UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT PURSUANT TO
SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
Date of report (Date of earliest event reported): **January 26, 2017**

Midland States Bancorp, Inc.

(Exact Name of Registrant as Specified in Charter)

Illinois	**001-35272**	**37-1233196**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

1201 Network Centre Drive
Effingham, Illinois 62401
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: **(217) 342-7321**

N/A
(Former Name or Former Address, if Changed Since Last Report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On January 26, 2017, Midland States Bancorp, Inc. (the “Company”) issued a press release announcing its earnings results for the fourth quarter of 2016. The press release is attached as Exhibit 99.1.

Item 7.01. Regulation FD Disclosure

On January 26, 2017, the Company made available on its website a slide presentation regarding the Company's fourth quarter 2016 financial results and acquisition of Centrue Financial Corporation, which will be used as part of a publicly accessible conference call on January 27, 2017. The slide presentation is attached as Exhibit 99.2.

The information in this Form 8-K and the attached exhibits shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in any such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release of Midland States Bancorp, Inc., dated January 26, 2017
99.2	Slide Presentation of Midland States Bancorp, Inc. regarding fourth quarter 2016 financial results and acquisition of Centrue Financial Corporation

SIGNATURES

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

Date: January 26, 2017

MIDLAND STATES BANCORP, INC.

By:	/s/ Douglas J. Tucker
Name:	Douglas J. Tucker
Title:	Senior Vice President and Corporate Counsel

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release of Midland States Bancorp, Inc., dated January 26, 2017
99.2	Slide Presentation of Midland States Bancorp, Inc. regarding fourth quarter 2016 financial results and acquisition of Centrue Financial Corporation

EXHIBIT 99.1

Midland States Bancorp, Inc. Announces 2016 Fourth Quarter Results

Highlights

- **Net income of $11.6 million, or $0.72 diluted earnings per share**
- **Average loans increased $118 million, or 20.7% annualized**
- **Return on average assets of 1.44%; Return on average equity of 14.05%**
- **Acquisition of Sterling Trust added $400 million in assets under administration**
- **Operational Excellence initiative adopted to drive increased efficiencies**
- **Definitive agreement signed to acquire Centrue Financial Corporation**

EFFINGHAM, Ill., Jan. 26, 2017 (GLOBE NEWSWIRE) -- Midland States Bancorp, Inc. (NASDAQ:MSBI) (the "Company") today reported net income of $11.6 million, or $0.72 diluted earnings per share, for the fourth quarter of 2016, compared with net income of $8.1 million, or $0.51 diluted earnings per share, for the third quarter of 2016, and net income of $7.7 million, or $0.63 diluted earnings per share, for the fourth quarter of 2015.

"We continued to see strong loan demand during the fourth quarter, resulting in a 21% annualized increase in average loans," said Leon J. Holschbach, President and Chief Executive Officer of the Company. "With the exception of commercial loans, which were impacted by fluctuations in warehouse lines of credit, we generated significant growth across all of our major lending areas, with the largest increases coming in our residential mortgage, consumer and construction portfolios.

"During the fourth quarter, we also executed a number of strategic actions designed to strengthen the Company over the longer-term. These actions included expanding our Wealth Management business with the acquisition of Sterling Trust, repositioning our investment securities portfolio to enhance our credit quality and capital ratios, and launching our Operational Excellence initiative to increase efficiencies across the organization.

"Looking ahead to 2017, we are seeing healthy economic conditions across our markets and we are expecting continued growth across all of our major business lines. The pending acquisition of Centrue Financial Corporation will add another catalyst for increasing our earnings power. Combined with the improved efficiencies that we expect to generate from the implementation of our Operational Excellence strategic initiative, we anticipate delivering another year of strong earnings growth and further value creation for our shareholders," said Mr. Holschbach.

Adjusted Earnings

Financial results for the fourth quarter of 2016 included a $14.3 million gain on sale of a portfolio of private label collateralized mortgage obligations ("CMOs"), $2.1 million in charges related to the Company's branch network optimization actions, and $1.6 million in other integration and acquisition-related expenses. Excluding these items, adjusted earnings were $6.3 million, or $0.39 diluted earnings per share, for the fourth quarter of 2016, compared with adjusted earnings of $8.3 million, or $0.52 diluted earnings per share, for the third quarter of 2016. The decline in adjusted earnings is primarily attributable to lower interest income from investment securities of $1.7 million following the sale of the portfolio of CMOs, as well as a higher provision for loan losses. A reconciliation of adjusted earnings to net income according to generally accepted accounting principles ("GAAP") is provided in the financial tables at the end of this press release.

The cost savings resulting from the Operational Excellence initiative are expected to fully offset the reduction in interest income from investment securities in 2017 resulting from the sale of the CMO portfolio. Following the completion of the branch network optimization efforts in the first quarter of 2017, the Company expects non-interest expense to range between $29 million and $30 million per quarter, excluding integration and acquisition-related expenses and prior to the completion of the acquisition of Centrue Financial Corporation.

Net Interest Income

Net interest income for the fourth quarter of 2016 was $26.0 million, a decrease of 4.8% from $27.3 million for the third quarter of 2016. The decrease in net interest income was primarily attributable to lower interest income on investment securities following the sale of the portfolio of private label CMOs. The decrease in interest income on investment securities was partially offset by a $1.0 million increase in interest income on loans (excluding accretion income) due to 20.7% annualized growth in the average balance of loans.

The Company's net interest income benefits from accretion income associated with purchased loan portfolios. Accretion income totaled $2.2 million for the fourth quarter of 2016, compared with $2.6 million for the third quarter of 2016.

Relative to the fourth quarter of 2015, net interest income decreased $0.5 million. Excluding the impact of a $2.2 million decrease in accretion income, net interest income increased $1.8 million. This increase resulted from a $3.4 million increase in interest income on loans (excluding the effect of accretion income) due to 17.8% growth in the average balance of loans, partially offset by a $1.7 million decline in interest income on investment securities following the sale of the portfolio of CMOs.

Net Interest Margin

Net interest margin for the fourth quarter of 2016 was 3.70%, compared to 4.00% for the third quarter of 2016. The Company's net interest margin benefits from accretion income on purchased loan portfolios. Excluding accretion income, net interest margin was 3.44% for the fourth quarter of 2016, compared with 3.66% for the third quarter of 2016. The decrease in net interest margin excluding accretion income was primarily attributable to the sale of the CMO portfolio.

Relative to the fourth quarter of 2015, the net interest margin declined from 4.19%, primarily due to a decline in accretion income. Excluding accretion income, the net interest margin declined from 3.56%, which was primarily attributable to lower average yields on investment securities following the sale of the portfolio of CMOs.

Noninterest Income

Noninterest income for the fourth quarter of 2016 was $30.5 million, an increase of 104% from $14.9 million for the third quarter of 2016. The increase was primarily attributable to a $14.3 million gain on the sale of the CMO portfolio. Excluding the gain on sale of the CMOs, non-interest income for the fourth quarter of 2016 was $16.2 million, an increase of 8.4% over the third quarter of 2016. The increase was due to higher commercial FHA, residential mortgage banking, and wealth management revenue, partially offset by lower other income.

Commercial FHA revenue for the fourth quarter of 2016 was $3.7 million, an increase of 13.6% from $3.3 million in the third quarter of 2016. The Company originated $159.0 million in rate lock commitments during the fourth quarter of 2016, compared to $73.4 million in the prior quarter. The Company also recorded mortgage servicing rights impairment of $0.7 million in the fourth quarter of 2016, which negatively impacted the reported commercial FHA revenue.

Residential mortgage banking revenue for the fourth quarter of 2016 was $6.2 million, an increase of 25.1% from $5.0 million in the third quarter of 2016. Residential mortgage banking revenue was positively impacted in the fourth quarter of 2016 by the recapture of previously recorded mortgage servicing rights impairment totaling $3.6 million.

Relative to the fourth quarter of 2015, noninterest income increased 138% from $12.8 million. The increase was due to the gain on sale of the CMOs, as well as increases in all of the Company's major fee generating businesses.

Noninterest Expense

Noninterest expense for the fourth quarter of 2016 was $34.1 million, which included $2.1 million in charges related to the Company's branch network optimization actions and $1.6 million in other integration and acquisition-related expenses. Excluding these expenses, noninterest expense for the fourth quarter of 2016 was $30.4 million, an increase of 6.2% from $28.7 million for the third quarter of 2016. The increase was primarily driven by higher salaries and benefits expense resulting from higher bonus accruals and the addition of employees from the Sterling Trust acquisition, as well as an increase in professional fees.

Relative to the fourth quarter of 2015, noninterest expense excluding the charges related to the Company's branch network optimization actions and other integration and acquisition-related expenses increased 9.9% from $27.7 million. The increase was primarily due to higher salaries and benefits expense resulting from an increase in FTEs over the past 12 months, as well as higher professional fees.

Income Tax Expense

Income tax expense was $8.3 million for the fourth quarter of 2016, compared to $4.1 million for the third quarter of 2016. The effective tax rate for the fourth quarter of 2016 was 41.8%, compared to 33.8% in the prior quarter. The increase in the effective tax rate for the fourth quarter of 2016 was primarily attributable to the write-off of state tax refunds and tax credits obtained through the Heartland acquisition.

For the full year 2017, the Company expects its effective tax rate to return to a level approximate to the effective tax rate in the third quarter of 2016.

Loan Portfolio

Total loans outstanding were $2.32 billion at December 31, 2016, compared with $2.31 billion at September 30, 2016, and $2.00 billion at December 31, 2015. The $7.2 million increase in the loan portfolio from September 30, 2016 was primarily driven by a $13.3 million increase in commercial real estate loans, a $36.8 million increase in residential real estate loans, a $21.9 million increase in consumer loans, a $9.1 million increase in equipment lease financing loans, and a $13.4 million increase in construction loans. These increases were partially offset by an $87.2 million decrease in commercial loans.

Approximately $65 million of the decline in commercial loans was attributable to a decrease in advances on a warehouse line of credit to a customer that originates government-guaranteed commercial FHA loans. The advances on this warehouse line of credit are short-term in nature.

Deposits

Total deposits were $2.40 billion at December 31, 2016, compared with $2.42 billion at September 30, 2016, and $2.37 billion at December 31, 2015. Total deposits at December 31, 2016 were impacted by $73 million of deposit outflow related to fluctuations in the deposit balances of the warehouse line of credit customer referenced above, as part of their ordinary course of business. This temporary deposit outflow was partially offset by increases in non-interest bearing, money market, and savings deposits from other customers.

Asset Quality

Non-performing loans totaled $31.6 million, or 1.36% of total loans, at December 31, 2016, compared with $29.9 million, or 1.29% of total loans, at September 30, 2016, and $24.9 million, or 1.26% of total loans, at December 31, 2015. The increase in non-performing loans from September 30, 2016 is primarily due to one commercial loan relationship.

