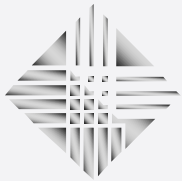


# **First Midwest Bancorp Annual Stockholders Meeting**

**May 19, 2010**



# **Welcome And Opening Remarks**

**Michael L. Scudder  
President and CEO**

# Items Of Business

- I. Election of Directors
- II. Appointment of Independent Auditors
- III. Approval of Amendments to and the Restatement and Renewal of the Stock and Incentive Plan
- IV. Advisory Vote on Executive Compensation

# Matters Of Record

- March 26, 2010 Record Date
- Certified List of Stockholders
- No Stockholder Nominations or Proposals Filed



# **Items Of Business**

# Continuing Directors

*Serving Until 2011*

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## ***John F. Chlebowski, Jr.***

Retired President and CEO  
Lakeshore Operating Partners, LLC  
(Bulk Liquid Distribution Firm)

Director Since: 2007

Committee(s): Advisory and Audit

## ***John E. Rooney***

President and CEO  
U.S. Cellular Corporation  
(Cellular Communications Provider)

Director Since: 2005

Committee(s): Audit

## ***Thomas M. Garvin***

Retired President and CEO  
G.G. Products Company  
(Food Business Acquirer)

Director Since: 1998

Committee(s): Compensation and  
Nominating and  
Corporate Governance

## ***Ellen A. Rudnick***

Executive Director  
Michael Polsky Center for Entrepreneurship  
University of Chicago Booth School of Business  
(Graduate School of Business)

Director Since: 2005

Committee(s): Advisory, Audit and  
Nominating and  
Corporate Governance

# Continuing Directors

*Serving Until 2012*

---

## ***Barbara A. Boigegrain***

General Secretary and CEO  
General Board of Pension and Health Benefits  
Of The United Methodist Church  
(Pension, Health and Welfare Benefit Trustee  
and Administrator)

Director Since: 2008

Committee(s): Audit and Compensation

## ***Bruce S. Chelberg***

Retired Chairman and CEO  
Whitman Corporation  
(Diversified Multinational Holding Company)

Director Since: 1989

Committee(s): Advisory, Audit and  
Nominating and  
Corporate Governance

## ***Joseph W. England***

Retired Senior Vice President  
Deere & Company  
(Mobile Power Equipment Manufacturer)

Director Since: 1986

Committee(s): Advisory and Audit

## ***Robert P. O'Meara***

Chairman of the Board  
First Midwest Bancorp, Inc.

Director Since: 1982

Committee(s): Advisory

## ***Thomas J. Schwartz***

President and CEO  
First Midwest Bank

Director Since: 2008

# **Vote For Director Nominees**

## **To Serve Until 2013**

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### ***Brother James Gaffney, FSC***

President  
Lewis University  
(Independent Private Institution of Higher Education)

Director Since: 1998

Committee(s): Advisory, Compensation,  
and Nominating and  
Corporate Governance

### ***John L. Sterling***

President and Owner  
Sterling Lumber Company  
(Lumber Distributor)

Director Since: 1998

Committee(s): Compensation

### ***Patrick J. McDonnell***

President and CEO  
The McDonnell Company LLC  
(Business Consulting Company)

Director Since: 2002

Committee(s): Audit and Nominating and  
Corporate Governance

### ***J. Stephen Vanderwoude***

Retired Chairman and CEO  
Madison River Communications  
(Operator of Rural Telephone Companies)

Director Since: 1991

Committee(s): Advisory, Compensation,  
and Nominating and  
Corporate Governance

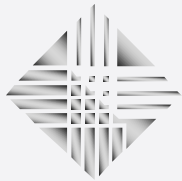
### ***Michael L. Scudder***

President and CEO  
First Midwest Bancorp, Inc.

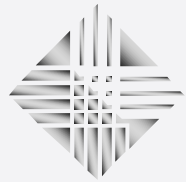
Director Since: 2008

Committee(s): Advisory

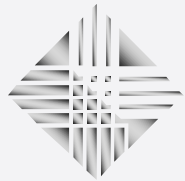




**Appointment Of  
Ernst & Young LLP  
As Independent Auditors**



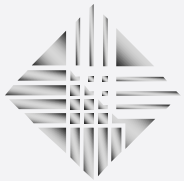
**Approval of  
Certain Amendments to  
and the Restatement and Renewal of the  
Omnibus Stock and Incentive Plan**



# **Advisory Vote Approving Executive Compensation**



# Results



# Adjournment



# **Management Presentation**

# Forward Looking Statements

This presentation may contain, and during this presentation our management may make statements that may constitute “forward-looking statements” within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not historical facts but instead represent only our beliefs regarding future events, many of which, by their nature, are inherently uncertain and outside our control. Forward-looking statements include, among other things, statements regarding our financial performance, business prospects, future growth and operating strategies, objectives and results. Actual results, performance or developments could differ materially from those expressed or implied by these forward-looking statements. Important factors that could cause actual results to differ from those in the forward-looking statements include, among others, those discussed in our Annual Report on Form 10-K and other reports filed with the Securities and Exchange Commission, copies of which will be made available upon request. With the exception of fiscal year end information previously included in our Annual Report on Form 10-K, the information contained herein is unaudited. Except as required by law, we undertake no duty to update the contents of this presentation after the date of this presentation.

# Non-GAAP Disclaimer

This presentation contains GAAP financial measures and, where management believes it to be helpful in understanding the Company's results of operations or financial position, non-GAAP financial measures. Where non-GAAP financial measures are used, the most directly comparable GAAP financial measure, as well as the reconciliation to the most directly comparable GAAP financial measure can be found in the Company's current quarter earnings release or Quarterly Report on Form 10-Q which can be found on the Company's website at [www.firstmidwest.com/secfilings](http://www.firstmidwest.com/secfilings). Non-GAAP financial measures in this presentation include pre-tax, pre-provision core operating earnings and pre-tax, pre-provision return on risk weighted average assets. Both of these measures are useful in understanding the performance and trends of the Company's core franchise over time without respect to investment securities gains/losses, taxes, provisions expense and OREO losses, each of which can significantly vary from quarter to quarter, and therefore may distort the Company's underlying performance.



