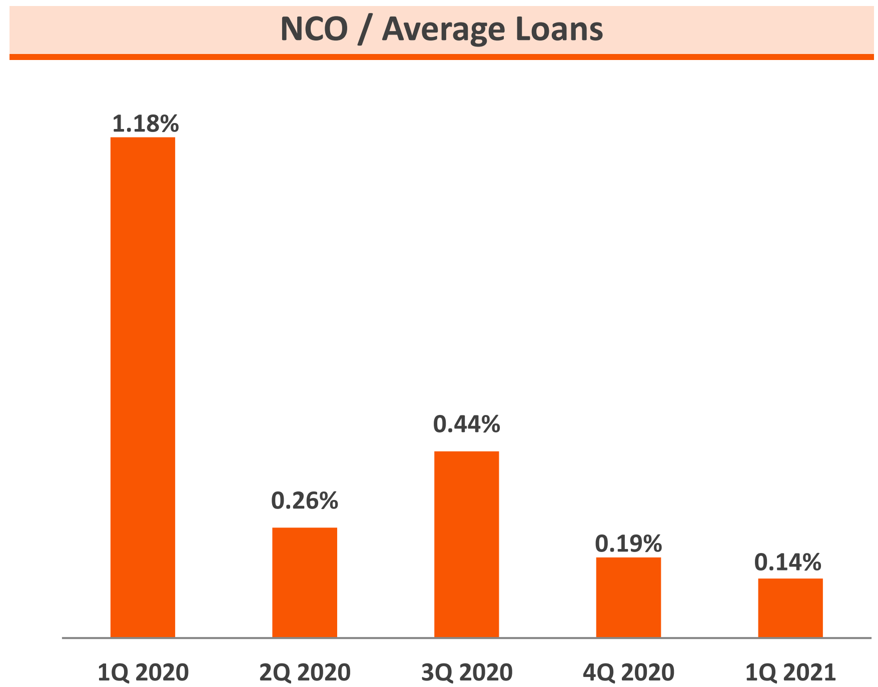
- Cash flow waterfall structure
  - Cash flow from portfolio covers servicing fee, credit losses and our target margin
  - Excess cash flow is an incentive fee to GreenSky that is available to cover additional losses
  - GreenSky received incentive fees in 26 of past 27 months including every month in 2020 and 2021
- Escrow deposits
  - Escrow deposits absorb losses in excess of cash flow waterfall
  - Escrow account totaled $30.1 million at 3/31/21 or 4.0% of the portfolio

Midland States Bancorp, Inc.

# Asset Quality

- **Nonperforming loans declined $1.2 million due to resolution of long-term problem loans**
- **NPLs/total loans increased to 1.08% from 1.06% at the end of the prior quarter due to the decline in total loan balances**
- **Net charge-offs of $1.7 million, or 0.14% of average loans**
- **Provision for credit losses of $3.6 million in 1Q21 primarily driven by additions to specific reserves**
- **At 3/31/21, approximately 90% of ACL was allocated to general reserves**