Net charge-offs for the fourth quarter of 2016 were $3.1 million, or 0.54% of average loans on an annualized basis. Net charge-offs consisted of $1.6 million in commercial loans, $0.7 million in commercial real estate loans, $0.5 million in residential loans and $0.4 million in lease financing loans. Approximately $1.5 million of the commercial loan charge-offs related to one commercial credit that was fully reserved for in prior quarters.

The Company recorded a provision for loan losses of $2.4 million for the fourth quarter of 2016, primarily reflecting the higher level of net charge-offs in the quarter.

The Company's allowance for loan losses was 0.64% of total loans and 47.0% of non-performing loans at December 31, 2016, compared with 0.67% and 52.0%, respectively, at September 30, 2016. Including the fair market value discounts recorded in connection with acquired loan portfolios, the allowance for loan losses to total loans ratio was 1.02% at December 31, 2016, compared with 1.06% at September 30, 2016.

Capital

At December 31, 2016, the Company exceeded all regulatory capital requirements under Basel III and was considered to be a ''well-capitalized'' financial institution, as summarized in the following table:

	December 31, 2016	Well Capitalized Regulatory Requirements
Total capital to risk-weighted assets	13.85%	10.00%
Tier 1 capital to risk-weighted assets	11.27%	8.00%
Tier 1 leverage ratio	9.76%	5.00%
Tier 1 common capital to risk-weighted assets	9.35%	6.50%
Tangible common equity to tangible assets	8.36%	NA

Conference Call, Webcast and Slide Presentation

The Company will host a conference call and webcast at 7:30 a.m. Central Time on Friday, January 27, 2017. During the call, management will review the fourth quarter results, operational highlights and the Centrue transaction. The call can be accessed via telephone at (877) 516-3531 (passcode: 47777304). A recorded replay can be accessed through February 3, 2017 by dialing (855) 859-2056; passcode: 47777304.

A slide presentation relating to the fourth quarter results and the Centrue transaction will be accessible prior to the scheduled conference call. The slide presentation and webcast of the conference call can be accessed on the Webcasts and Presentations page of the Company's investor relations website.

About Midland States Bancorp, Inc.

Midland States Bancorp, Inc. is a community-based financial holding company headquartered in Effingham, Illinois, and is the sole shareholder of Midland States Bank. Midland had assets of approximately $3.2 billion, and its Midland Wealth Management Group had assets under administration of approximately $1.7 billion as of December 31, 2016. Midland provides a full range of commercial and consumer banking products and services, merchant credit card services, trust and investment management, and insurance and financial planning services. In addition, commercial equipment leasing services are provided through Heartland Business Credit, and multi-family and healthcare facility FHA financing is provided through Love Funding, Midland's non-bank subsidiaries. Midland has more than 80 locations across the United States. For additional information, visit www.midlandsb.com or follow Midland on LinkedIn at https://www.linkedin.com/company/midland-states-bank.

Non-GAAP Financial Measures

Some of the financial measures included in this press release are not measures of financial performance recognized in accordance with accounting principles generally accepted in the United States ("GAAP").   These non-GAAP financial measures include "Adjusted Earnings," "Adjusted Diluted Earnings Per Share," "Adjusted Return on Average Assets," "Adjusted Return on Average Shareholders' Equity," "Adjusted Return on Average Tangible Common Equity," "Yield on Loans Excluding Accretion Income, " "Net Interest Margin Excluding Accretion Income," "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.

Forward-Looking Statements

Readers should note that in addition to the historical information contained herein, this press release includes "forward-looking statements," including but not limited to statements about the Company's expected loan production, operating expenses and future earnings levels including with respect to the planned acquisition of Centrue Financial Corporation. These statements are subject to many risks and uncertainties, including changes in interest rates and other general economic, business and political conditions, including changes in the financial markets; changes in business plans as circumstances warrant; and other risks detailed from time to time in filings made by the Company with the Securities and Exchange Commission. Readers should note that the forward-looking statements included in this press release are not a guarantee of future events, and that actual events may differ materially from those made in or suggested by the forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "will," "propose," "may," "plan," "seek," "expect," "intend," "estimate," "anticipate," "believe" or "continue," or similar terminology. Any forward-looking statements presented herein are made only as of the date of this press release, and we do not undertake any obligation to update or revise any forward-looking statements to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.

MIDLAND STATES BANCORP, INC.
CONSOLIDATED FINANCIAL SUMMARY (unaudited)

(in thousands, except per share data)	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015
	For the Quarter Ended				
Earnings Summary					
Net interest income	$ 25,959	$ 27,265	$ 27,989	$ 24,041	$ 26,452
Provision for loan losses	2,445	1,392	629	1,125	1,052
Noninterest income	30,486	14,937	14,016	12,618	12,799
Noninterest expense	34,093	28,663	30,903	27,639	27,692
Income before income taxes	19,907	12,147	10,473	7,895	10,507
Income taxes	8,327	4,102	3,683	2,777	2,811
Net income	11,580	8,045	6,790	5,118	7,696
Net income (loss) attributable to noncontrolling interest in subsidiaries	(3)	(6)	1	(1)	1
Net income attributable to Midland States Bancorp, Inc.	$ 11,583	$ 8,051	$ 6,789	$ 5,119	$ 7,695
Diluted earnings per common share	$ 0.72	$ 0.51	$ 0.50	$ 0.42	$ 0.63
Weighted average shares outstanding - diluted	16,032,016	15,858,273	13,635,074	12,229,293	12,181,664
Return on average assets	1.44 %	1.03 %	0.89 %	0.70 %	1.06 %
Return on average shareholders' equity	14.05 %	10.04 %	10.18 %	8.69 %	13.19 %
Return on average tangible common shareholders' equity	16.84 %	12.01 %	12.67 %	11.22 %	17.26 %
Net interest margin	3.70 %	4.00 %	4.20 %	3.80 %	4.19 %
Efficiency ratio	76.64 %	64.56 %	66.46 %	67.73 %	68.83 %
Adjusted Earnings Performance Summary					
Adjusted earnings	$ 6,300	$ 8,269	$ 7,107	$ 5,767	$ 7,525
Adjusted diluted earnings per common share	$ 0.39	$ 0.52	$ 0.52	$ 0.47	$ 0.61
Adjusted return on average assets	0.78 %	1.06 %	0.93 %	0.79 %	1.04 %
Adjusted return on average shareholders' equity	7.64 %	10.32 %	10.66 %	9.79 %	12.90 %
Adjusted return on average tangible common shareholders' equity	9.16 %	12.34 %	13.27 %	12.64 %	16.88 %
Net interest margin excluding accretion income	3.44 %	3.66 %	3.52 %	3.55 %	3.56 %

MIDLAND STATES BANCORP, INC.
CONSOLIDATED FINANCIAL SUMMARY (unaudited) (continued)

(in thousands, except per share data)	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015
	For the Quarter Ended				
Net interest income:					
Total interest income	$ 29,981	$ 31,186	$ 32,115	$ 27,967	$ 30,300
Total interest expense	4,022	3,921	4,126	3,926	3,848
Net interest income	25,959	27,265	27,989	24,041	26,452
Provision for loan losses	2,445	1,392	629	1,125	1,052
Net interest income after provision for loan losses	23,514	25,873	27,360	22,916	25,400
Noninterest income:					
Commercial FHA revenue	3,704	3,260	8,538	6,562	3,045
Residential mortgage banking revenue	6,241	4,990	1,037	1,121	3,328
Wealth management revenue	2,495	1,941	1,870	1,785	1,831
Service charges on deposit accounts	988	1,044	965	907	979
Interchange revenue	921	920	945	964	858
FDIC loss sharing expense	-	-	(1,608)	(53)	(212)
Gain on sales of investment securities, net	14,387	39	72	204	33
Other-than-temporary impairment on investment securities	-	-	-	(824)	-
Other income	1,750	2,743	2,197	1,952	2,937
Total noninterest income	30,486	14,937	14,016	12,618	12,799
Noninterest expense:					
Salaries and employee benefits	17,326	16,568	17,012	15,387	13,725
Occupancy and equipment	3,266	3,271	3,233	3,310	3,424
Data processing	2,828	2,586	2,624	2,620	2,546

Professional	2,898	1,877	1,573	1,701	2,079
Amortization of intangible assets	534	514	519	580	598
Other	7,241	3,847	5,942	4,041	5,320
Total noninterest expense	34,093	28,663	30,903	27,639	27,692
Income before income taxes	19,907	12,147	10,473	7,895	10,507
Income taxes	8,327	4,102	3,683	2,777	2,811
Net income	11,580	8,045	6,790	5,118	7,696
Net (loss) income attributable to noncontrolling interest in subsidiaries	(3)	(6)	1	(1)	1
Net income attributable to Midland States Bancorp, Inc.	$ 11,583	$ 8,051	$ 6,789	$ 5,119	$ 7,695
Basic earnings per common share	$ 0.74	$ 0.51	$ 0.51	$ 0.43	$ 0.64
Diluted earnings per common share	$ 0.72	$ 0.51	$ 0.50	$ 0.42	$ 0.63

MIDLAND STATES BANCORP, INC.
CONSOLIDATED FINANCIAL SUMMARY (unaudited) (continued)

	As of				
(in thousands)	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015
Assets					
Cash and cash equivalents	$ 190,716	$ 228,030	$ 123,366	$ 162,416	$ 212,475
Investment securities available-for-sale at fair value	246,339	252,212	238,781	232,074	236,627
Investment securities held to maturity at amortized cost	78,672	82,941	84,756	88,085	87,521
Loans	2,319,976	2,312,778	2,161,041	2,016,034	1,995,589
Allowance for loan losses	(14,862)	(15,559)	(14,752)	(14,571)	(15,988)
Total loans, net	2,305,114	2,297,219	2,146,289	2,001,463	1,979,601
Loans held for sale at fair value	70,565	61,363	101,782	103,365	54,413
Premises and equipment, net	66,692	70,727	72,147	72,421	73,133
Other real estate owned	3,560	4,828	3,540	4,740	5,472
Mortgage servicing rights at lower of cost or market	68,008	64,689	62,808	65,486	66,651
Intangible assets	7,187	5,391	5,905	6,424	7,004
Goodwill	48,836	46,519	46,519	46,519	46,519
Cash surrender value of life insurance policies	74,226	74,276	73,665	53,173	52,729
Other assets	73,808	59,532	62,226	61,914	62,679
Total assets	$ 3,233,723	$ 3,247,727	$ 3,021,784	$ 2,898,080	$ 2,884,824
Liabilities and Shareholders' Equity					
Noninterest bearing deposits	$ 562,333	$ 629,113	$ 528,966	$ 546,664	$ 543,401
Interest bearing deposits	1,842,033	1,790,919	1,825,586	1,843,046	1,824,247
Total deposits	2,404,366	2,420,032	2,354,552	2,389,710	2,367,648
Short-term borrowings	131,557	138,289	125,014	101,649	107,538
FHLB advances and other borrowings	237,518	237,543	97,588	40,133	40,178
Subordinated debt	54,508	54,484	54,459	61,903	61,859
Trust preferred debentures	37,405	37,316	37,229	37,142	37,057
Other liabilities	46,561	38,273	36,627	28,982	37,488
Total liabilities	2,911,915	2,925,937	2,705,469	2,659,519	2,651,768
Midland States Bancorp, Inc. shareholders’ equity	321,770	321,749	316,268	238,386	232,880
Noncontrolling interest in subsidiaries	38	41	47	175	176
Total shareholders’ equity	321,808	321,790	316,315	238,561	233,056
Total liabilities and shareholders’ equity	$ 3,233,723	$ 3,247,727	$ 3,021,784	$ 2,898,080	$ 2,884,824