# Presentation Index

- ➔ Who We Are
- ➔ The Operating Environment
- ➔ Our Performance
- ➔ Our 2010 Priorities
- ➔ Closing

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# **Who We Are**

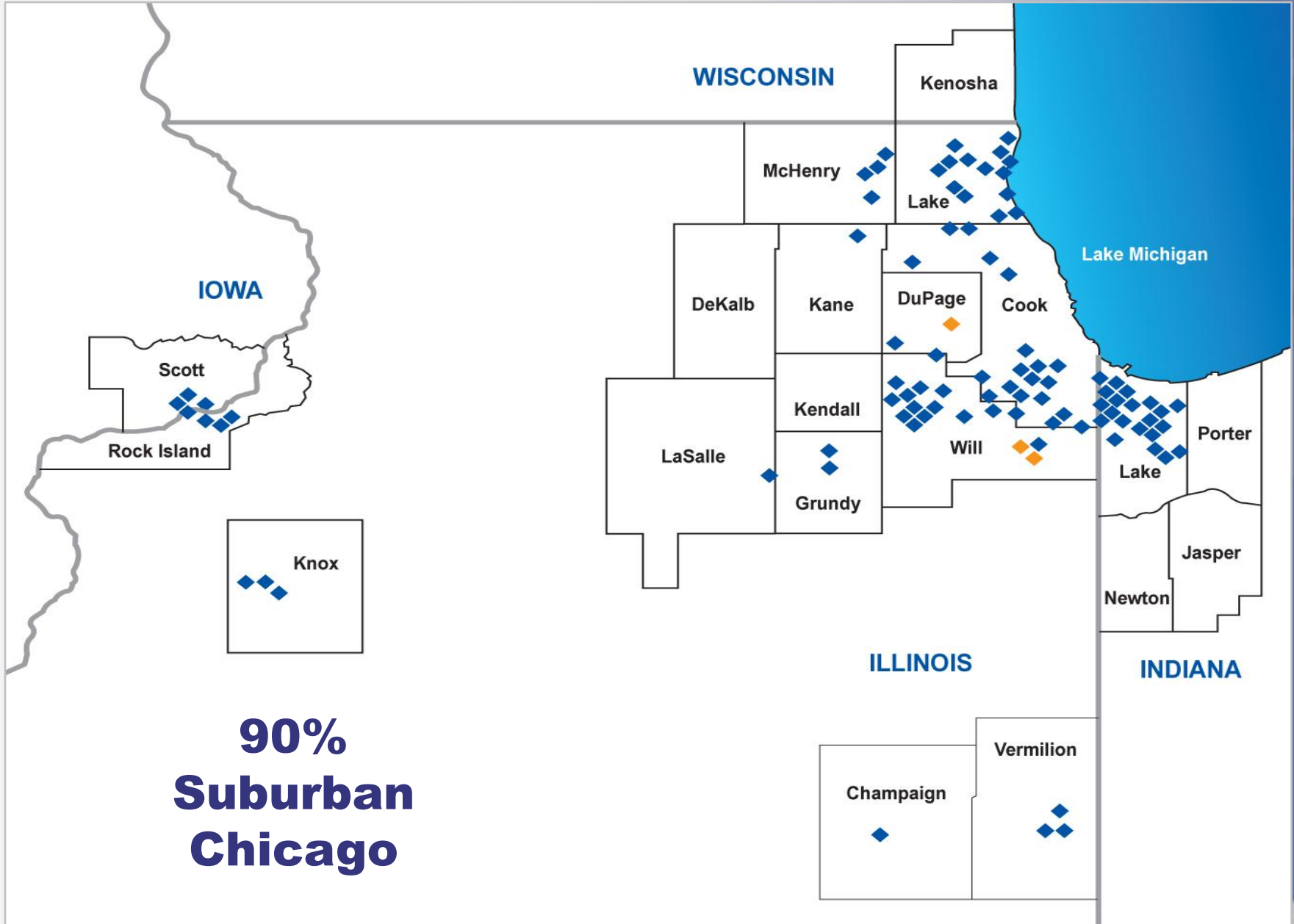
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# A Premier Community Bank

A Premier Bank	Premier Bank For Commercial	Premier Bank For Retail
<ul style="list-style-type: none"> <li>➔ \$7.6 Billion Assets</li> <li>➔ \$5.9 Billion Deposits</li> <li>➔ \$5.3 Billion Loans</li> <li>➔ \$3.9 Billion Trust/Investment AUM/C</li> <li>➔ 90% Suburban Chicago</li> </ul>	<ul style="list-style-type: none"> <li>➔ 7 Business Lines</li> <li>➔ 25,000 Commercial Relationships</li> <li>➔ 1,600 Trust Relationships</li> <li>➔ 200 Relationship Managers</li> <li>➔ Tenured Sales Force And Market Presence</li> </ul>	<ul style="list-style-type: none"> <li>➔ 225,000 Retail Relationships</li> <li>➔ 1,000 Bankers</li> <li>➔ 96 Offices</li> <li>➔ 8<sup>th</sup> Largest Distribution Network Suburban MSA*</li> <li>➔ 9<sup>th</sup> In Suburban MSA Market Share*</li> </ul>

\*SNL Market Share data 5/11/10. Suburban defined as Chicago MSA minus City of Chicago

# Who We Are



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# **The Operating Environment**

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# The Environment: What We Expected

- Significant Economic Challenges
- Credit Quality Under Strain
- Elevated Regulatory Activity