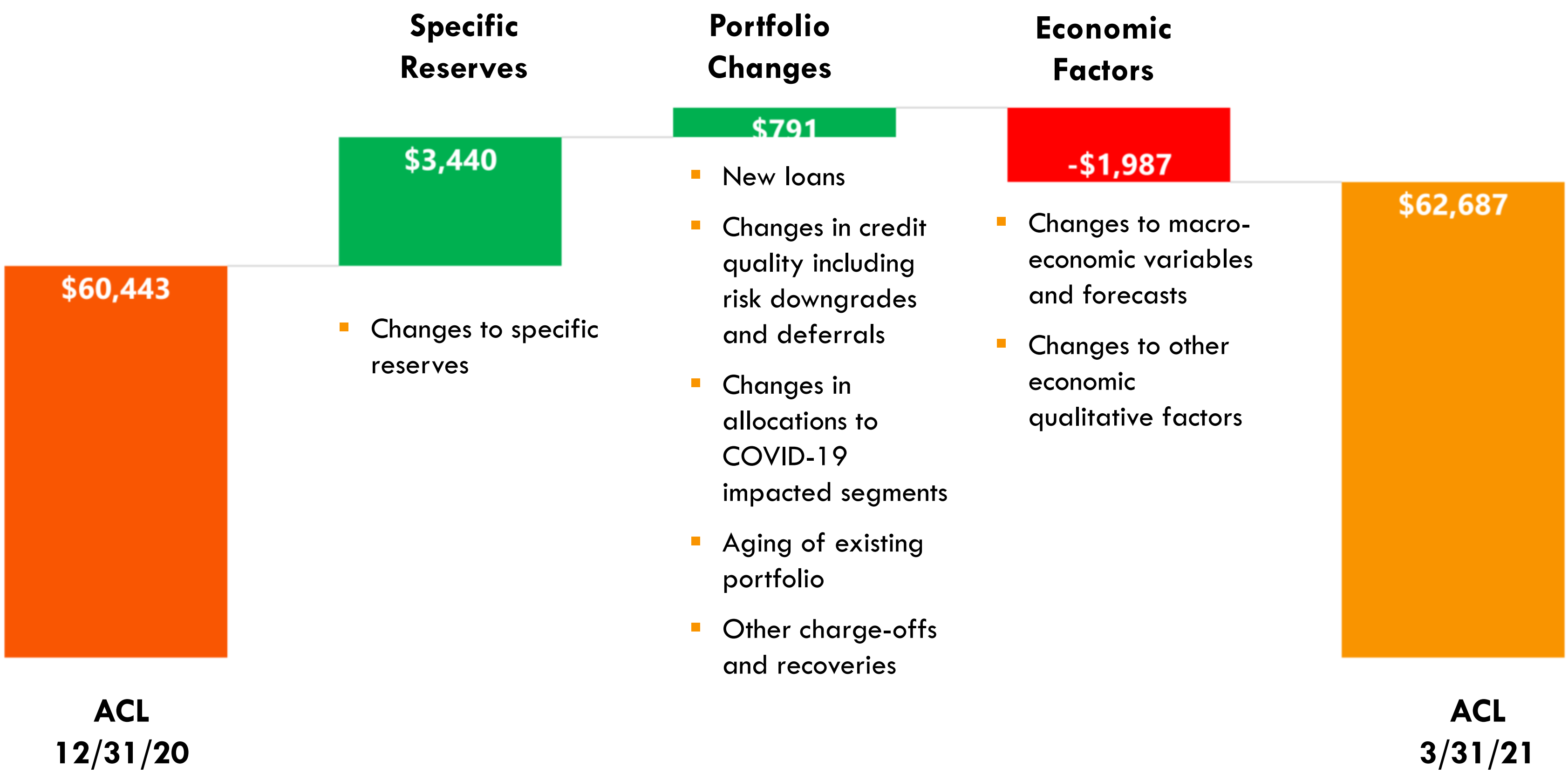






Midland States Bancorp, Inc.

# Changes in Allowance for Credit Losses

($ in thousands)




Midland States Bancorp, Inc.

# ACL by Portfolio

($ in thousands)

| Portfolio | Total Loans at 3/31/21 | ACL | % of Total Loans | Total Loans at 12/31/20 | ACL | % of Total Loans |
|---|---|---|---|---|---|---|
| Commercial | $ 808,262 | $ 8,214 | 1.02% | $ 937,382 | $ 8,537 | 0.90% |
| Warehouse Lines | 205,115 | - | 0.00% | 273,298 | - | 0.00% |
| Commercial Other | 766,632 | 9,125 | 1.19% | 748,193 | 11,314 | 1.51% |
| Equipment Finance | 456,059 | 8,575 | 1.88% | 451,437 | 10,727 | 2.38% |
| Paycheck Protection Program | 211,564 | 317 | 0.15% | 184,401 | 277 | 0.15% |
| Lease Financing | 402,546 | 6,036 | 1.50% | 410,064 | 7,427 | 1.81% |
| CRE non-owner occupied | 853,110 | 20,890 | 2.45% | 871,451 | 16,604 | 1.91% |
| CRE owner occupied | 443,403 | 7,411 | 1.67% | 423,257 | 4,936 | 1.17% |
| Multi-family | 120,784 | 2,776 | 2.30% | 151,534 | 3,413 | 2.25% |
| Farmland | 76,734 | 744 | 0.97% | 79,731 | 512 | 0.64% |
| Construction and Land Development | 191,870 | 1,239 | 0.65% | 172,737 | 1,433 | 0.83% |
| Residential RE First Lien | 321,857 | 3,275 | 1.02% | 358,329 | 3,212 | 0.90% |
| Other Residential | 76,644 | 706 | 0.92% | 84,551 | 717 | 0.85% |
| Consumer | 76,943 | 341 | 0.44% | 80,642 | 374 | 0.46% |
| Consumer Other[(1)] | 772,021 | 1,930 | 0.25% | 785,460 | 1,964 | 0.25% |
| **Total Loans** | **4,910,806** | **62,687** | **1.28%** | **5,103,331** | **60,443** | **1.18%** |
| **Loans (excluding GreenSky, PPP and warehouse lines)** | **3,667,924** | **60,292** | **1.64%** | **3,811,624** | **58,060** | **1.52%** |