MIDLAND STATES BANCORP, INC.
CONSOLIDATED FINANCIAL SUMMARY (unaudited) (continued)

	As of				
(in thousands)	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015
Loan Portfolio					

Commercial loans	$ 457,827	$ 545,069	$ 489,228	$ 484,618	$ 499,573
Commercial real estate loans	969,615	956,298	929,399	897,099	876,784
Construction and land development loans	177,325	163,900	181,667	159,507	150,266
Residential real estate loans	253,713	216,935	179,184	158,221	163,224
Consumer loans	270,017	248,131	205,060	158,938	161,512
Lease financing loans	191,479	182,445	176,503	157,651	144,230
Total loans	$ 2,319,976	$ 2,312,778	$ 2,161,041	$ 2,016,034	$ 1,995,589

Deposit Portfolio					
Noninterest-bearing demand deposits	$ 562,333	$ 629,113	$ 528,966	$ 546,664	$ 543,401
NOW accounts	656,248	658,021	627,003	612,475	621,925
Money market accounts	399,851	366,193	374,537	415,130	377,654
Savings accounts	166,910	162,742	164,792	163,163	155,778
Time deposits	400,304	420,779	431,173	433,386	446,621
Brokered deposits	218,720	183,184	228,081	218,892	222,269
Total deposits	$ 2,404,366	$ 2,420,032	$ 2,354,552	$ 2,389,710	$ 2,367,648

MIDLAND STATES BANCORP, INC.
CONSOLIDATED FINANCIAL SUMMARY (unaudited) (continued)

	For the Quarter Ended				
(in thousands)	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015
Average Balance Sheets					
Cash and cash equivalents	$ 140,439	$ 154,764	$ 232,362	$ 223,951	$ 184,072
Investment securities	334,438	348,265	338,224	327,267	345,114
Loans	2,385,780	2,268,178	2,171,814	2,063,568	2,039,046
Total interest-earning assets	2,860,657	2,771,207	2,742,400	2,614,786	2,568,232
Non-earning assets	337,694	329,504	324,880	317,648	312,154
Total assets	$ 3,198,351	$ 3,100,711	$ 3,067,280	$ 2,932,434	$ 2,880,386
Interest-bearing deposits	$ 1,838,760	$ 1,803,189	$ 1,844,493	$ 1,832,599	$ 1,813,974
Short-term borrowings	151,191	134,052	114,651	120,753	118,118
FHLB advances and other borrowings	183,614	165,774	185,195	99,499	48,583
Subordinated debt	54,495	54,470	61,677	61,878	61,835
Trust preferred debentures	37,357	37,266	37,182	37,094	37,013
Total interest-bearing liabilities	2,265,417	2,194,751	2,243,198	2,151,823	2,079,523
Noninterest-bearing deposits	562,958	550,816	522,632	511,019	529,196
Other noninterest-bearing liabilities	42,050	36,235	33,188	32,671	40,247
Shareholders' equity	327,926	318,909	268,262	236,921	231,420
Total liabilities and shareholders' equity	$ 3,198,351	$ 3,100,711	$ 3,067,280	$ 2,932,434	$ 2,880,386
Yields					
Cash and cash equivalents	0.53 %	0.50 %	0.50 %	0.50 %	0.27 %
Investment securities	3.13 %	4.93 %	5.12 %	5.31 %	5.02 %
Loans	4.63 %	4.79 %	5.22 %	4.68 %	5.15 %
Total interest-earning assets	4.26 %	4.57 %	4.81 %	4.40 %	4.79 %
Interest-bearing deposits	0.48 %	0.48 %	0.50 %	0.49 %	0.48 %
Short-term borrowings	0.22 %	0.24 %	0.24 %	0.23 %	0.20 %
FHLB advances and other borrowings	0.78 %	0.73 %	0.56 %	0.55 %	0.87 %
Subordinated debt	6.37 %	6.38 %	6.87 %	6.87 %	6.79 %
Trust preferred debentures	4.99 %	5.03 %	4.95 %	4.80 %	4.60 %
Total interest-bearing liabilities	0.71 %	0.71 %	0.74 %	0.73 %	0.73 %
Net interest margin	3.70 %	4.00 %	4.20 %	3.80 %	4.19 %

MIDLAND STATES BANCORP, INC.
CONSOLIDATED FINANCIAL SUMMARY (unaudited) (continued)

As of and for the Quarter Ended

(in thousands, except per share data)	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015
Asset Quality					
Loans 30-89 days past due	$ 10,767	$ 10,318	$ 10,453	$ 6,616	$ 10,120
Nonperforming loans	31,603	29,926	18,430	18,787	24,891
Nonperforming assets	34,550	34,304	21,469	22,312	29,206
Net charge-offs	3,142	585	448	2,542	220
Loans 30-89 days past due to total loans	0.46%	0.45%	0.48%	0.33%	0.51%
Nonperforming loans to total loans	1.36%	1.29%	0.85%	0.93%	1.25%
Nonperforming assets to total assets	1.07%	1.06%	0.71%	0.77%	1.01%
Allowance for loan losses to total loans	0.64%	0.67%	0.68%	0.72%	0.80%
Allowance for loan losses to nonperforming loans	47.03%	51.99%	80.04%	77.56%	64.23%
Net charge-offs to average loans	0.54%	0.11%	0.09%	0.51%	0.04%
Wealth Management					
Trust assets under administration	$ 1,658,235	$ 1,235,132	$ 1,198,044	$ 1,189,693	$ 1,181,128
Market Data					
Book value per share at period end	$ 20.78	$ 20.89	$ 20.53	$ 20.19	$ 19.74
Tangible book value per share at period end	$ 17.16	$ 17.52	$ 17.13	$ 15.71	$ 15.20
Market price at period end	$ 36.18	$ 25.34	$ 21.69	$ N/A	$ N/A
Shares outstanding at period end	15,483,499	15,404,423	15,402,946	11,804,779	11,797,404
Capital					
Total capital to risk-weighted assets	13.85%	13.53%	13.91%	11.67%	11.82%
Tier 1 capital to risk-weighted assets	11.27%	10.94%	11.23%	8.48%	8.62%
Tier 1 leverage ratio	9.76%	9.82%	9.77%	7.25%	7.49%
Tier 1 common capital to risk-weighted assets	9.35%	9.03%	9.24%	6.40%	6.50%
Tangible common equity to tangible assets	8.36%	8.44%	8.89%	6.52%	6.33%

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

	For the Quarter Ended				
(in thousands, except per share data)	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015
Adjusted Earnings Reconciliation					
Income before income taxes - GAAP	$ 19,907	$ 12,147	$ 10,473	$ 7,895	$ 10,507
Adjustments to other income:					
Gain on sales of investment securities, net	14,387	39	72	204	33
Other than-temporary-impairment on investment securities	-	-	-	(824)	-
FDIC loss-sharing expense	-	-	-	-	(212)
Amortization of FDIC indemnification asset, net	-	-	-	-	(39)
Reversal of contingent consideration accrual	-	-	350	-	-
Total adjusted other income	14,387	39	422	(620)	(218)
Adjustments to other expense:					
Expenses associated with payoff of subordinated debt	-	-	511	-	-
Net expense from loss share termination agreement	351	-	-	-	-
Branch network optimization plan charges	2,099	-	-	-	-
Integration and acquisition expenses	1,200	352	406	385	214
Total adjusted other expense	3,650	352	917	385	214
Adjusted earnings pre tax	9,170	12,460	10,968	8,900	10,939
Adjusted earnings tax	2,870	4,191	3,861	3,133	3,414
Adjusted earnings - non-GAAP	$ 6,300	$ 8,269	$ 7,107	$ 5,767	$ 7,525
Adjusted diluted EPS	$ 0.39	$ 0.52	$ 0.52	$ 0.47	$ 0.61

Adjusted return on average assets	0.78 %	1.06 %	0.93 %	0.79 %	1.04 %
Adjusted return on average shareholders' equity	7.64 %	10.32 %	10.66 %	9.79 %	12.90 %
Adjusted return on average tangible common equity	9.16 %	12.34 %	13.27 %	12.64 %	16.88 %
Yield on Loans					
Reported yield on loans	4.63 %	4.79 %	5.22 %	4.68 %	5.15 %
Effect of accretion income on acquired loans	(0.30) %	(0.41) %	(0.85) %	(0.30) %	(0.78) %
Yield on loans excluding accretion income	4.33 %	4.38 %	4.37 %	4.38 %	4.37 %
Net Interest Margin					
Reported net interest margin	3.70 %	4.00 %	4.20 %	3.80 %	4.19 %
Effect of accretion income on acquired loans	(0.26) %	(0.34) %	(0.68) %	(0.25) %	(0.63) %
Net interest margin excluding accretion income	3.44 %	3.66 %	3.52 %	3.55 %	3.56 %

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

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

	As of				
(in thousands, except per share data)	**December 31, 2016**	**September 30, 2016**	**June 30, 2016**	**March 31, 2016**	**December 31, 2015**
Shareholders' Equity to Tangible Common Equity					
Total shareholders' equity—GAAP	$ 321,808	$ 321,790	$ 316,315	$ 238,561	$ 233,056
Adjustments:					
Noncontrolling interest in subsidiaries	(38)	(41)	(47)	(175)	(176)
Goodwill	(48,836)	(46,519)	(46,519)	(46,519)	(46,519)
Other intangibles	(7,187)	(5,391)	(5,905)	(6,424)	(7,004)
Tangible common equity	$ 265,747	$ 269,839	$ 263,844	$ 185,443	$ 179,357
Total Assets to Tangible Assets:					
Total assets—GAAP	3,233,723	3,247,727	3,021,784	2,898,080	2,884,824
Adjustments:					
Goodwill	(48,836)	(46,519)	(46,519)	(46,519)	(46,519)
Other intangibles	(7,187)	(5,391)	(5,905)	(6,424)	(7,004)
Tangible assets	$ 3,177,700	$ 3,195,817	$ 2,969,360	$ 2,845,137	$ 2,831,301
Common Shares Outstanding	15,483,499	15,404,423	15,402,946	11,804,779	11,797,404
Tangible Common Equity to Tangible Assets	8.36 %	8.44 %	8.89 %	6.52 %	6.33 %
Tangible Book Value Per Share	$ 17.16	$ 17.52	$ 17.13	$ 15.71	$ 15.20