**All Creating Operating Headwinds**

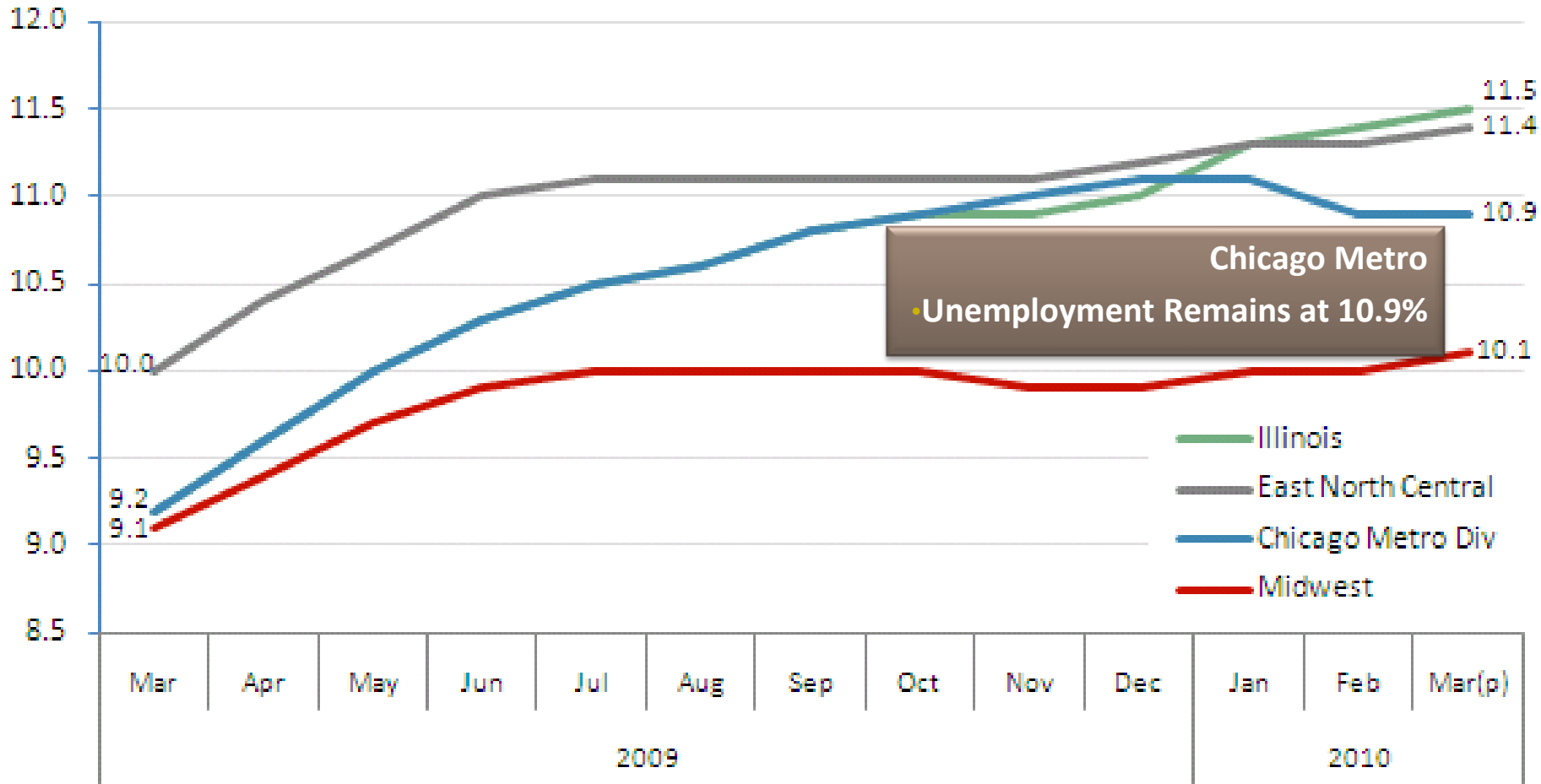
# Period Of Economic Challenge (Chicago MSA)

	Employment	Single Family Starts	Housing Prices	Industrial Production	
At Risk	12/2007	0.6%	(41.1%)	(4.5%)	1.53%
In Recession	12/2008	(2.1%)	(62.8%)	(14.3%)	(5.84%)
	3/2009	(3.3%)	(63.6%)	(18.6%)	(11.53%)
	6/2009	(4.5%)	(60.0%)	(16.73%)	(13.38%)
	9/2009	(4.9%)	(50.4%)	(10.6%)	(10.8%)
	12/2009	(4.4%)	(21.6%)	(7.2%)	(6.4%)
	<b>2/2010</b>	<b>(4.5%)</b>	<b>15.16%</b>	<b>(3.0%)</b>	<b>(1.1%)</b>

**Falling Through 2009, Hopeful Signs Of Recovery**

# Unemployment Still High

Monthly Unemployment Rate, Mar'09-Mar'10  
Seasonally adjusted

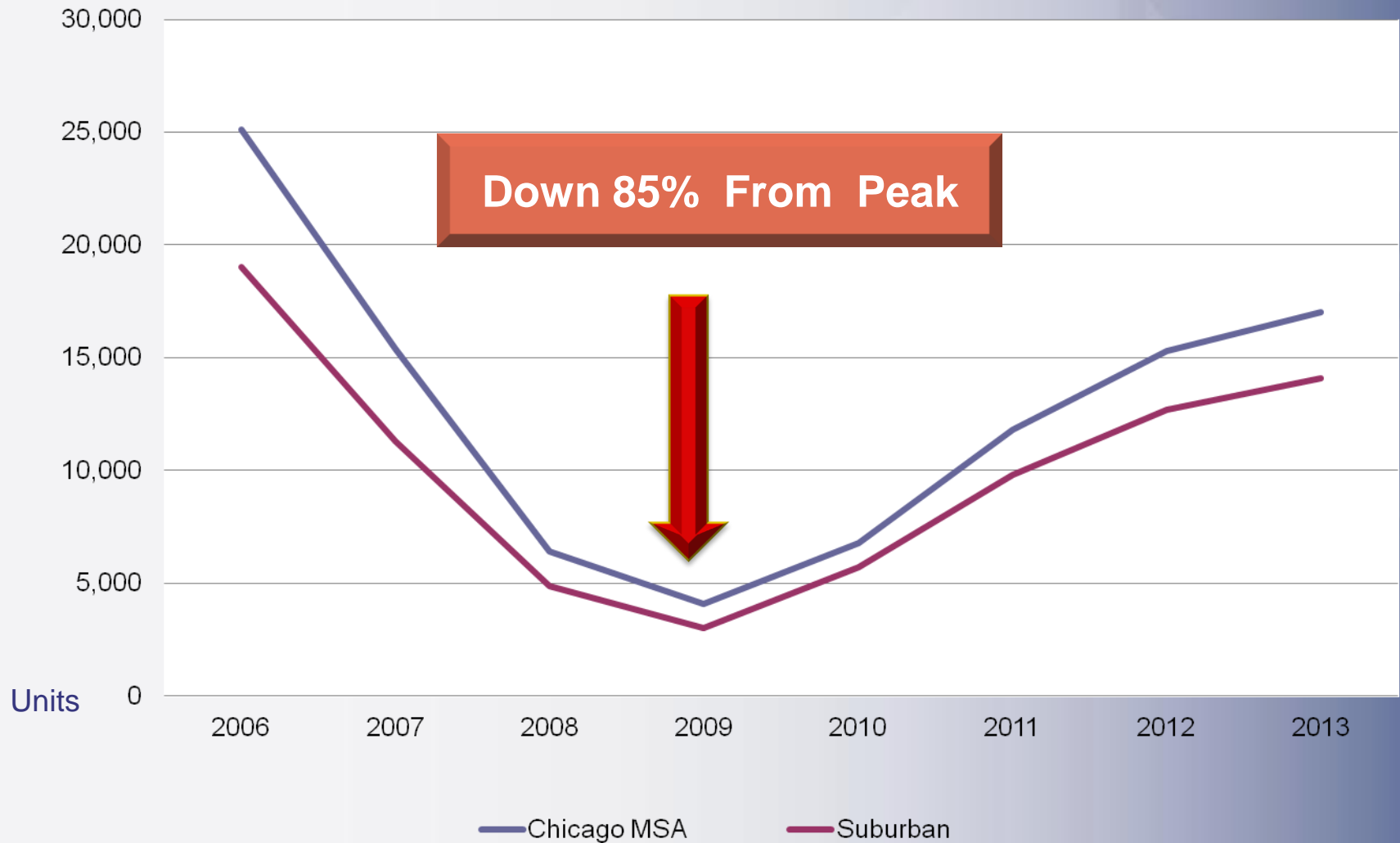


**Chicago Metro**  
Unemployment Remains at 10.9%

Note: chart reflects revised population controls, BLS model reestimation, and new seasonal adjustment  
Source: US Dept of Labor Bureau of Labor Statistics



