Midland States Bancorp, Inc. Announces 2026 Third Quarter Results

Effingham, IL, October 22, 2026 (GLOBE NEWSWIRE) -- Midland States Bancorp, Inc. (Nasdaq: MSBI) (the "Company") today reported net income available to common shareholders of $20.6 million, or $0.95 per diluted share, for the third quarter of 2026, compared to net income available to common shareholders of $17.7 million, or $0.82 per diluted share, for the second quarter of 2026. This also compares to net income available to common shareholders of $5.3 million, or $0.24 per diluted share, for the third quarter of 2025.

2026 Third Quarter Results

- **Net income available to common shareholders of $20.6 million, or $0.95 per diluted share**
- **Return on average assets of 1.35% and return on average tangible common equity of 18.50%**
- **Net interest margin of 4.03% compared to 3.98% in the prior quarter; current quarter included a $1.6 million interest recovery on the payoff of a nonaccrual loan**
- **Total loans increased $39.1 million, including $23.7 million of net growth in the Community Bank loan portfolio, or 2.8% annualized, during the quarter**
- **Total capital to risk-weighted assets of 15.60% and common equity tier 1 capital of 10.36%**
- **Ratio of nonperforming assets to total assets of 0.86%, a decrease of five basis points compared to prior quarter**

Discussion of Outlook; President & Chief Executive Officer, Jeffrey G. Ludwig:

"Our third quarter results reflect another solid quarter of execution and continued progress toward building a higher-performing community bank. We delivered diluted earnings per share of $0.95 and a 1.35% return on average assets while maintaining strong net interest margin. The Community Bank generated loan growth, while we continued the planned runoff of non-core portfolios, further improving the composition of our balance sheet.

"We also made meaningful progress resolving legacy credit issues. Past-due, substandard and nonperforming loans declined, net charge-offs moderated from the prior quarter, and our nonperforming

asset ratio improved to 0.86%. We remain disciplined in addressing the remaining legacy credits while supporting high-quality loan growth in our markets.

"Strong earnings continued to support our capital position. We enter the fourth quarter with solid momentum and remain focused on profitable relationship growth, continued credit normalization and disciplined capital deployment to support long-term shareholder value."

Financial Highlights and Key Performance Indicators

	As of and for the Three Months Ended				
(dollars in thousands, except per share data)	September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
Diluted earnings (loss) per common share	$ 0.95	$ 0.82	$ 0.74	$ (0.24)	$ 0.24
Return on average assets (annualized)	1.35 %	1.22 %	1.16 %	(0.17)%	0.43 %
Return on average tangible common equity (annualized) [(1)]	18.50 %	16.27 %	14.88 %	(4.46)%	4.72 %
Adjusted pre-provision net revenue to average assets (annualized) [(1)]	1.96 %	2.01 %	1.91 %	1.86 %	1.81 %
Net interest margin (annualized)	4.03 %	3.98 %	3.91 %	3.74 %	3.79 %
Efficiency ratio [(1)]	61.34 %	60.61 %	62.17 %	63.01 %	61.01 %
Noninterest expense to average assets	3.13 %	3.12 %	3.16 %	4.54 %	2.86 %
Net charge-offs to average loans (annualized)	0.50 %	1.17 %	0.64 %	3.69 %	0.99 %
Tangible book value per share at period end [(1)]	$ 19.52	$ 21.41	$ 20.77	$ 20.70	$ 21.16
Tangible book value per share, excluding AOCI at period end [(1)]	$ 25.39	$ 24.69	$ 24.11	$ 23.55	$ 24.08
Common shares outstanding at period end	20,801,859	20,725,814	20,813,975	21,169,854	21,543,557
Trust assets under administration	$ 4,770,581	$ 4,782,625	$ 4,474,234	$ 4,478,999	$ 4,363,756

(1) Non-GAAP financial measures. Refer to pages 10-12 for a reconciliation to the comparable GAAP financial measures.

Key Points for Third Quarter and Outlook

Growth Trends in Community Bank & Wealth Management

- Total loans at September 30, 2026 were $4.28 billion, an increase of $39.1 million from June 30, 2026. Key changes in the loan portfolio were as follows:
    - Community Bank balances increased $23.7 million, or 2.8% annualized.
    - Specialty finance loans increased $28.0 million to $560.1 million from June 30, 2026.
    - Non-core loans, which include our third-party lending and servicing programs and remaining equipment finance portfolio, decreased $12.7 million to $295.7 million from June 30, 2026.
- Total deposits were $5.62 billion at September 30, 2026, a decrease of $89.8 million from June 30, 2026. Key changes in deposits were as follows:

    - Retail deposits decreased $112.7 million, primarily reflecting $115.7 million of balance reductions resulting from actions taken to manage liquidity and deposit pricing.

    - Commercial and public funds deposits increased $35.7 million and $33.7 million, respectively.

    - Servicing and higher-cost brokered deposits decreased $26.5 million and $7.9 million, respectively.

- Wealth Management revenue totaled $8.7 million in the third quarter of 2026. Assets under administration remained stable at $4.77 billion at September 30, 2026, compared to $4.78 billion at June 30, 2026.

Net Interest Margin

- Net interest margin increased five basis points to 4.03% in the third quarter of 2026, benefiting from a $1.6 million interest recovery on the payoff of a nonaccrual loan and continued balance sheet and interest rate risk management, partially offset by higher funding costs. The cost of deposits increased four basis points to 1.82%.

The following table presents the Company's net interest margin for the third quarter of 2026 compared to the second quarter of 2026 and the third quarter of 2025.