Return on Average Tangible Common Equity (ROATCE)

	As of				
(in thousands)	**December 31, 2016**	**September 30, 2016**	**June 30, 2016**	**March 31, 2016**	**December 31, 2015**
Net Income	$ 11,583	$ 8,051	$ 6,789	$ 5,119	$ 7,695

Average total shareholders' equity—GAAP	$ 327,926	$ 318,909	$ 268,262	$ 236,921	$ 231,420
Adjustments:					
Noncontrolling interest in subsidiaries	(40)	(49)	(121)	(184)	(204)
Goodwill	(46,594)	(46,519)	(46,519)	(46,519)	(46,997)
Other intangibles	(7,718)	(5,656)	(6,184)	(6,740)	(7,324)
Average tangible common equity	$ 273,574	$ 266,685	$ 215,438	$ 183,478	$ 176,895
ROATCE	16.84 %	12.01 %	12.67 %	11.22 %	17.26 %

CONTACTS:
Jeffrey G. Ludwig, Exec. V.P., at jludwig@midlandsb.com or (217) 342-7321
Kevin L. Thompson, Chief Financial Officer, at kthompson@midlandsb.com or (217) 342-7321
Douglas J. Tucker, Sr. V.P., Corporate Counsel, at dtucker@midlandsb.com or (217) 342-7321

EXHIBIT 99.2

Midland States Bancorp, Inc.
NASDAQ: MSBI

Fourth Quarter 2016 Earnings Call
and
Acquisition of Centrue Financial Corporation

Midland
States Bancorp, Inc.

Forward-Looking Statements. This presentation may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements express management's current expectations, forecasts of future events or long-term goals, and may be based upon beliefs, expectations and assumptions of Midland's and Centrue's 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. All statements in this presentation speak only as of the date they are made, and neither Midland nor Centrue undertakes any obligation to update any statement. A number of factors, many of which are beyond the ability of Midland and Centrue to control or predict, could cause actual results to differ materially from those in its forward-looking statements. These factors include, among others: (i) the possibility that any of the anticipated benefits of the proposed transaction between Midland and Centrue will not be realized or will not be realized within the expected time period; (ii) the risk that integration of operations of Centrue with those of Midland will be materially delayed or will be more costly or difficult than expected; (iii) the failure of the proposed transaction to close for any other reason; (iv) the effect of the announcement of the transaction on customer relationships and operating results; and (v) the possibility that the transaction may be more expensive to complete than anticipated, including as a result of unexpected factors or events. 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 Centrue and their respective businesses, including additional factors that could materially affect Midland's and Centrue's financial results, are included in Midland's and Centrue's filings with the Securities and Exchange Commission.

Use of Non-GAAP Financial Measures. This presentation contains 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 Return on Average Assets," "Adjusted Return on Average Tangible Common Equity," "Adjusted Diluted Earnings Per Share," "Adjusted Earnings," "Adjusted Earnings Available to Common Shareholders," "Yields on Loans Excluding Accretion Income" "Net Interest Margin Excluding Accretion Income," and "Tangible Book Value Per Share." 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. Because not all companies use the same calculation of these measures, this presentation may not be comparable to other similarly titled measures as calculated by other companies. Reconciliations of these non-GAAP measures are provided in the Appendix section of this presentation.

Miscellaneous. Except as otherwise indicated, this presentation speaks as of the date hereof. The delivery of this presentation shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company after the date hereof. Market data used in this presentation has been obtained from independent industry sources and publications as well as from research reports prepared for other purposes. Industry publications and surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable. Midland has not independently verified the data obtained from these sources. Forward-looking information obtained from these sources is subject to the same qualifications and the additional uncertainties regarding the other forward-looking statements in this presentation.

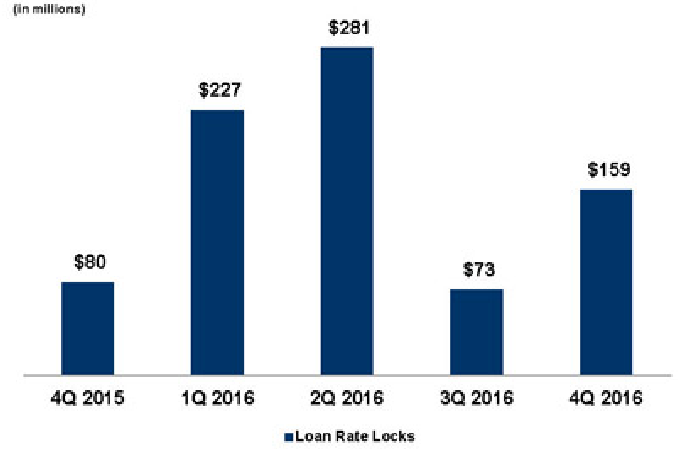
Fourth Quarter 2016 Summary

Strong Earnings	Net income of $11.6 million or $0.72 per diluted share
Non-Core Items	$14.3 million gain from sale of CMO portfolio; $2.1 million charge related to branch network optimization; and $1.6 million in other integration and acquisition-related expenses
Loan Growth	Average loan balances increased by more than 20% on an annualized basis
Wealth Management	Expanded Wealth Management business with acquisition of Sterling Trust
Operational Excellence	Updated strategic plan to adopt Operational Excellence as a new strategic initiative

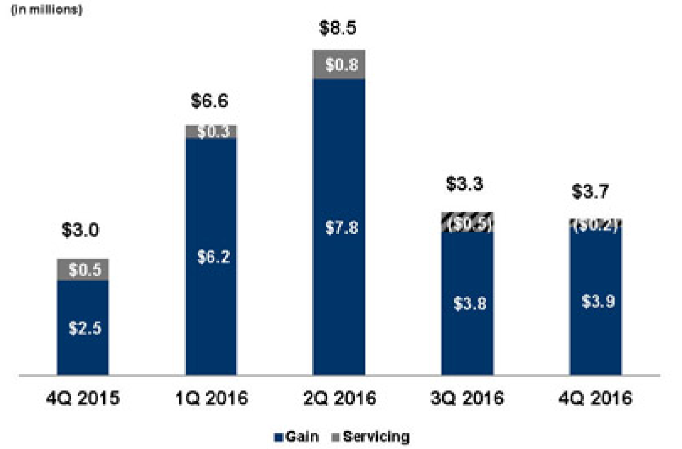
Business Unit Review - Love Funding

- Commercial FHA origination and servicing business focused on multifamily and healthcare facilities
- Long-term replacement reserve deposits for maintenance/capex of properties and escrow deposits are low-cost sources of funds
- Originated $159 million in rate lock commitments in 4Q16
- 4Q16 revenue impacted by loan mix and higher commission expense
- Average deposits related to servicing were $271 million in 4Q16

Loan Rate Locks



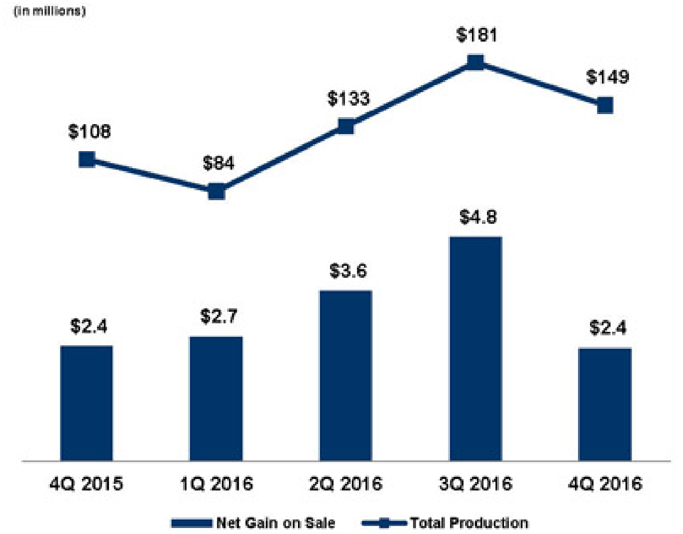
Commercial FHA Revenue Mix



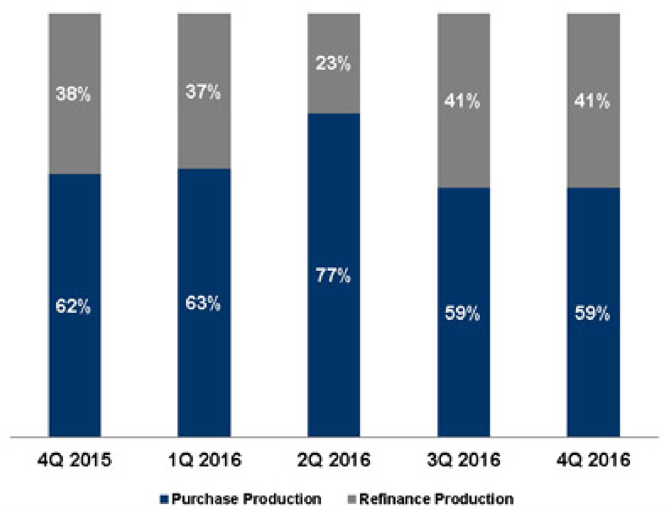
Business Unit Review - Residential Mortgage

- Residential mortgage loan origination and servicing
- $149 million in originations in 4Q16
- Residential mortgage banking revenue of $6.2 million in 4Q16 included the recapture of mortgage servicing rights totaling $3.6 million
- Q416 net gain on sale reflects seasonally lower activity relative to 3Q16