# Falling Production Housing Sales



**Illiquidity and Lower Valuations Impacted Credit Performance**

# Emerging Trends

## Positive

- Improved Consumer Spending
- Stabilizing Housing/Employment
- Increased Business Spending
- Banking Sector Trends

## Negative

- Construction Remains Weak, Stress Moving To Other Areas
- Foreclosure Activity High
- Unemployment Still Elevated

**Positive Signs, But Risk Remains**

# Regulatory Activity

- Unprecedented Support
- Highly Politicized
- Potential For Significant Reform and Change
  - Regulatory Oversight and Roles (Consumer Protection, FDIC vs. FRB)
  - Capital Levels (Basel III)
  - Financial Markets (Derivatives)
  - 75 Major Regulatory Notifications Of Rule Changes

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# **Our Performance**

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# We Executed Our 2009 Plan

- Proactively Remediated Credit
- Prudently Managed Capital
- Leveraged Performance To Address Headwinds
- Strengthened Core Business





# 2009 Performance

- Influenced By Historic Severity Of Environment
  - Weakening Credit Conditions
  - Illiquid And Falling Real Estate Markets
- Warranted Difficult But “Right” Long Term Decisions
  - Increased Reserves, Strengthened Capital
  - Aligned Problem Asset Carrying Values
  - Allocated Resources To Remediation

# 2009 Performance

- Net Loss Of \$ 25.8 Million
- Largely Driven By Addressing Asset Quality
  - Non Performing Assets Of \$336 million
  - Net Charge Offs Of \$165 million
  - Foreclosed Real Estate Losses Of \$19 million
  - Loan Loss Reserves Increased \$50 million To 2.78% of Loans
- Lessened By Solid Operating Performance

# PTPP Financial Performance<sup>(1)</sup>

(\$ in mm's)		2009	2008	Change
PTPP Core Operating Earnings <sup>(1)</sup>		\$131.4	\$153.8	-15%
PTPP Return to RWA Average Assets		2.10%	2.33%	-10%
Net Interest Margin		3.72%	3.61%	+3%
Average Earning Assets		\$7,282	\$7,440	-2%
Loans		\$5,203	\$5,360	-3%
Average Transactional Deposits		\$3,734	\$3,559	+5%
Tier 1 Common to RWA		7.56%	6.79%	+11%

**Solid PTPP Earnings, Deposit Growth,  
Continued Lending And Stronger Capital**

(1) PTPP Core Operating Earnings represents income excluding taxes, provision for loan losses, securities gains or losses, the one-time special FDIC assessment in 2008, and losses realized on other real estate owned.

Please refer to the company's website for a reconciliation to the most directly comparable GAAP financial measure



# 1Q10 Financial Performance

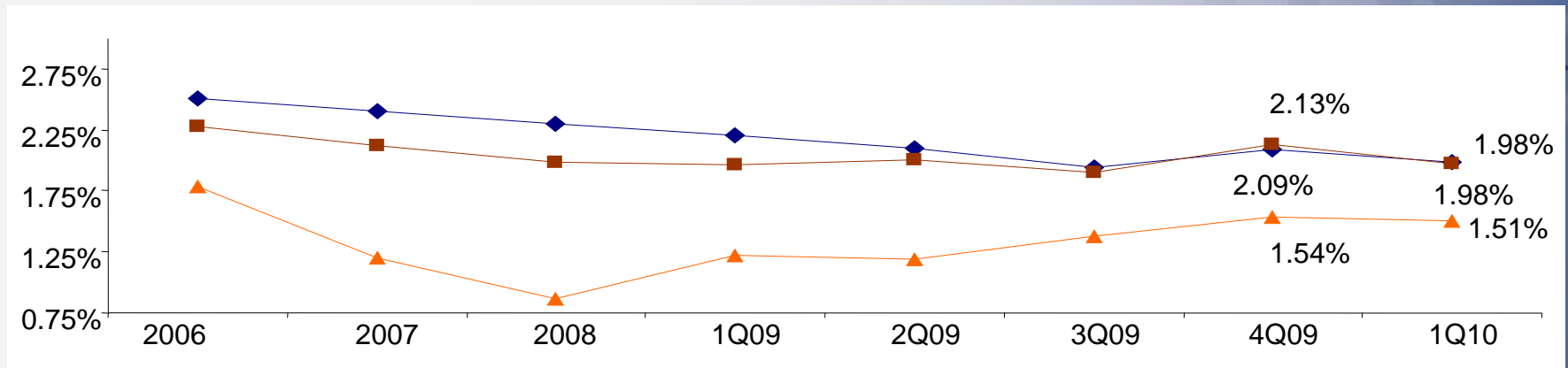
(\$ in mm's)	1Q10	1Q09	Change
Net Income	\$8.1	\$5.7	+41%
PTPP Core Operating Earnings <sup>(1)</sup>	\$31.6	\$36.7	-14%
Net Interest Margin	4.28%	3.67%	+61%
Loan Loss Provision	\$18.4	\$48.4	-62%
Loans	\$5,196	\$5,387	-4%
Average Transactional Deposits	\$3,917	\$3,439	+14%
Tier 1 Common to RWA	10.81%	7.04%	+54%

## Continued Core Performance

(1) PTPP Core Operating Earnings represents income excluding taxes, provision for loan losses, securities gains or losses, and losses realized on other real estate owned. Please refer to the company's website for a reconciliation to the most directly comparable GAAP financial measure

# History of Solid Core Operating Performance

## Pre-Tax, Pre-Provision Earnings / RWA



■ FMBI

■ Chicago Peers<sup>1</sup>

■ Metro Peers<sup>2</sup>

Source: FMBI based on internal data; peer data from SNL Financial

(1) 2009 Chicago Peers based on median of PVTB, OSBC, AMFI, MBHI, WTFC, MBFI, TAYC. (2) 2009 Metro Peers based on median of CBSH, FULT, CFR, SUSQ, VLY, FCF, WTNY, ONB, AMFI, BOKF, WTFC, MBFI

Please refer to the company's website for a reconciliation to the most directly comparable GAAP financial measure