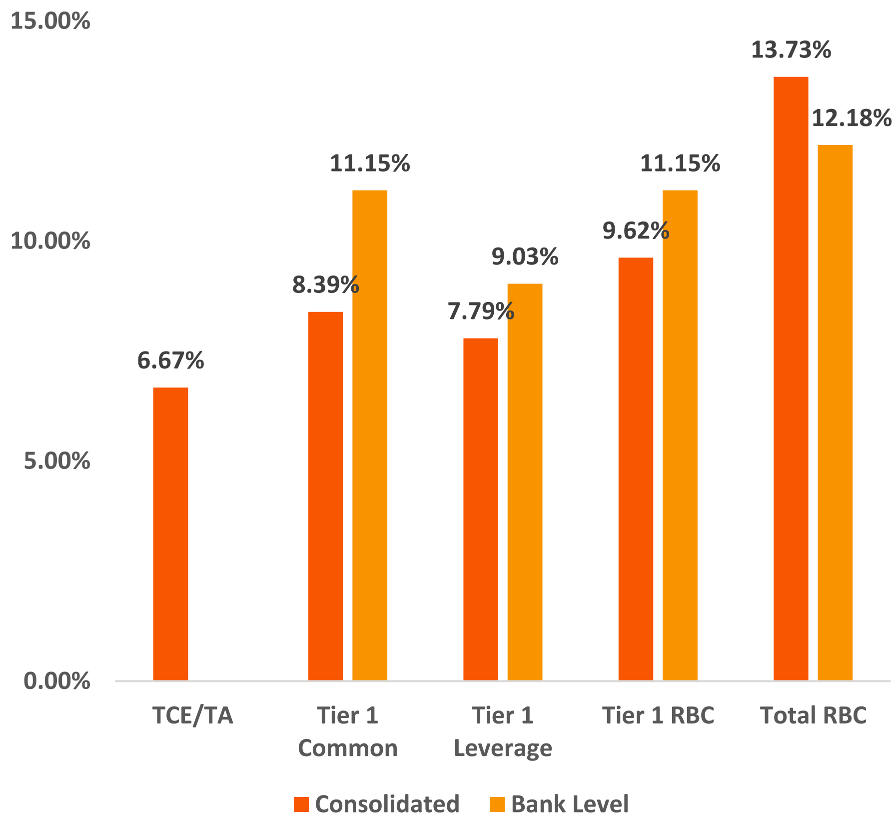
Notes:

(1) Primarily consists of loans originated through GreenSky relationship

Midland States Bancorp, Inc.

# Capital and Liquidity Overview

## Capital Ratios
(as of 3/31/21)




## Liquidity Sources
(as of 3/31/21)

| *($ in millions)* | |
|---|---|
| Cash and Cash Equivalents | $ 631.2 |
| Unpledged Securities | 252.6 |
| FHLB Committed Liquidity | 645.2 |
| FRB Discount Window Availability | 57.3 |
| **Primary Liquidity** | **1,586.3** |
| | |
| FRB – PPP Liquidity Facility[1] | 211.6 |
| **Secondary Liquidity** | **211.6** |
| | |
| **Total Estimated Liquidity** | **$ 1,797.9** |
| | |
| **Conditional Funding Based on Market Conditions** | |
| Additional Credit Facility | $ 250.0 |
| Brokered CDs (additional capacity) | $ 500.0 |

(1) Enrolled in PPP facility – loans available to submit

**Other Liquidity**
**Holding Company Cash Position of $65.1 Million**

Midland States Bancorp, Inc.