Net Gain on Sale



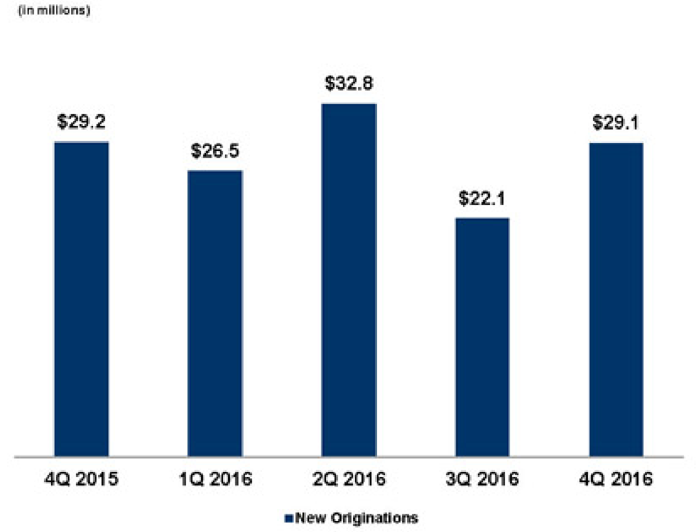
Purchase / Refinance Mix



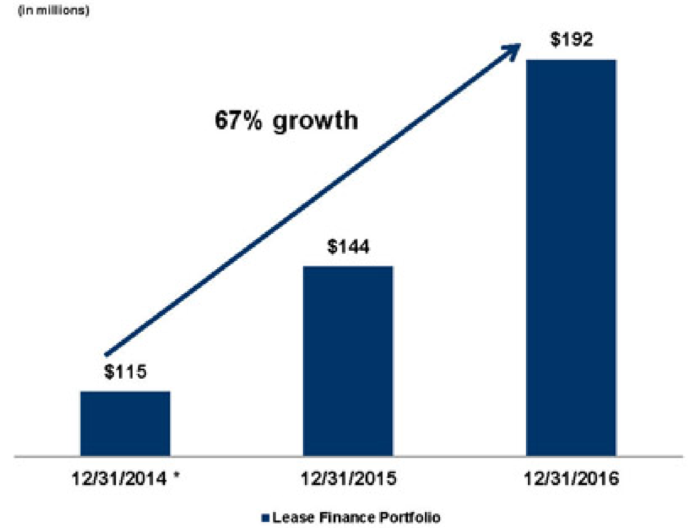
Business Unit Review - Heartland Business Credit

- Equipment leasing sourced from a network of equipment manufacturers and brokers
- Strong production with $29 million in originations
- Attractive yields - average rate (ex. accretion) on lease finance portfolio was 5.15% in the quarter
- 33% portfolio growth vs. 4Q15

New Originations



Lease Finance Portfolio

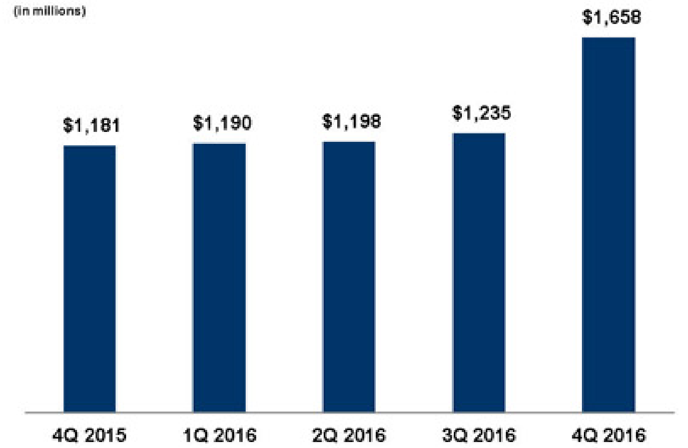


* Date of acquisition

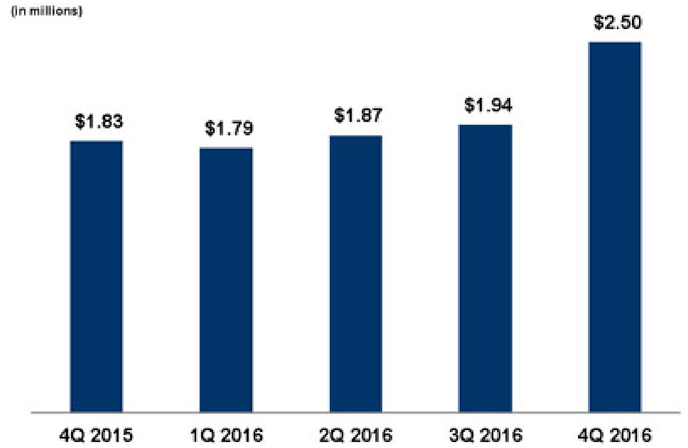
Business Unit Review – Wealth Management

- Wealth Management group offers Trust and Estate services, Investment Management, Financial Planning and Employer Sponsored Retirement Plans
- Assets under administration increased by $423 million or 34% from the end of 3Q16
  - Excluding the Sterling Trust company acquisition, assets under administration increased by $20 million or 2% from the end of 3Q16
- The Sterling Trust company acquisition closed in 4Q16 and contributed $403 million in additional assets under administration

Assets Under Administration



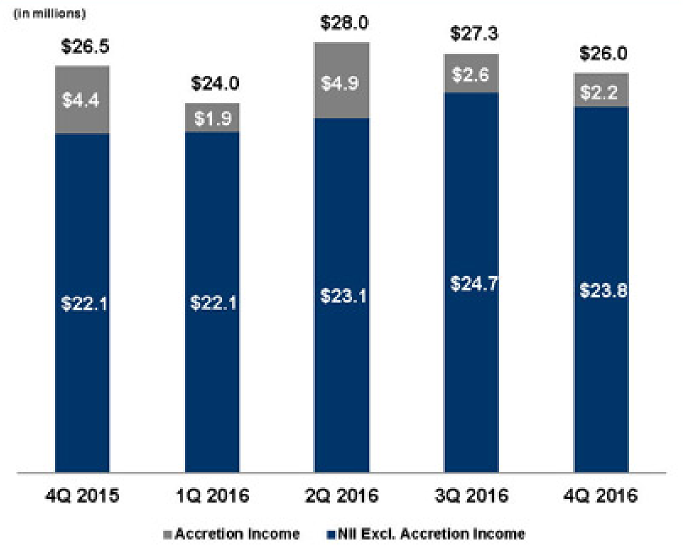
Wealth Management Revenue



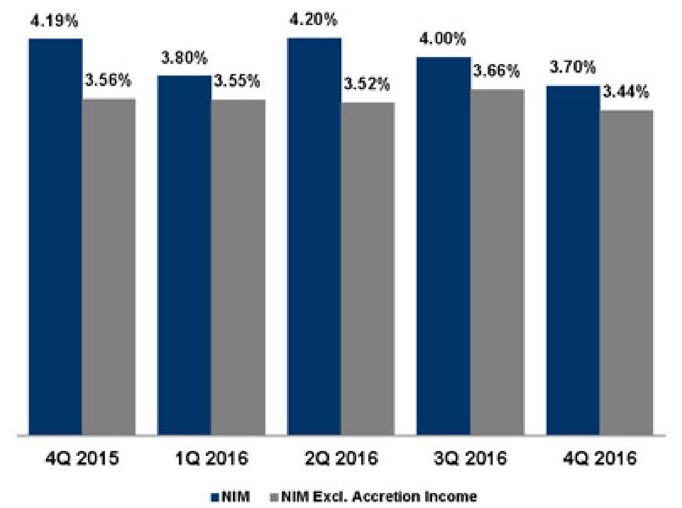
Net Interest Income/Margin

- Net interest income declined 4.8% from 3Q16 primarily due to a $1.7 million decrease in interest income on investment securities as a result of the sale of the CMO portfolio
- Interest income on loans (excluding accretion income) increased $1.0 million from 3Q16
- Net interest margin, excluding accretion income, decreased by 22 basis points, primarily due to a decline in yield on investment securities

Net Interest Income



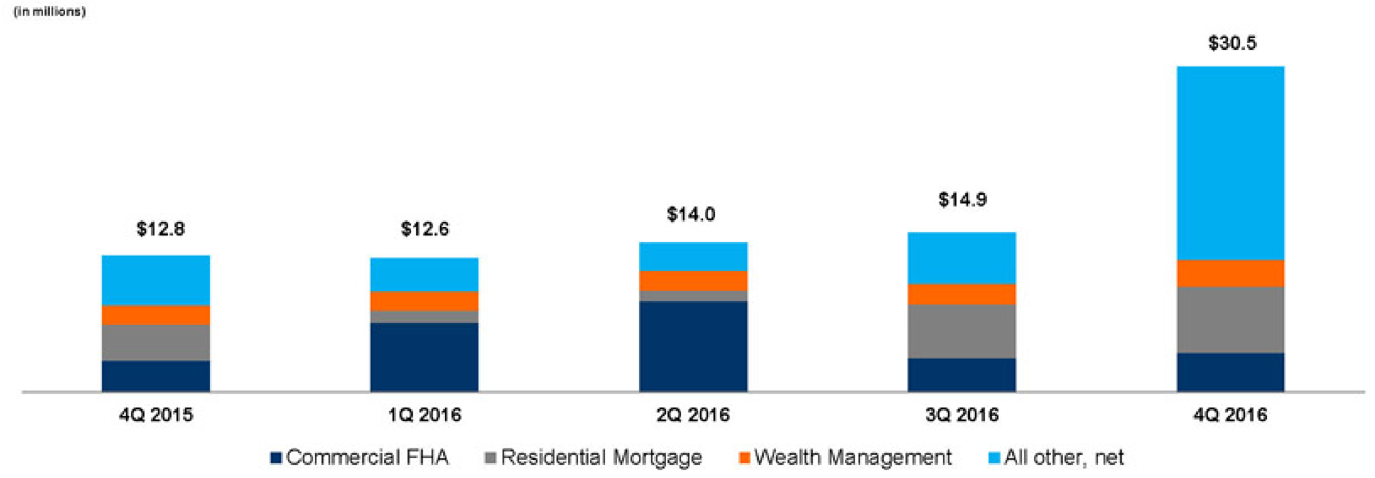
NIM / NIM Excl. Accretion Income



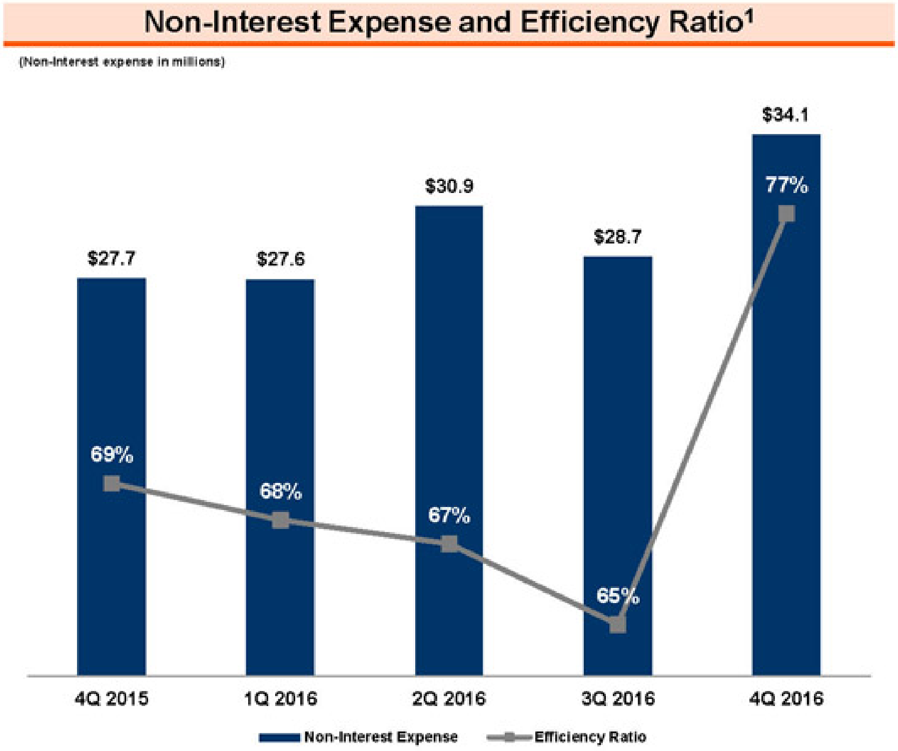
Non-Interest Income

- $14.3 million gain on sale of investment securities resulting from sale of CMO portfolio
- Excluding gain on sale of investment securities, non-interest income was 8.4% higher than 3Q16
- All major fee generating business were up compared to 3Q16