# Stock Price Up 72% Year Over Year

	Stock Price Increase	
	YTD	1 Yr
First Midwest	40%	72%
SNL Bank Index <sup>(1)</sup>	22%	24%
NASDAQ Bank Index	25%	20%

**By Addressing Capital And Credit,  
Focus Turns To Our Strength: Our Core Business**

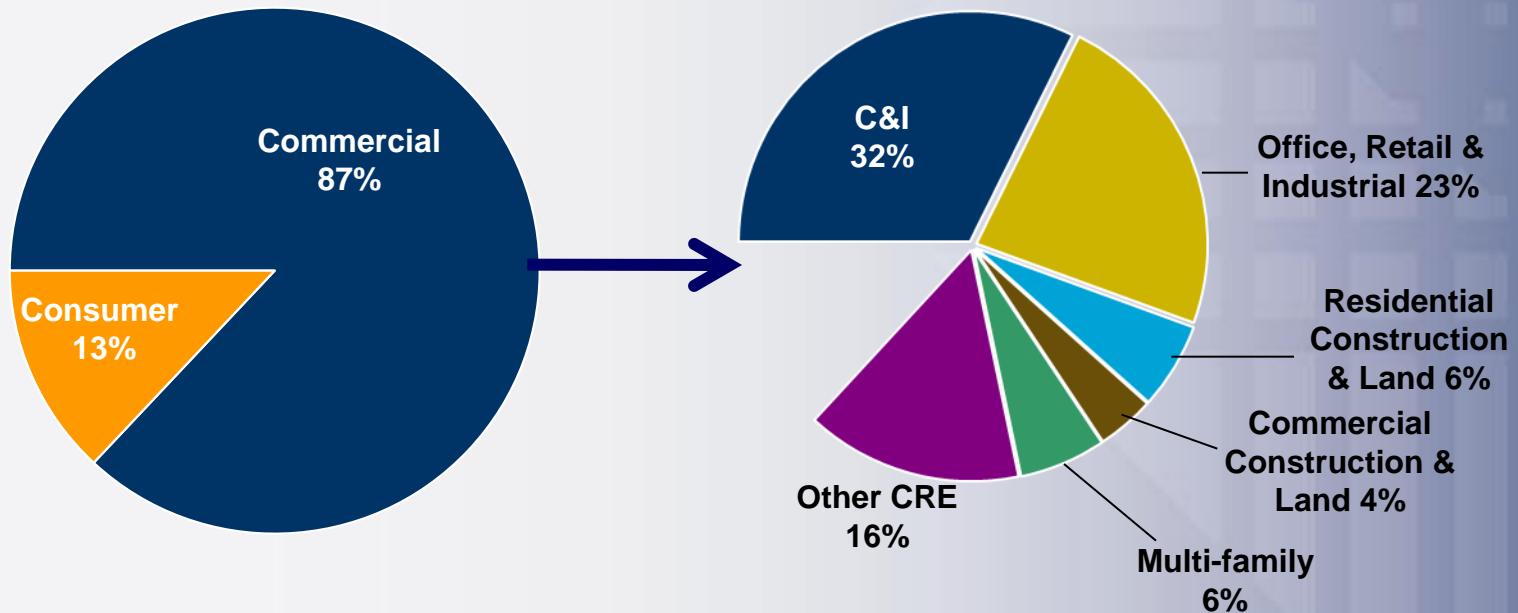
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## **Our Performance:**

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### **Navigating An Adverse Credit Cycle**

# Our Loan Portfolio: \$5.3 Billion



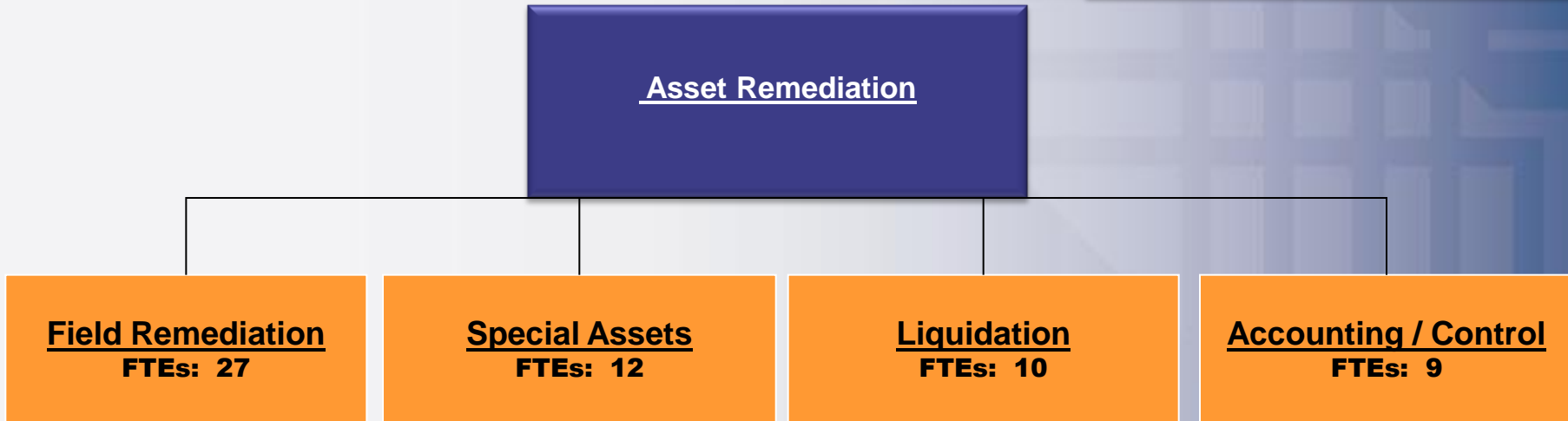
**Commercial Loans = \$4.5bn, 87%**

- ~95% In Footprint
- Diversified And Granular
- Majority With Personal Guarantees
- Stress Largely In Construction