# Outlook

# 2021 Outlook and Priorities

- **Maintain strong capital and liquidity positions to continue supporting clients and communities through the duration of the COVID-19 pandemic**
- **Targeting low- to mid-single-digit loan growth (excluding PPP loans) resulting from continued growth in equipment finance, commercial FHA warehouse and commercial real estate portfolios**
- **Expand commercial banking team with expertise in SBA, agribusiness lending, and specialty finance**
- **Maintain lower cost structure following actions taken in 2020 to increase operating leverage as balance sheet grows**
- **Focus technology investments on opportunities to capture wallet share from existing clients and enhance revenue generation**
- **M&A focused primarily on expanding Wealth Management business**
- **Employ balanced approach to capital deployment that increases return of capital to shareholders while also building capital ratios**

# Long-Term Formula for Enhancing Shareholder Value

Disciplined Balance Sheet Growth

+

Improving Operating Efficiencies

+

Stable Sources of Recurring Income

+

Accretive M&A Transactions

=

Earnings Growth, Improving Returns and Enhanced Franchise Value

# APPENDIX

# ESG: A Framework for Sustainability

## Environmental

### Facilities

- Our Corporate HQ, built in 2011, is LEED (Silver) Certified.
- 10 of our other locations use solar panels.
- We have made more than $50+ million of credit available for residential solar projects since 2011.
- We have also completed more than $540 million of financing for 18 “green” (LEED, Energy Star, etc.) multi-family/health care facilities through our Love Funding subsidiary since 2017.

### Paper Reduction

- More than 40% of our customers use paperless statements and
- Midland has had a digitization/paper elimination program in place since 2010.

## Social

### Community Outreach

- Midland States Bank has been serving families and businesses in our communities for more than 140 years, offering products and services based on the needs of our customers.
- We work with more than 150 low-to-moderate income (“LMI”) and minority focused community development groups in our banking markets to help insure our community development programs address the needs of each of our markets.
- The Midland Institute CEO Program, a unique program designed to teach and create entrepreneurial opportunities to teens, was first created by our Bank in 2008 for the local Effingham, Illinois high schools and has now grown to be offered by 56 high schools in six states.

### Culture and People

- Since 2008 Midland has provided all employees personal and professional development through an acclaimed third-party training company.
- Midland’s Advanced Study for Talent Enrichment and Resource Training (“MASTERS”) program serves to develop future leaders of the Company. To date 59% of participants have been women or minority employees.

### Philanthropy

- $30 million of investment towards community development goals targeted for the 2019-2021 period.

### Financial Education

- Since 2015 we have held more than 240 financial literacy seminars in LMI/minority neighborhoods in our footprint.

### CRA, Community Development and Financial Inclusion

- Through our Believable Banking® Residential Mortgage and Home Improvement Loan Programs we have made more than $20 million of loans to consumers underserved by traditional loan programs.
- Our banking products and services are offered through our personal bankers and online with materials designed to clearly describe the features, costs and alternatives available to our customers, including through dual-language materials and our ADA compliant website.
- Love Funding has provided $877 million of financing for 148 affordable multi-family and health care projects during 2015-2019 through Love Funding.

## Governance

### Reputation

- Midland States Bank was one of the first in the nation to have a woman on its board (1903).
- Our board composition includes 36% women and minorities, and our criteria for identifying directors includes seeking diverse individuals.

### Oversight of Strategy and Risk

- The Company’s Chair and CEO roles been separate since the Company’s inception (1988).
- Our Board of Directors has established a Risk and Compliance Committee to oversee all aspects of risk and compliance management.
- Our ERM program evaluates risk in each of our businesses and operational departments, including asset and liability management, and our Chief Risk Officer reports directly to the Audit and Risk and Compliance Committees of the Company’s Board of Directors.

### Data Security

- Robust data security programs and a Privacy Policy under which we do not sell or share customer information with non-affiliated entities.

### Management of Legal and Regulatory Environment

- All continuing directors except our CEO are “independent” pursuant to applicable SEC/NASDAQ rules.
- Our Executive Compensation, including all performance related compensation, is also evaluated under our ERM to insure compliance with the FDIC’s Interagency Guidelines Establishing Standards for Safety and Soundness and the Sound Incentive Compensation Policies issued jointly by the federal financial institutions regulatory agencies.
- All cash and equity incentive programs for executive officers include operating metrics and/or four-year vesting periods.