Non-Interest Income



Non-Interest Expense and Operating Efficiency



- Efficiency Ratio[1] increased to 77% in 4Q16 vs. 65% in 3Q16
- 4Q16 adjusted expenses
  - $2.1 million of charges related to branch network optimization
  - $1.6 million in other integration and acquisition-related expenses
- Excluding these items, non-interest expense was up 6.2% from 3Q16 due to higher salaries and benefits expense, as well as an increase in professional fees
- Non-interest expense runrate expected to range from $29 to $30 million per quarter in 2017

[1] Efficiency Ratio represents non-interest expenses, as adjusted, divided by the sum of fully taxable equivalent net interest income plus non-interest income, as adjusted. Non-interest expense adjustments exclude expense from the payoff of subordinated debt, net expense from the loss share termination agreement, branch network optimization plan charges and integration and acquisition expenses. Non-interest income adjustments exclude mortgage servicing rights impairment / recapture, FDIC loss sharing expense, accretion / amortization of the FDIC indemnification asset, gains or losses from the sale of investment securities, other-than-temporary impairment on investment securities and reversal of a contingent consideration accrual.

Loan Portfolio

- Total loans at quarter end increased by $7 million in 4Q16 vs. 3Q16
- Commercial loans impacted by unusually high level of advances at end of 3Q16 on a government guaranteed warehouse line of credit to a customer that originates commercial FHA loans
- Excluding advances on this line, total loan portfolio increased at a annualized rate of 12.5% in 4Q16

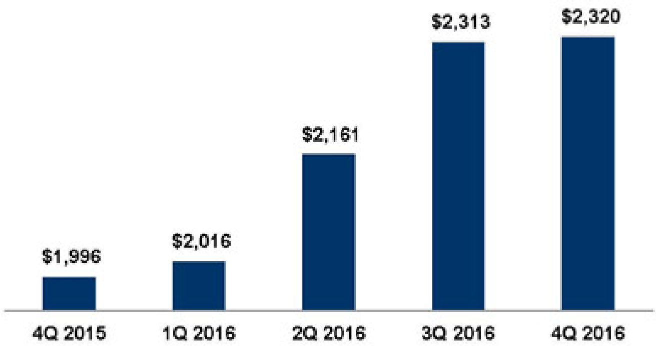
Loan Portfolio Mix

(in millions, as of quarter-end)

	4Q 2016	3Q 2016	4Q 2015
Commercial	$ 458	$ 545	$ 500
Commercial real estate	970	956	877
Construction and land development	177	164	150
Residential real estate	254	217	163
Consumer	270	248	162
Lease financing	191	183	144
Total	**$ 2,320**	**$ 2,313**	**$ 1,996**

Total Loans

(in millions, as of quarter-end)



Total Deposits

- 4Q16 EOP total deposits impacted by fluctuations in deposit balances of commercial FHA warehouse line customer
- Outside of the deposits related to commercial FHA warehouse line customer, non-interest bearing, money market and savings deposits from other customers increased

Deposit Mix

(in millions, as of quarter-end)

	4Q 2016	3Q 2016	4Q 2015
Non-interest-bearing demand	$ 562	$ 629	$ 543
NOW	656	658	622
Money market	400	366	378
Savings	167	163	156
Time	400	421	447
Brokered	219	183	222
Total deposits	**$ 2,404**	**$ 2,420**	**$ 2,368**

Total Deposits

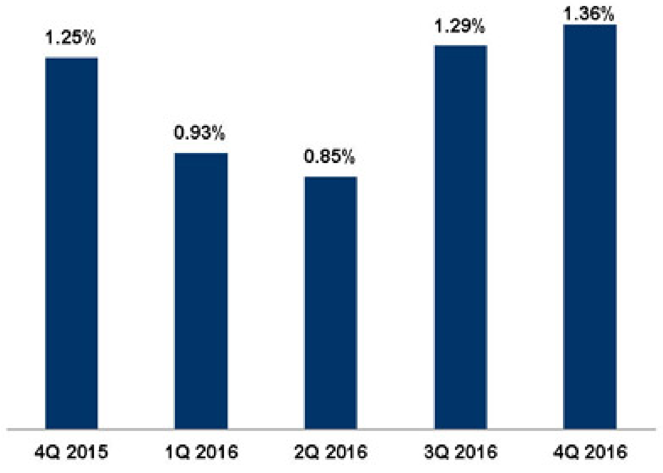
(in millions, as of quarter-end)

Asset Quality

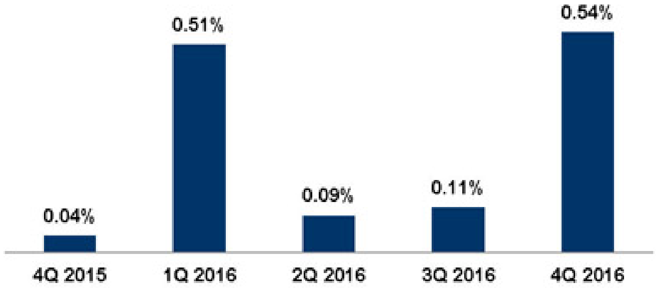
- Non-performing loans increased by $1.7 million from 3Q16
- Net charge-offs totaled $3.1 million in 4Q16
- Recorded a provision for loan losses of $2.4 million in 4Q16

Non-performing Loans / Total Loans

(Total Loans as of quarter-end)



NCO / Average Loans



Midland States Bancorp Acquisition of Centrue Financial Corporation

Midland
States Bancorp, Inc.

Transaction Highlights

Scalable $1 Billion Franchise that Strengthens Existing Footprint

- Centrue is a 140+ year old $1 billion bank with deep ties to the communities it serves offering robust commercial, retail and mortgage banking services
- Midland further solidifies its position in its north/central Illinois and St. Louis markets and the combined entity would rank #1 and #2 by deposit market share in the Kankakee and Ottawa-Peru, IL MSAs, respectively
- Transaction creates the 6th largest Illinois-based bank by total assets[1]
- Centrue has a high quality, low-cost core deposit franchise with a weighted average cost of 0.18% for the LTM[2]

Strong Transaction Economics

- Financially attractive transaction utilizing no revenue enhancements
  - ~8-9% EPS accretion in 2018, first full year pro forma
  - TBV per share dilution < 1.5% at transaction close
  - TBV per share earnback of ~2 years using the crossover method
  - 16%+ IRR
- Capital ratios remain strong on a pro forma basis

Deal Execution

- Midland is deeply familiar with Centrue's operating markets and shares considerable overlap with Centrue's branch network (7 branches within 1.5 miles)[2]
- As a result of the overlap, in addition to other operating efficiencies, Midland anticipates achieving 40% cost savings on a fully phased-in basis
- Complementary corporate cultures and passionate focus on customer service
- This is Midland's 11th announced acquisition since 2008

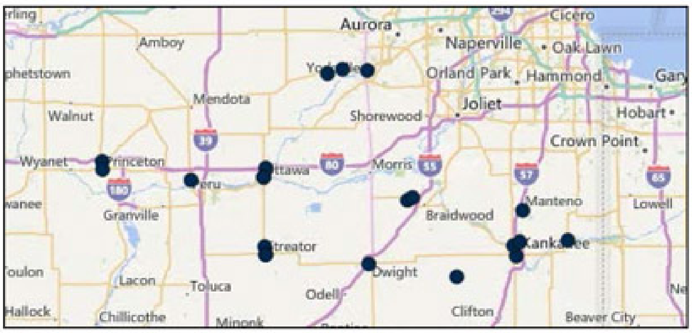
Notes:
(1) Excludes Discover Financial Services and merger targets.
(2) Per SNL Financial and Centrue Financial Corporation's Earnings Presentation.

Centrue Financial Corporation Overview

Overview

- **Established in 1874, Centrue is a regional, full-service community bank**
  - Headquartered in Ottawa, Illinois
  - Offers commercial, retail and mortgage banking services
- **Branch network with solid market share in its core markets and foothold in two large markets**
  - Top 5 deposit market share in core markets (Kankakee and LaSalle Counties)
  - Strong fit with Midland States' market strategy
  - 20 bank branches (7 within 1.5 miles of MSBI branches[1])
- **Stable, low-cost deposit franchise**
  - LTM 18 bps cost of total deposits[1]
  - Weighted average life of core deposits of 7.3 years[1]
  - Core deposits account for 73% of total deposits[1],[2]
- **Healthy and growing loan portfolio**
  - 3 year compound annual growth rate of 10.1%[1]
  - NPAs/Assets of 0.68% and NPLs/Loans of 0.24%[1]

Branch Map[3]



Financial Highlights[1],[4]

Balance Sheet ($M)		Capital	
Assets	$977.8	TCE / TA	12.72%
Net Loans	$676.9	Tier 1 Common Ratio	13.77%
Deposits	$740.0	Total Capital Ratio	14.95%
Profitability		**Asset Quality**	
NIM	3.43%	NPAs/Assets	0.68%
ROAE	5.09%	LLR/Loans	1.30%
ROAA	0.64%	LLR/NPLs	545.6%
Efficiency Ratio	78.3%	NCOs/Avg. Loans	0.02%

Notes:
(1) Per SNL Financial and Centrue Financial Corporation's Earnings Presentation. Financials as of 12/31/2016.
(2) Core deposits defined as checking, savings, NOW and money market deposits.
(3) Centrue has one branch location in the St. Louis MSA which is not pictured.
(4) Financial data as of 12/31/16 and profitability is LTM as of 12/31/16

Centrue Financial Corporation's Recent Improvements

- Over the last several years, Centrue has committed significant resources to repositioning itself

Strengthened Balance Sheet	• Centrue was recapitalized via a private placement of common stock on 3/31/2015 • NPLs / Loans have declined from 5.08% at 12/31/13 to 0.24% at 4Q'16(1) • Improvement in balance sheet positioning occurred while simultaneously growing loans and maintaining an attractive core deposit profile — 23.9% loan growth since 12/31/14(1) — 9.5% core deposit growth since 12/31/14(2)
Improved Regulatory Position	• Termination of Joint Regulatory Agreement • Centrue is "well capitalized" compared to all regulatory capital thresholds
Protected Deferred Tax Asset	• Centrue reversed the valuation allowance on its $38.2M deferred tax asset in 4Q'15 • This transaction preserves 100% of the deferred tax asset (net balance of $35.4M at 9/30/2016) which will help to offset future taxable income
Improved Core Earnings Power	• Centrue's core earnings power started to improve in 2016 • Considering the overlap of the two franchises and Midland's intention to streamline the operating position of Centrue, there is opportunity for substantial operating synergies for the combined company on a go-forward basis

Notes:
(1) Per SNL Financial and Centrue Financial Corporation's Earnings Presentation.
(2) Core deposits defined as checking, savings, NOW and money market deposits.