## Reflects Our Markets And Communities

# Investment In Remediation

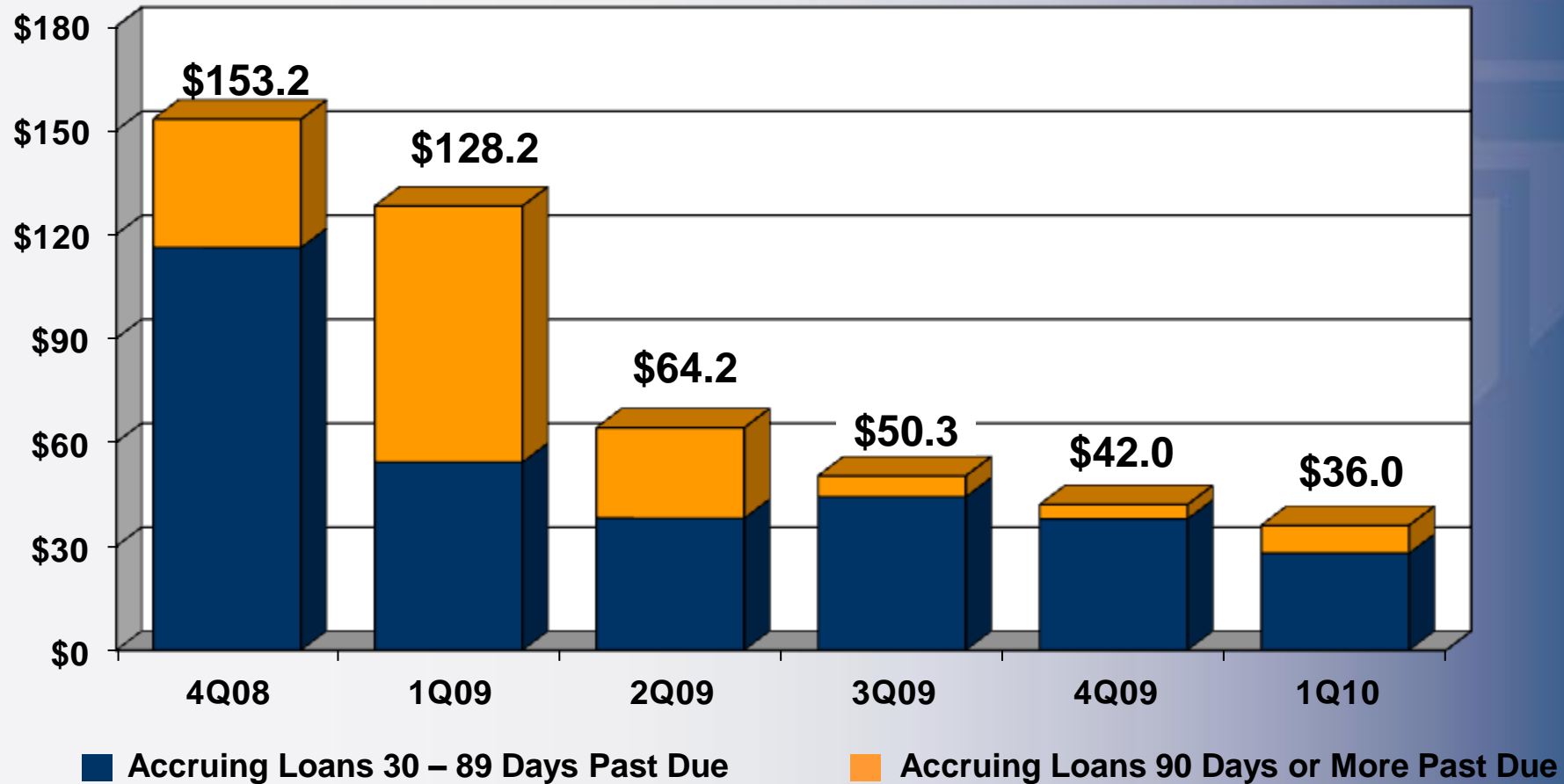
58 FTE's with Senior Management Oversight



**Significant Focus Driving  
Lower Delinquencies And Problem Assets**

# Delinquency Trends Improving

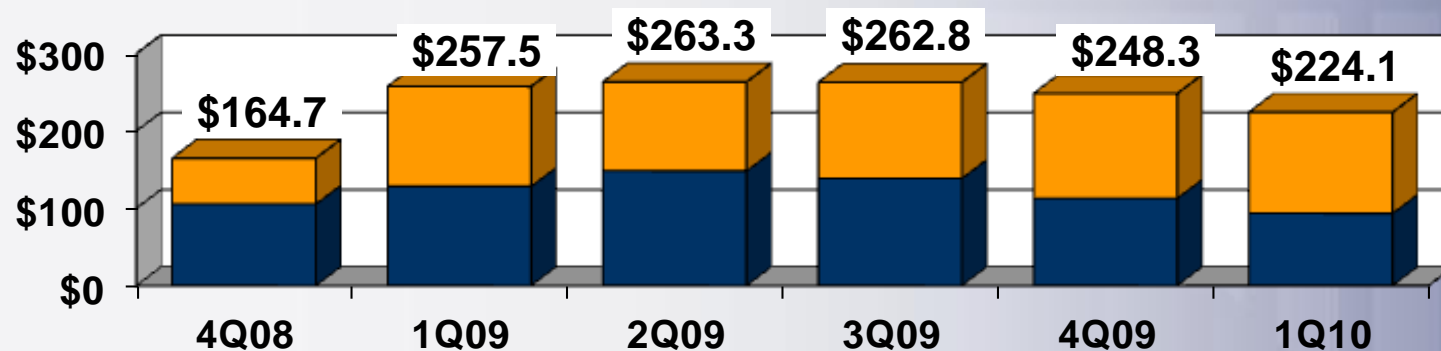
(in mm's)



**Remediation Efforts Have Resulted In  
Much Greater Control Over Delinquencies**

# Stabilizing Problem Assets

## Non-Accrual Loans + 90 Days Past Due (in mm's)



■ Residential Construction & Land

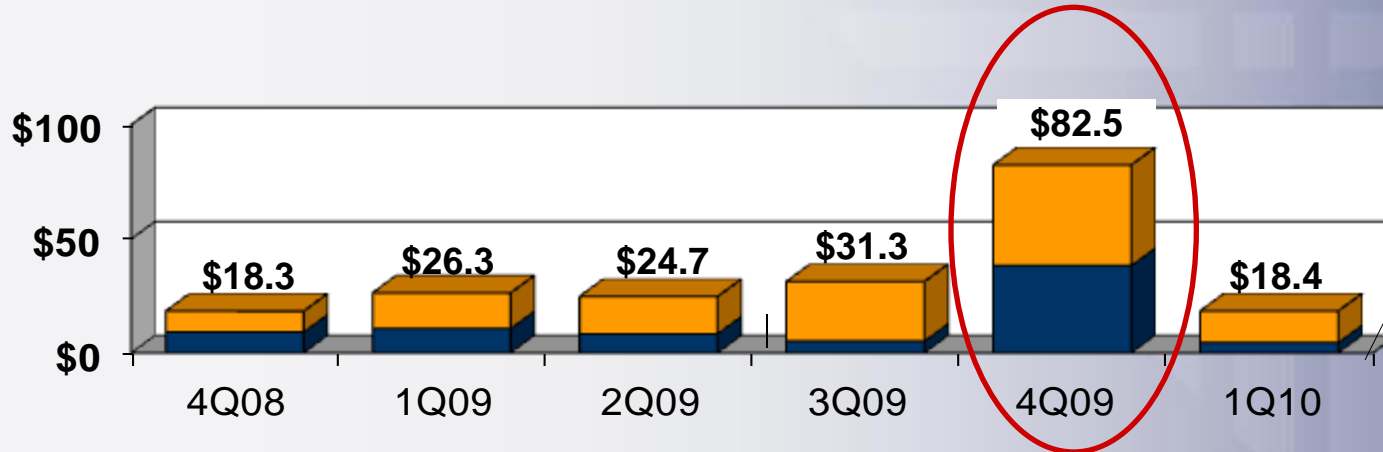
■ Portfolio Excl. Residential Construction & Land

Note: Excludes \$223mm of covered assets acquired in First DuPage FDIC-assisted transaction in quarter ended 31-Dec-09.