# Appendix: Reconciliation of TBV Per Share

| (dollars in thousands, except per share data) | 2010 | 2011 | 2012 | 2013 | As of December 31, 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | As of March 31, 2021 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ***Shareholders' Equity to Tangible Common Equity—as converted:*** | | | | | | | | | | | | |
| Total shareholders' equity—GAAP | $ 109,208 | $ 126,953 | $ 130,918 | $ 149,440 | $ 219,456 | $ 232,880 | $ 321,770 | $ 449,545 | $ 608,525 | $ 661,911 | $ 621,391 | $ 635,467 |
| Adjustments: | | | | | | | | | | | | |
| Preferred stock | (47,370) | (57,370) | (57,370) | (57,370) | - | - | - | (2,970) | (2,781) | - | - | - |
| Goodwill | (7,582) | (7,582) | (7,732) | (7,732) | (47,946) | (46,519) | (48,836) | (98,624) | (164,673) | (171,758) | (161,904) | (161,904) |
| Other intangibles | (13,234) | (10,740) | (8,485) | (8,189) | (9,464) | (7,004) | (7,187) | (16,932) | (37,376) | (34,886) | (28,382) | (26,867) |
| **Tangible Common Equity** | $ 41,022 | $ 51,261 | $ 57,331 | $ 76,149 | $ 162,046 | $ 179,357 | $ 265,747 | $ 331,019 | $ 403,695 | $ 455,267 | $ 431,105 | $ 446,696 |
| Adjustments: | | | | | | | | | | | | |
| Preferred stock | 47,370 | 57,370 | 57,370 | 57,370 | - | - | - | - | - | - | - | - |
| Warrants | 11,300 | - | - | - | - | - | - | - | - | - | - | - |
| **Tangible Common Equity—as converted (1)** | $ 99,692 | $ 108,631 | $ 114,701 | $ 133,519 | $ 162,046 | $ 179,357 | $ 265,747 | $ 331,019 | $ 403,695 | $ 455,267 | $ 431,105 | $ 446,696 |
| **Total Assets to Tangible Assets:** | | | | | | | | | | | | |
| Total assets—GAAP | $ 1,642,376 | $ 1,520,762 | $ 1,572,064 | $ 1,739,548 | $ 2,676,614 | $ 2,884,824 | $ 3,233,723 | $ 4,412,701 | $ 5,637,673 | $ 6,087,017 | $ 6,868,540 | $ 6,884,786 |
| Adjustments: | | | | | | | | | | | | |
| Goodwill | (7,582) | (7,582) | (7,732) | (7,732) | (47,946) | (46,519) | (48,836) | (98,624) | (164,673) | (171,758) | (161,904) | (161,904) |
| Other intangibles | (13,234) | (10,740) | (8,485) | (8,189) | (9,464) | (7,004) | (7,187) | (16,932) | (37,376) | (34,886) | (28,382) | (26,867) |
| **Tangible Assets** | $ 1,621,560 | $ 1,502,440 | $ 1,555,847 | $ 1,723,627 | $ 2,619,204 | $ 2,831,301 | $ 3,177,700 | $ 4,297,145 | $ 5,435,624 | $ 5,880,373 | $ 6,678,254 | $ 6,696,015 |
| **Common Shares Outstanding—as converted:** | | | | | | | | | | | | |
| Common shares outstanding | 4,164,030 | 4,198,947 | 4,257,319 | 4,620,026 | 11,725,158 | 11,797,404 | 15,483,499 | 19,122,049 | 23,751,798 | 24,420,345 | 22,325,471 | 22,351,740 |
| Adjustments: | | | | | | | | | | | | |
| Upon conversion of preferred stock | 3,795,549 | 3,739,028 | 3,739,028 | 3,772,664 | - | - | - | - | - | - | - | - |
| **Common Shares Outstanding—as converted (1)** | 7,959,579 | 7,937,975 | 7,996,347 | 8,392,690 | 11,725,158 | 11,797,404 | 15,483,499 | 19,122,049 | 23,751,798 | 24,420,345 | 22,325,471 | 22,351,740 |
| ***Tangible Common Equity to Tangible Assets*** | 2.53 % | 3.41 % | 3.68 % | 4.42 % | 6.19 % | 6.33 % | 8.36 % | 7.70 % | 7.43 % | 7.74 % | 6.46 % | 6.67 |
| ***Tangible Book Value Per Share—as converted (1)*** | $ 12.52 | $ 13.68 | $ 14.34 | $ 15.91 | $ 13.82 | $ 15.20 | $ 17.16 | $ 17.31 | $ 17.00 | $ 18.64 | $ 19.31 | $ 19.98 |

**Notes:**

(1) As converted represents amount per common share with all preferred shares that were outstanding prior to December 31, 2014 converted into common shares.

Midland States Bancorp, Inc.