Pro Forma Franchise

Overview

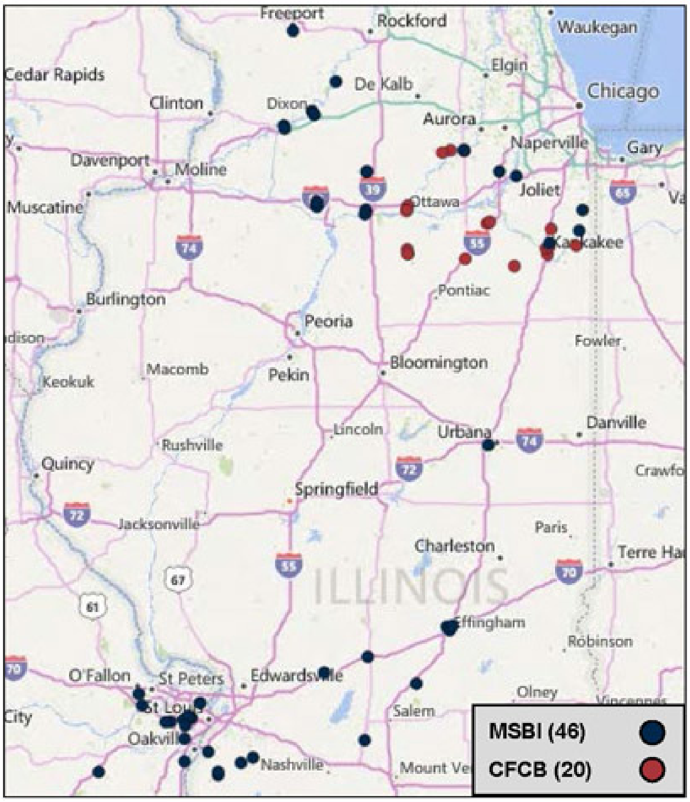
- 52 branches throughout Illinois, as well as 13 branches in Missouri and 1 in Colorado
- Transaction creates the 6th largest Illinois-based bank by total assets[(1)]
- $4.2 billion in assets[(2)]
- $3.0 billion in gross loans[(2)]
- $3.1 billion in deposits[(2)]

Pro Forma Deposit Market Share[(3)]

Illinois (Excluding Chicago MSA)

Rank	Institution	# of Branches	Total Deposits ($000)	Market Share (%)
1	First Busey Corp. (IL)	33	2,966,082	3.46
2	PNC Financial Services Group (PA)	46	2,875,029	3.35
3	Hometown Community Bncp Inc. (IL)	37	2,823,045	3.29
4	JPMorgan Chase & Co. (NY)	20	2,458,255	2.87
5	U.S. Bancorp (MN)	70	2,325,929	2.71
6	Regions Financial Corp. (AL)	56	2,268,487	2.65
7	First Mid-Illinois Bancshares (IL)	52	2,248,941	2.62
8	United Community Bancorp Inc. (IL)	47	2,044,099	2.38
9	**Pro Forma**	**43**	**1,880,360**	**2.19**
9	Heartland Bancorp Inc. (IL)	42	1,562,575	1.82
10	Banc Ed Corp. (IL)	19	1,527,912	1.78
11	**Midland States Bancorp Inc. (IL)**	**29**	**1,338,854**	**1.56**
35	**Centrue Financial Corporation (IL)**	**14**	**541,506**	**0.63**
	Total For Institutions In Market	**1,956**	**85,748,805**	**100.00**

Branch Map



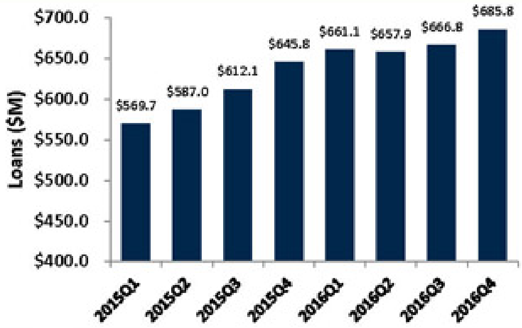
Notes:
(1) Excludes Discover Financial Services and merger targets.
(2) MSBI and CFCB as of 12/31/2016.
(3) Per 2016 FDIC Summary of Deposits. Note: branch count does not account for pending branch closures. Branch map does not depict Midland's Colorado location.

Diversified, Low Risk Loan Portfolio

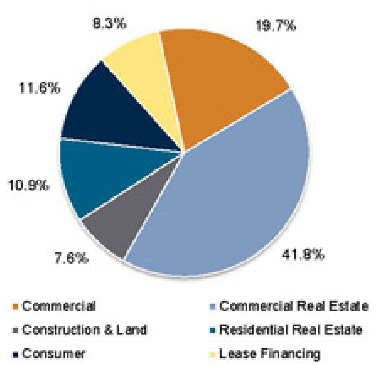
Centrue Financial Loan Portfolio

- **Well diversified loan portfolio:**
  - Commercial loans represent more than 11% of loans
  - More than 20% growth in total loans since 1Q'15
  - Non-performing loans as of 12/31/16 represented 0.24% of total loans, down significantly from 5.08% at 12/31/13
- **The majority of commercial real estate loans are comprised of owner-occupied CRE**

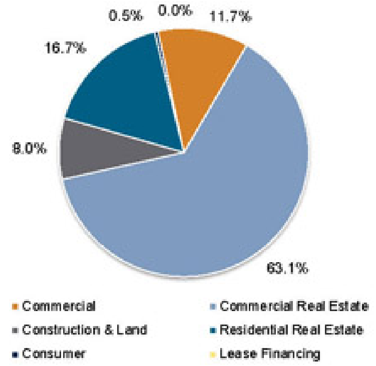
Centrue Loan Growth



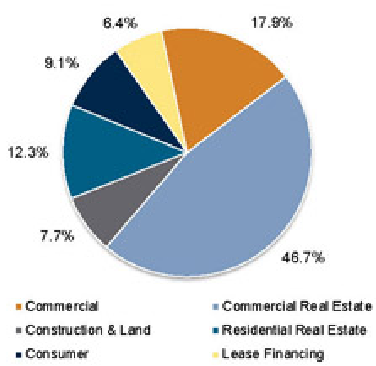
Midland States



Centrue



Pro Forma



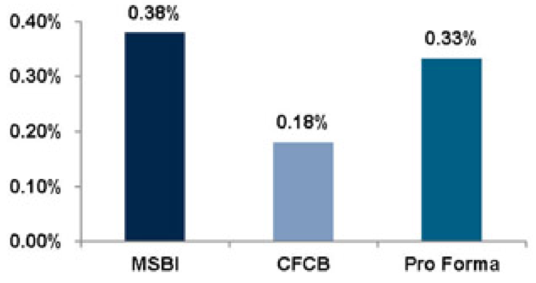
Notes:
Source: Centrue filings.
Note: Midland States Bancorp, Inc.'s and Centrue Financial Corp.'s financials based on BHC-GAAP data as of 12/31/2016.

Attractive Core Deposit Base

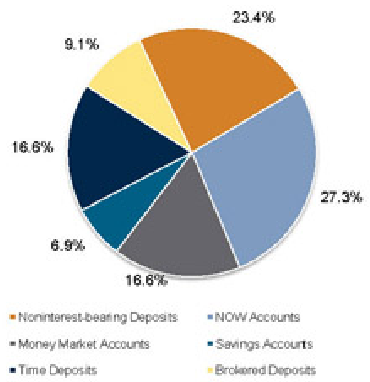
Centrue Financial Deposit Overview

- **140+ year presence in its core markets has provided Centrue with an attractive, stable core deposit base**
  - 18 bps LTM cost of total deposits(1)
  - 7.3 years weighted average life(1)
  - Non-time deposits of 73%(1)
- **The combined entity would rank #1 and #2 by deposit market share in the Kankakee and Ottawa-Peru, IL MSAs, respectively(2)**

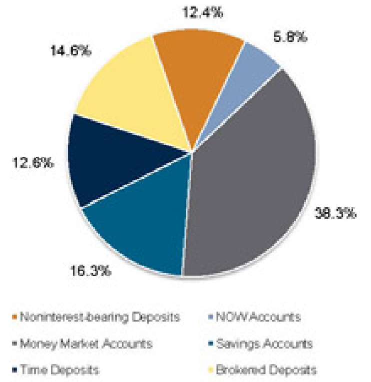
LTM Cost of Deposits



Midland States



Centrue



Pro Forma

Notes:
Source: Centrue filings.
(1) Per 12/31/2016 earnings presentation.
(2) Per FDIC Summary of Deposits.
Note: Midland States Bancorp, Inc.'s and Centrue Financial Corp.'s financials based on BHC-GAAP data as of 12/31/2016.

Summary of Deal Terms

Aggregate Deal Value	• \$175.1 million or \$26.75 per share (total deal value includes cash consideration for outstanding equity awards) • Midland will also assume Centrue's outstanding preferred stock
Consideration Mix	• 65% Stock, 35% cash
Consideration Structure	• Centrue shareholders may elect to receive 0.7604 MSBI Shares or \$26.75 in cash for each outstanding Centrue share, or a combination thereof (subject to proration based on achieving the aforementioned consideration mix)
Termination Fee	• \$7.5 million termination fee payable by Centrue if deal terminated under certain circumstances • \$2.5 million termination fee payable by Centrue or Midland if deal terminated due to such party's material breach of its representations, warranties or covenants
Pricing Ratios	• Price / Tangible Book Value: 140.9% • Price / 2018 Earnings + Cost Savings: 11.7x • Core Deposit Premium: 7.6%
Required Approvals	• Customary regulatory and shareholder approval for both Midland States and Centrue Financial
Minimum Equity	• If Centrue has total stockholders' equity less than \$125.9 million[(1)] at closing the aggregate purchase price will be adjusted pro rata
Anticipated Closing	• Mid-2017

Notes:
(1) Refer to the definitive merger agreement for additional details related to possible adjustments.