# Improving Charge Off Levels

## Net Charge-Offs (in mm's)



■ Residential Construction & Land

■ Portfolio Excl. Residential Construction & Land

Note: Excludes \$223mm of covered assets acquired in First DuPage FDIC-assisted transaction in quarter ended 31-Dec-09.

# While Improved, Credit Challenges Remain

- ➔ Economic Conditions Still Challenging
- ➔ Stress Away From Construction
- ➔ Migrating To Liquidation

# Migrating To Liquidation

- ◆ Reviewing Multiple Strategies
  - ◆ Levering Multiple Sources: Appraisers, Consultants, Market Knowledge
  - ◆ Aligning Values
- ◆ Progress Being Made
  - ◆ Market Liquidity Improving
  - ◆ 1Q10 = \$28mm in ORE and Problem Loan Sales

**Economic Trade Off = Speed Of Disposition**

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# **Our Performance**

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## **Managing Capital**

# Steps To Strengthen Capital

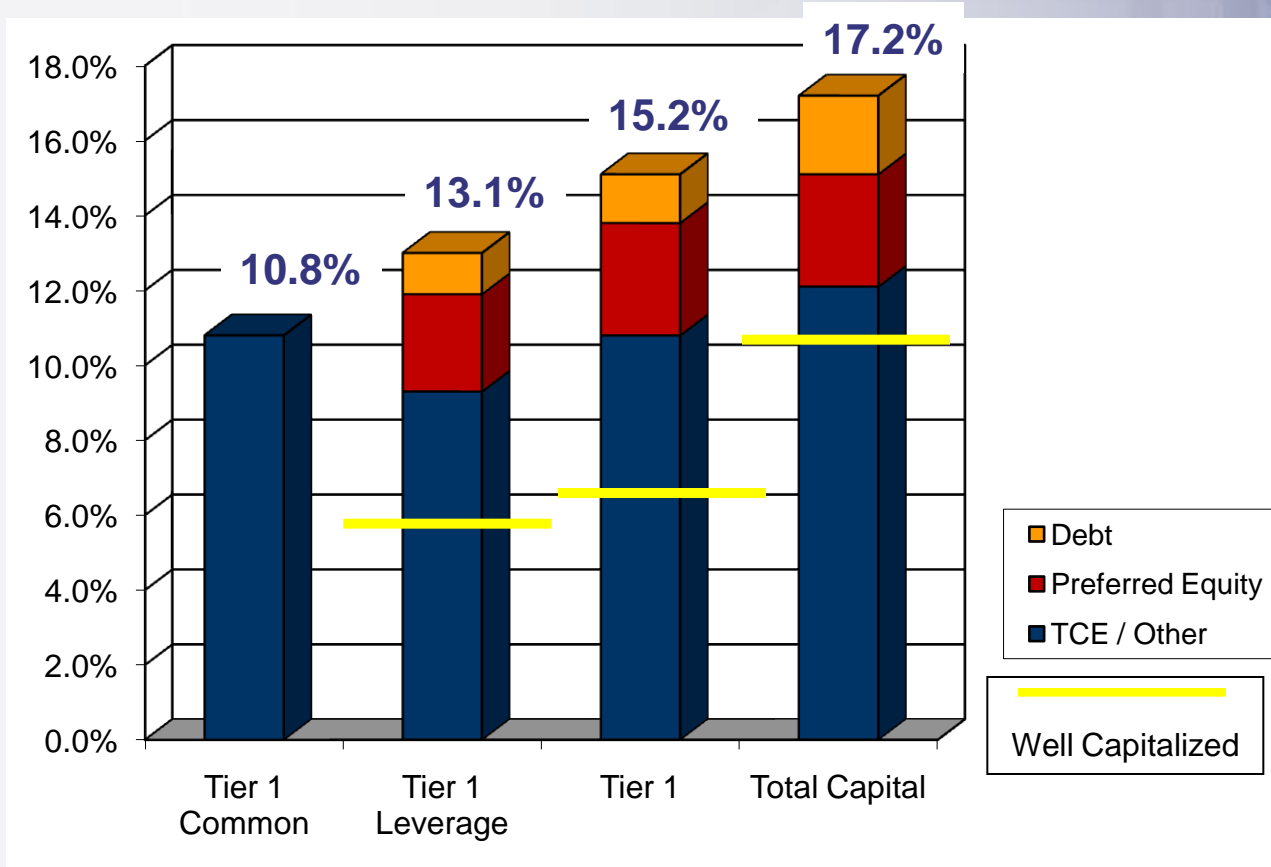
Action	Tier 1 Common Generated	
	\$mm	bps
↘Retained Earnings 4Q08-1Q09	\$45	71bps
↘Reduced Risk-Weighted Assets by ~\$340mm	—	40
↘Exchanged Debt Securities For Common Stock	65	104
↘Repurchased Subordinated Debt	1	1
↘\$207mm Common Equity Raise	197	314
Total	\$308	530bps

Source: FMBI based on internal data.

Note: Basis point impact shown on 4Q09 RWA. Impact of equity offering net of 5% underwriting discount.

<sup>1</sup> Annual amount of Tier 1 Common generated based on FMBI's shares outstanding at the end of each quarter times \$0.22 per share.