**MIDLAND STATES BANCORP, INC.**
**RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES (unaudited)**

**Adjusted Earnings Reconciliation**

| *(dollars in thousands)* | For the Years Ended December 31, 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|
| Income before income taxes - GAAP | $ 32,014 | 72,471 | 50,805 | 26,471 | 50,431 |
| Adjustments to noninterest income: | | | | | |
| Gain on sales of investment securities, net | 1,721 | 674 | 464 | 222 | 14,702 |
| Other | (17) | (29) | 89 | (67) | (608) |
| Other income | | | | | |
| Total adjustments to noninterest income | 1,704 | 645 | 553 | 155 | 14,094 |
| Adjustments to noninterest expense: | | | | | |
| Loss on mortgage servicing rights held for sale | 1,692 | (490) | 458 | 4,059 | - |
| Loss on repurchase of subordinated debt | 193 | 1,778 | - | - | 511 |
| Impairment related to facilities optimization | 12,847 | 3,577 | - | 1,952 | 2,099 |
| FHLB advances prepayment fees | 4,872 | - | - | - | - |
| Integration and acquisition expenses | 2,309 | 5,493 | 24,015 | 17,738 | 2,343 |
| Total adjustments to noninterest expense | 21,913 | 10,358 | 24,473 | 23,749 | 4,953 |
| Adjusted earnings pre tax | 52,223 | 82,184 | 74,725 | 50,065 | 41,290 |
| Adjusted earnings tax | 12,040 | 19,358 | 17,962 | 15,170 | 14,064 |
| ***Adjusted earnings - non-GAAP*** | $ 40,183 | $ 62,826 | $ 56,763 | $ 34,895 | $ 27,226 |
| Preferred stock dividends, net | - | 46 | 141 | 83 | - |
| ***Adjusted earnings available to common shareholders - non-GAAP*** | $ 40,183 | $ 62,780 | $ 56,622 | $ 34,812 | $ 27,226 |

**Adjusted Pre-Tax, Pre-Provision Earnings Reconciliation**

| *(dollars in thousands)* | For the Years Ended December 31, 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|
| Adjusted earnings pre tax - non- GAAP | $ 52,223 | $ 82,184 | $ 74,725 | $ 50,065 | $ 41,290 |
| Provision for credit losses | 44,361 - | 16,985 - | 9,430 - | 9,556 - | 5,591 |
| Impairment on commercial mortgage servicing rights | 12,337 | 2,139 | (449) | 2,324 | 3,135 |
| ***Adjusted pre-tax, pre-provision earnings - non-GAAP*** | $ 108,921 | $ 101,308 | $ 83,706 | $ 61,945 | $ 50,016 |
| Adjusted pre-tax, pre-provision return on average assets | 1.67% % | 1.74% % | 1.53% % | 1.57% % | 1.63% % |

Midland States Bancorp, Inc.

**MIDLAND STATES BANCORP, INC.**
**RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES (unaudited)**

**Efficiency Ratio Reconcilation**

| | For the Years Ended December 31, | | | | |
|---|---|---|---|---|---|
| *(dollars in thousands)* | 2020 | 2019 | 2018 | 2017 | 2016 |
| Noninterest expense | $ 184,010 | $ 175,641 | $ 191,643 | $ 152,997 | $ 121,289 |
| Adjustments to noninterest expense: | | | | | |
| Net expense from FDIC loss share termination agreement | - | - | - | - | (351) |
| Impairment related to facilities optimization | (12,847) | (3,577) | - | (1,952) | (2,099) |
| (Loss) gain on mortgage servicing rights held for sale | (1,692) | 490 | (458) | (4,059) | - |
| FHLB advances prepayments fees | (4,872) | - | - | - | - |
| Loss on repurchase of subordinated debt | (193) | (1,778) | - | - | (511) |
| Integration and acquisition expenses | (2,309) | (5,493) | (24,015) | (17,738) | (2,343) |
| Adjusted noninterest expense | $ 162,097 | $ 165,283 | $ 167,170 | $ 129,248 | $ 115,985 |
| Net interest income | $ 199,136 | $ 189,815 | $ 180,087 | $ 129,662 | $ 105,254 |
| Effect of tax-exempt income | 1,766 | 2,045 | 2,095 | 2,691 | 2,579 |
| Adjusted net interest income | 200,902 | 191,860 | 182,182 | 132,353 | 107,833 |
| Noninterest income | 61,249 | 75,282 | 71,791 | 59,362 | 72,057 |
| Adjustments to noninterest income: | | | | | |
| Impairment (recapture) on commercial servicing rights | 12,337 | 2,139 | (450) | 2,324 | 3,135 |
| Gain on sales of investment securities, net | (1,721) | (674) | (464) | (222) | (14,702) |
| Other income | 17 | 29 | (89) | 67 | 608 |
| Adjusted noninterest income | 71,882 | 76,776 | 70,788 | 61,531 | 61,098 |
| Adjusted total revenue | $ 272,784 | $ 268,636 | $ 252,970 | $ 193,884 | $ 168,931 |
| Efficiency Ratio | 59.42 % | 61.53 % | 66.08 % | 66.66 % | 68.66 % |

Midland States Bancorp, Inc.