Key Transaction Assumptions

Cost Saves & One Time Charges	• 40% of Centrue's non-interest expense base (fully realized in 2018 and beyond) • $18.2 million of one time deal charges, or 10.4% of total deal value
Fair Market Value Adjustments & Purchase Accounting	• 1.5% gross credit mark on outstanding loan balances • $775 thousand write-down on OREO • $600 thousand write-down on investment portfolio • 15.0% trust preferred securities mark, amortized over the remaining life using the straight line method • No impairment to Centrue's deferred tax asset is expected using current 382 limitation rules (including benefit of net unrealized built in gains)
Core Deposit Intangibles	• Core deposit intangible created equal to 1.5% of Centrue's non-time deposits, amortized over ten years using the sum of years digits method
Revenue Enhancements	• None assumed
Pro Forma Capital Ratios	• 8.0% TCE/TA • 8.9% Leverage Ratio • 8.7% Tier 1 Common Ratio • 10.4% Tier 1 Capital Ratio • 12.4% Total Risk Based Capital Ratio

Transaction Background

Experienced Acquirer

- Midland States is an experienced and disciplined buyer
- Including Centrue, Midland States has announced and/or completed 11 acquisitions, including:
  - Whole bank acquisitions
  - FDIC-assisted acquisitions
  - Out of market acquisitions
  - Non-bank acquisitions
- Track record of successful post-closing integration of systems and businesses

Extensive Due Diligence Process

- Extensive due diligence led by Midland States M&A and Credit teams
- Extensive credit due diligence, including review of:
  - 71% of outstanding loan balances
  - 96% of hotel loans
  - 91% of convenience store related loans
  - 84% of multifamily loans
  - 100% of OREO balances
- Analysis and review of deferred tax asset and the ability to utilize 100% of the asset to offset future taxable income
  - Analysis and review included the impact of, and potential changes to, current tax law
- Granular review of cost structure and transaction charges
- Thorough review of all regulatory, legal, operational, and compliance risks

Outlook

- Economic conditions in our markets remain healthy
- Expect to deliver 8-12% loan growth in 2017
- Expect solid loan and/or revenue growth in all key business areas
- Centrue Financial Corporation acquisition expected to further increase earnings power
- Incremental earnings growth to be generated through improved efficiencies
- 2017 expected to be another strong year of earnings growth and further value creation for shareholders

APPENDIX

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

(in thousands, except per share data)	For the Quarter Ended December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015
Adjusted Earnings Reconciliation					
Income before income taxes - GAAP	$ 19,907	$ 12,147	$ 10,473	$ 7,895	$ 10,507
Adjustments to other income:					
Gain on sales of investment securities, net	14,387	39	72	204	33
Other than-temporary-impairment on investment securities	-	-	-	(824)	-
FDIC loss-sharing expense	-	-	-	-	(212)
Amortization of FDIC indemnification asset, net	-	-	-	-	(39)
Reversal of contingent consideration accrual	-	-	350	-	-
Other income	20	-	-	-	-
Total adjusted other income	14,407	39	422	(620)	(218)
Adjustments to other expense:					
Expenses associated with payoff of subordinated debt	-	-	511	-	-
Net expense from loss share termination agreement	351	-	-	-	-
Integration and acquisition expenses	2,843	352	406	385	214
Total adjusted other expense	3,194	352	917	385	214
Adjusted earnings pre tax	8,694	12,460	10,968	8,900	10,939
Adjusted earnings tax	2,719	4,191	3,861	3,133	3,414
Adjusted earnings - non-GAAP	$ 5,975	$ 8,269	$ 7,107	$ 5,767	$ 7,525
Adjusted diluted EPS	$ 0.37	$ 0.52	$ 0.52	$ 0.47	$ 0.61
Adjusted return on average assets	0.74 %	1.06 %	0.93 %	0.79 %	1.04 %
Adjusted return on average shareholders' equity	7.25 %	10.32 %	10.66 %	9.79 %	12.90 %
Adjusted return on average tangible common equity	8.69 %	12.34 %	13.27 %	12.64 %	16.88 %
Yield on Loans					
Reported yield on loans	4.63 %	4.79 %	5.22 %	4.68 %	5.15 %
Effect of accretion income on acquired loans	(0.30) %	(0.41) %	(0.85) %	(0.30) %	(0.78) %
Yield on loans excluding accretion income	4.33 %	4.38 %	4.37 %	4.38 %	4.37 %
Net Interest Margin					
Reported net interest margin	3.70 %	4.00 %	4.20 %	3.80 %	4.19 %
Effect of accretion income on acquired loans	(0.26) %	(0.34) %	(0.68) %	(0.25) %	(0.63) %
Net interest margin excluding accretion income	3.44 %	3.66 %	3.52 %	3.55 %	3.56 %

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

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

(in thousands, except per share data)	As of December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015
Shareholders' Equity to Tangible Common Equity					
Total shareholders' equity—GAAP	$ 321,808	$ 321,790	$ 316,315	$ 238,561	$ 233,056
Adjustments:					
Noncontrolling interest in subsidiaries	(38)	(41)	(47)	(175)	(176)
Goodwill	(48,836)	(46,519)	(46,519)	(46,519)	(46,519)
Other intangibles	(7,187)	(5,391)	(5,905)	(6,424)	(7,004)
Tangible common equity	$ 265,747	$ 269,839	$ 263,844	$ 185,443	$ 179,357
Total Assets to Tangible Assets:					
Total assets—GAAP	3,233,723	3,247,727	3,021,784	2,898,080	2,884,824
Adjustments:					
Goodwill	(48,836)	(46,519)	(46,519)	(46,519)	(46,519)
Other intangibles	(7,187)	(5,391)	(5,905)	(6,424)	(7,004)
Tangible assets	$ 3,177,700	$ 3,195,817	$ 2,969,360	$ 2,845,137	$ 2,831,301
Common Shares Outstanding	15,483,499	15,404,423	15,402,946	11,804,779	11,797,404
Tangible Common Equity to Tangible Assets	8.36 %	8.44 %	8.89 %	6.52 %	6.33 %
Tangible Book Value Per Share	$ 17.16	$ 17.52	$ 17.13	$ 15.71	$ 15.20

Return on Average Tangible Common Equity (ROATCE)

(in thousands)	As of December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015
Net Income	$ 11,583	$ 8,051	$ 6,789	$ 5,119	$ 7,695
Average total shareholders' equity—GAAP	$ 327,926	$ 318,909	$ 268,262	$ 236,921	$ 231,420
Adjustments:					
Noncontrolling interest in subsidiaries	(40)	(49)	(121)	(184)	(204)
Goodwill	(46,594)	(46,519)	(46,519)	(46,519)	(46,997)
Other intangibles	(7,718)	(5,656)	(6,184)	(6,740)	(7,324)
Average tangible common equity	$ 273,574	$ 266,685	$ 215,438	$ 183,478	$ 176,895
ROATCE	16.84 %	12.01 %	12.67 %	11.22 %	17.26 %

Successful Acquisition History

- Including Centrue, Midland States has announced 11 transactions since 2008, including FDIC-assisted, branch, whole bank, asset purchase, business line, and a New York trust asset acquisition
- Track record of successful post-closing integration of systems and businesses
- Demonstrated history of earnings expansion
- Deliberate diversification of geographies and revenue channels

	2008	2009	2009	2010	2010	2012	2013	2013	2014	2016	2017
	People's Natl. Bank	Waterloo Bancshares	Strategic Capital Bank	AMCORE BANK, N.A.	Westbridge Bank & Trust	EnablePay Direct, Inc.	Settlement Trust Group	Grant Park Bancshares	Love Savings / Heartland Bank	Sterling Bancorp	Centrue Financial Corp.
Acquisition Type	Branch	Whole Bank	FDIC-Assisted	Branch	FDIC-Assisted	Asset Purchase	Trust Admin.	Whole Bank	Whole Bank	Trust Admin.	Whole Bank
Assets Acquired ($M)	$29.6	$116.1	$540.4	$449.5	$84.7	-	-	$108.7	$889.0	-	$977.8
City, State	Mt. Vernon, IL	Waterloo, IL	Champaign, IL	Rockford, IL	Chesterfield, IL	Albertson, NY	Milwaukee, WI	Grant Park, IL	St. Louis, MO	Yonkers, NY	Ottawa, IL
			Financially Transformative	Operationally Transformative					Revenue Diversification		Solidifies Market Presence

Centrue Financial Highlights

	YTD Ended December 31		2016			
	2015	2016	Q1	Q2	Q3	Q4
Balance Sheet ($000)						
Total Assets	$ 961,218	$ 977,779	$ 969,017	$ 952,657	$ 1,000,083	$ 977,779
Total Loans[1]	645,806	685,775	661,082	657,941	666,795	685,775
Total Deposits	718,504	740,046	729,269	716,424	760,951	740,046
Profitability (%)[2]						
Net Income ($000)	42,602	6,316	918	2,128	1,055	2,215
ROAA	4.79	0.64	0.38	0.88	0.42	0.89
ROAE	60.29	5.09	3.03	6.96	3.35	6.97
Net Interest Margin	3.40	3.43	3.48	3.49	3.38	3.38
Efficiency Ratio	84.53	78.27	79.96	80.57	77.43	75.29
Capital Ratios (%)						
Risk-Based Capital Ratio	15.64	14.95	15.63	16.46	16.16	14.95
Leverage Ratio	12.10	11.49	11.72	12.17	12.22	11.49
Texas Ratio	11.40	5.01	10.13	7.10	5.95	5.01
Asset Quality (%)						
NPA's / Assets	1.50	0.68	1.34	0.98	0.79	0.68
NPL's / Loans	0.93	0.24	0.85	0.38	0.35	0.24
Delinquency Ratio	1.37	0.48	1.04	0.37	0.38	0.48
NCO's / Avg. Loans	(0.04)	0.00	(0.01)	0.01	(0.01)	0.02
Allowance / Gross Loans	1.33	1.30	1.36	1.36	1.35	1.30
Allowance / NPL's	143.02	545.59	158.97	353.33	388.50	545.59

Notes:
Source: Centrue Financial Corporation's Earnings Presentation.
(1) Includes loans held for sale.
(2) In Q4'15, Centrue reversed $38.2 million DTA valuation allowance.