# Solid Capital Foundation



Peer Rank	Chicago <sup>(1)</sup>	1/6	1/6	1/6	1/6
	Metro <sup>(2)</sup>	5/14	1/14	2/14	2/14

(1) 2010 Chicago Peers include OSBC, PVTB, MBHI, WTFC, MBFI, TAYC

(2) Metro Peers Include CBSH, MBFI, FULT, CFR, SUSQ, VLY, WTNV, UMPQ, FCF, ONB, CATY, FMER, WTFC, PVTB

# Benefits

- Established Market Confidence
- Ensures Ability To Meet Our Client Needs
- Pursue Remediation Responsibly
- Position To Benefit From Market Opportunities
- Pursue Repayment Of TARP, As Appropriate

# Capital Considerations

- Repayment Of TARP Capital
  - Received \$193 million in December 2008
  - January 2010 Equity Offering/TARP: 107%
  - Accepted and Viewed As Insurance
  - Requires Regulatory Approval
- Dividend Restoration

**Influenced By Profitability,  
Capital Levels And Credit Improvement**



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# **Our Performance**

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**Strengthening Core Business**

# Strengthening Our Business

- Our People
- Our Delivery
- Our Markets

# Our People And Our Service

- Focus On Communication, Coaching and Accountability
  - Equates To Higher Engagement: 97%
- Greater Client Outreach
  - 16,000 Financial First Aid Kits
  - 1,200 Client Relationship Plans
- Increased Customer Satisfaction
  - Improved Retention: up 13%
  - Improved Needs Met: up 15%

## Client Satisfaction

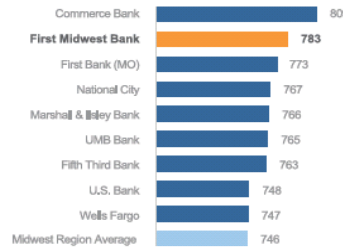
- Nationally Recognized Provider In Client Satisfaction
- Clients Recognize Us For:
  - Professionalism & Friendliness
  - Locations
  - Products/Services

## First Midwest Bank Ranks Second in the Midwest Region in Retail Banking Satisfaction



First Midwest Bank ranks No. 2 in overall satisfaction in the Midwest region, according to the J.D. Power and Associates 2010 Retail Banking Satisfaction Study.<sup>SM</sup> First Midwest receives an overall satisfaction score of 783 (on a 1,000-point scale), which is 38 points higher than the regional average. First Midwest performs above average in all study factors and ranks second highest in the region in two factors: Facility and Product Offerings. Additionally, the percentage of First Midwest customers who report having experienced a problem in the past 12 months is significantly below the regional average.

### Customer Satisfaction Index Ranking Midwest Region



Based on a 1,000-point scale

Other Companies included in the study: Associated Bank, Bank of America, Bank of the West, Charter One, Chase/WalMart, Citibank, Harris National, Regions Bank, TCF National Bank  
Source: J.D. Power and Associates 2010 U.S. Retail Banking Satisfaction Study<sup>SM</sup>

### Product Offerings

First Midwest scores 733 points in the Product Offerings factor, which is 31 points above the regional average. First Midwest customers provide significantly above-average ratings for Ease of making changes to your accounts (8.21 on a 10-point scale).

### Facility

With regard to the Facility factor, First Midwest's score of 815 points exceeds the regional average by 52 points. First Midwest customers provide ratings that are significantly higher than average in four of the five Facility measures: Ease of accessing your branch (8.43), Appearance of the branch (8.31), Hours of operation (7.99), and Number of branches available (7.77).

Regarding the appearance of the branch, 94% of First Midwest customers report having experienced no problems with the interior of the branch (94%), exterior of the branch (92%), or parking lot (94%). Furthermore, nearly all First Midwest customers report the availability of extended and/or weekend hours.

### Brand Image

First Midwest receives the highest Brand Image ratings in the region. Customers perceive First Midwest more as a customer-driven rather than a profit-driven bank. Customers' high Brand Image ratings for First Midwest are supported by the large percentage of customers who indicate that the branch representative offered to assist them with other issues and thanked them for their business. A majority of First Midwest customers also indicate they were greeted when they entered the branch.

### Loyalty and Retention

A large majority of First Midwest customers are loyal to their bank and will recommend it to others—88% of customers indicate that they “definitely will” or “probably will” revisit for future banking products or services, and 82% say they “definitely will” or “probably will” recommend their bank to others.

# Our Delivery

- Website Redesign
- Commercial Account Opening
- Upgrading ATM Network
- Branch Network Refinement and Efficiency
- Call Center Enhancements

# Investment In Our Internet Platform

We help all your  
hard work  
pay off



## A Key Element In Today's Online Banking World

Upgrades Provide For:

- Easier Navigation
- Streamlined Account Opening

Encouraging Results:

- 34% Increase In Web Usage
- 115% Increase In Applications

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# **Strengthening Our Business**

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## **Market Opportunities**

# Market Disruption

- Environment Creates Opportunities
- Within Chicago Market
  - 25 Failures Since Start Of 2009
  - 35 Institutions (\$24 Billion) With Texas Ratio > 100%
- Well Positioned To Benefit
  - Strong Reputation: In Marketplace 70+ Years
  - Tenured Sales Force
  - Experienced Management

**strong  
and  
trusted**

➔ For 70 years and counting  
your friends, neighbors and  
local businesses have chosen  
First Midwest as the bank  
they trust most.

We're focused on the financial needs of the Chicagoland area – fully capable of supporting you through lending solutions, investment strategies and everything in between.

With some 100 branches, we continue to meet the needs of thousands of businesses and individuals through deeply-rooted fiscal responsibility and a sense of purpose that drives us to help you get things done . . . no matter what it takes.

Trust your financial life to professionals who share your values and know your neighborhood. At First Midwest, we'll help all your hard work pay off.

**Get connected today.**

1.800.241.1743 [firstmidwest.com](http://firstmidwest.com)

 **First Midwest Bank**



# FDIC Opportunities

- Selective Criteria
  - Insulate From Legacy Remediation
  - Strategically And Financially Accretive
- Ability To Strengthen The Company
- Leverages Our Skills
  - Local Market Knowledge
  - Integration Experience
- Becoming More Competitive

# Acquisitions Made

Acquisition	Date Acq.	Dep	% Core <sup>(1)</sup>	Lns	Loss Share	# Loc	Pre Tax Gain
First DuPage	4Q09	\$229	26%	\$226	80/20	1	\$13
Peotone Bank And Trust	2Q10	\$84	49%	\$56	80/20	2	\$3
Total		\$313		\$282		3	\$16

**Added To Our Footprint,  
Self Funding And Accretive**

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# **Our 2010 Priorities**

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# 2010 Plan Priorities

Credit  
Remediation  
and Liquidation

Manage  
Capital

Strengthen  
Core Business

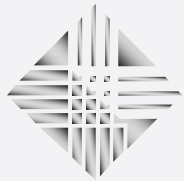
Shareholder  
Value

# In Closing

- ➔ 2010: Year Of Opportunity And Challenge
- ➔ Priorities Centered On The Long Term Interests Of Our Stockholders
- ➔ Well Positioned To Benefit From A Return To Economic Stability and Market Focus On Earnings Strength

# Thank You

- Stockholders
- Clients
- Directors
- Officers
- Staff



**Thank You For Your  
Investment  
In First Midwest Bancorp, Inc.**

# Questions