MIDLAND STATES BANCORP, INC.
RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES (unaudited)

**Adjusted Earnings Reconciliation**

| *(dollars in thousands, except per share data)* | For the Quarter Ended March 31, 2021 | December 31, 2020 | September 30, 2020 | June 30, 2020 | March 31, 2020 |
|---|---|---|---|---|---|
| Income before income taxes - GAAP | $ 24,040 | $ 10,746 | $ 3,270 | $ 15,993 | $ 2,005 |
| Adjustments to noninterest income: | | | | | |
| Gain on sales of investment securities, net | - | - | 1,721 | - | - |
| Other | 75 | 3 | (17) | 11 | (13) |
| Total adjustments to noninterest income | 75 | 3 | 1,704 | 11 | (13) |
| Adjustments to noninterest expense: | | | | | |
| Loss on mortgage servicing rights held for sale | - | 617 | 188 | 391 | 496 |
| Loss on repurchase of subordinated debt | - | - | - | - | 193 |
| Impairment related to facilities optimization | - | (10) | 12,651 | 60 | 146 |
| FHLB advances prepayment fees | 8 | 4,872 | - | - | - |
| Integration and acquisition expenses | 238 | 231 | 1,200 | (6) | 886 |
| Total adjustments to noninterest expense | 246 | 5,710 | 14,039 | 445 | 1,721 |
| Adjusted earnings pre tax | 24,211 | 16,453 | 15,605 | 16,427 | 3,739 |
| Adjusted earnings tax | 5,549 | 3,982 | 3,582 | 3,543 | 933 |
| ***Adjusted earnings - non-GAAP*** | $ 18,662 | $ 12,471 | $ 12,023 | $ 12,884 | $ 2,806 |
| Adjusted diluted earnings per common share | $ 0.82 | $ 0.54 | $ 0.52 | $ 0.55 | $ 0.11 |
| Adjusted return on average assets | 1.12 % | 0.73 % | 0.72 % | 0.78 % | 0.19 % |
| Adjusted return on average shareholders' equity | 12.12 % | 7.97 % | 7.56 % | 8.20 % | 1.73 % |
| Adjusted return on average tangible common equity | 17.39 % | 11.50 % | 11.04 % | 12.14 % | 2.53 % |

**Adjusted Pre-Tax, Pre-Provision Earnings Reconciliation**

| *(dollars in thousands)* | For the Quarter Ended March 31, 2021 | December 31, 2020 | September 30, 2020 | June 30, 2020 | March 31, 2020 |
|---|---|---|---|---|---|
| Adjusted earnings pre tax - non- GAAP | $ 24,211 | $ 16,453 | $ 15,605 | $ 16,427 | $ 3,739 |
| Provision for credit losses | 3,565 | 10,058 | 11,728 | 10,997 | 11,578 |
| Impairment on commercial mortgage servicing rights | 1,275 | 2,344 | 1,418 | 107 | 8,468 |
| ***Adjusted pre-tax, pre-provision earnings - non-GAAP*** | $ 29,051 | $ 28,855 | $ 28,751 | $ 27,531 | $ 23,785 |
| Adjusted pre-tax, pre-provision return on average assets | 1.75 % | 1.69 % | 1.72 % | 1.68 % | 1.58 % |



Midland States Bancorp, Inc.

**MIDLAND STATES BANCORP, INC.**
**RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES (unaudited) (continued)**

**Efficiency Ratio Reconciliation**

| | For the Quarter Ended | | | | |
|---|---|---|---|---|---|
| *(dollars in thousands)* | **March 31, 2021** | **December 31, 2020** | **September 30, 2020** | **June 30, 2020** | **March 31, 2020** |
| Noninterest expense - GAAP | $ 39,079 | $ 47,048 | $ 53,901 | $ 41,395 | $ 41,666 |
| Loss on mortgage servicing rights held for sale | - | (617) | (188) | (391) | (496) |
| Loss on repurchase of subordinated debt | - | - | - | - | (193) |
| Impairment related to facilities optimization | - | 10 | (12,651) | (60) | (146) |
| FHLB advances prepayment fees | (8) | (4,872) | - | - | - |
| Integration and acquisition expenses | (238) | (231) | (1,200) | 6 | (885) |
| Adjusted noninterest expense | $ 38,833 | $ 41,338 | $ 39,862 | $ 40,950 | $ 39,946 |
| Net interest income - GAAP | $ 51,868 | $ 53,516 | $ 49,980 | $ 48,989 | $ 46,651 |
| Effect of tax-exempt income | 386 | 413 | 430 | 438 | 485 |
| Adjusted net interest income | 52,254 | 53,929 | 50,410 | 49,427 | 47,136 |
| Noninterest income - GAAP | 14,816 | 14,336 | 18,919 | 19,396 | 8,598 |
| Impairment on commercial mortgage servicing rights | 1,275 | 2,344 | 1,418 | 107 | 8,468 |
| Gain on sales of investment securities, net | - | - | (1,721) | - | - |
| Other | (75) | (3) | 17 | (11) | 13 |
| Adjusted noninterest income | 16,016 | 16,677 | 18,633 | 19,492 | 17,079 |
| Adjusted total revenue | $ 68,270 | $ 70,606 | $ 69,043 | $ 68,919 | $ 64,215 |
| ***Efficiency ratio*** | 56.88 % | 58.55 % | 57.74 % | 59.42 % | 62.21 % |

Midland States Bancorp, Inc.

**MIDLAND STATES BANCORP, INC.**
**RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES (unaudited) (continued)**

**Tangible Common Equity to Tangible Assets Ratio and Tangible Book Value Per Share**

| | As of | | | | |
|---|---|---|---|---|---|
| *(dollars in thousands, except per share data)* | **March 31, 2021** | **December 31, 2020** | **September 30, 2020** | **June 30, 2020** | **March 31, 2020** |
| ***Shareholders' Equity to Tangible Common Equity*** | | | | | |
| Total shareholders' equity—GAAP | $ 635,467 | $ 621,391 | $ 621,880 | $ 633,589 | $ 631,160 |
| Adjustments: | | | | | |
| Goodwill | (161,904) | (161,904) | (161,904) | (172,796) | (172,796) |
| Other intangible assets, net | (26,867) | (28,382) | (29,938) | (31,495) | (33,124) |
| Tangible common equity | $ 446,696 | $ 431,105 | $ 430,038 | $ 429,298 | $ 425,240 |
| **Total Assets to Tangible Assets:** | | | | | |
| Total assets—GAAP | $ 6,884,786 | $ 6,868,540 | $ 6,700,045 | $ 6,644,498 | $ 6,208,230 |
| Adjustments: | | | | | |
| Goodwill | (161,904) | (161,904) | (161,904) | (172,796) | (172,796) |
| Other intangible assets, net | (26,867) | (28,382) | (29,938) | (31,495) | (33,124) |
| Tangible assets | $ 6,696,015 | $ 6,678,254 | $ 6,508,203 | $ 6,440,207 | $ 6,002,310 |
| Common Shares Outstanding | 22,351,740 | 22,325,471 | 22,602,844 | 22,937,296 | 23,381,496 |
| ***Tangible Common Equity to Tangible Assets*** | 6.67 % | 6.46 % | 6.61 % | 6.67 % | 7.08 % |
| ***Tangible Book Value Per Share*** | $ 19.98 | $ 19.31 | $ 19.03 | $ 18.72 | $ 18.19 |

**Return on Average Tangible Common Equity (ROATCE)**

| | For the Quarter Ended | | | | |
|---|---|---|---|---|---|
| *(dollars in thousands)* | **March 31, 2021** | **December 31, 2020** | **September 30, 2020** | **June 30, 2020** | **March 31, 2020** |
| Net income available to common shareholders | $ 18,538 | $ 8,333 | $ 86 | $ 12,569 | $ 1,549 |
| Average total shareholders' equity—GAAP | $ 624,661 | $ 622,594 | $ 632,879 | $ 631,964 | $ 652,701 |
| Adjustments: | | | | | |
| Goodwill | (161,904) | (161,904) | (168,771) | (172,796) | (171,890) |
| Other intangible assets, net | (27,578) | (29,123) | (30,690) | (32,275) | (33,951) |
| Average tangible common equity | $ 435,179 | $ 431,567 | $ 433,418 | $ 426,893 | $ 446,860 |
| **ROATCE** | 17.28 % | 7.68 % | 0.08 % | 11.84 % | 1.39 % |

Midland
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