(dollars in thousands)	For the Three Months Ended								
	September 30, 2026			June 30, 2026			September 30, 2025		
Interest-earning assets	Average Balance	Interest & Fees	Yield/ Rate	Average Balance	Interest & Fees	Yield/ Rate	Average Balance	Interest & Fees	Yield/ Rate
Cash and cash equivalents	$ 149,088	$ 1,333	3.55 %	$ 108,157	$ 987	3.66 %	$ 78,567	$ 849	4.29 %
Investment securities [(1)]	1,780,505	22,090	4.92	1,617,474	19,540	4.85	1,338,997	15,979	4.73
Loans [(1)(2)]	4,235,207	69,173	6.48	4,268,168	67,195	6.31	4,947,675	81,012	6.50
Loans held for sale	6,054	97	6.36	8,431	128	6.10	9,268	147	6.29
Nonmarketable equity securities	29,215	530	7.20	30,285	534	7.07	38,559	715	7.36
Total interest-earning assets	6,200,069	93,223	5.97	6,032,515	88,384	5.88	6,413,066	98,702	6.11
Noninterest-earning assets	495,446			495,663			498,875		
Total assets	$ 6,695,515			$ 6,528,178			$ 6,911,941		
Interest-Bearing Liabilities									
Interest-bearing deposits	$ 4,720,701	$ 26,251	2.21 %	$ 4,512,697	$ 24,526	2.18 %	$ 4,644,455	$ 30,219	2.58 %
Short-term borrowings	42,059	349	3.29	28,521	202	2.84	54,839	499	3.61
FHLB advances & other borrowings	221,217	2,165	3.88	249,044	2,349	3.78	386,772	4,044	4.15
Subordinated debt	27,032	380	5.58	27,027	380	5.64	77,210	1,393	7.16
Trust preferred debentures	52,316	1,154	8.75	52,128	1,131	8.70	51,602	1,221	9.39
Total interest-bearing liabilities	5,063,325	30,299	2.37	4,869,417	28,588	2.35	5,214,878	37,376	2.84
Noninterest-bearing deposits	989,768			1,012,592			1,020,196		
Other noninterest-bearing liabilities	75,440			84,416			100,436		
Shareholders' equity	566,982			561,753			576,431		
Total liabilities and shareholders' equity	$ 6,695,515			$ 6,528,178			$ 6,911,941		
Net Interest Margin		$ 62,924	4.03 %		$ 59,796	3.98 %		$ 61,326	3.79 %
Cost of Deposits			1.82 %			1.78 %			2.12 %

(1) Interest income and average rates for tax-exempt loans and investment securities are presented on a tax-equivalent basis, assuming a federal income tax rate of 21%. Tax-equivalent adjustments totaled $0.2 million for each of the three months ended September 30, 2026, June 30, 2026, and September 30, 2025, respectively.

(2) Average loan balances include nonaccrual loans. Interest income on loans includes amortization of deferred loan fees, net of deferred loan costs.

Trends in Noninterest Income and Expense

- Noninterest income was $23.2 million for the third quarter of 2026 compared to $23.8 million for the second quarter of 2026.

- Noninterest expense was $52.8 million for the third quarter of 2026 compared to $50.8 million for the second quarter of 2026, driven by an increase in variable compensation expense.

- Income tax expense was $6.6 million, resulting in an effective tax rate of 22.4% for the third quarter of 2026 compared to 22.9% and 33.2% for the second quarter of 2026 and third quarter of

2025, respectively. We currently expect our effective tax rate to be approximately 23% for the full year, subject to changes in earnings mix, state tax legislation, and other factors.

Continued Progress on Credit Quality

- Loans 30-89 days past due decreased to $9.1 million, or 0.21% of total loans, at September 30, 2026, compared to $11.0 million, or 0.26% of total loans, at June 30, 2026. Substandard accruing loans decreased by $0.4 million to $71.2 million at September 30, 2026.

- Nonperforming loans decreased to $58.7 million, or 1.37% of total loans, at September 30, 2026, compared to $60.9 million, or 1.43% of total loans, at June 30, 2026.

- Net charge-offs were $5.4 million for the third quarter of 2026, including $3.2 million of charge-offs on two previously identified nonperforming commercial real estate relationships in the Community Bank portfolio, partially offset by a $0.8 million recovery on the payoff of another previously identified nonperforming commercial real estate relationship.

- Provision for credit losses on loans was $3.7 million for the third quarter of 2026, reflecting improved credit quality metrics, including favorable past due and delinquency trends.

- Allowance for credit losses on loans was $60.9 million, or 1.42% of total loans, at September 30, 2026, compared to an allowance of $62.5 million, or 1.47% of total loans, at June 30, 2026.

The table below summarizes certain information regarding the Company's loan portfolio asset quality for the periods presented.

	As of and for the Three Months Ended				
(dollars in thousands)	**September 30, 2026**	**June 30, 2026**	**March 31, 2026**	**December 31, 2025**	**September 30, 2025**
Asset Quality					
Loans 30-89 days past due	$ 9,103	$ 10,984	$ 20,266	$ 17,079	$ 26,019
Nonperforming loans	58,690	60,879	58,791	65,483	68,703
Nonperforming assets	58,870	61,235	59,305	66,089	70,369
Substandard accruing loans	71,168	71,526	91,963	76,000	78,901
Net charge-offs	5,352	12,465	6,747	43,492	12,309
Loans 30-89 days past due to total loans	0.21 %	0.26 %	0.47 %	0.39 %	0.53 %
Nonperforming loans to total loans	1.37 %	1.43 %	1.36 %	1.50 %	1.41 %
Nonperforming assets to total assets	0.86 %	0.91 %	0.91 %	1.01 %	1.02 %
Allowance for credit losses to total loans	1.42 %	1.47 %	1.56 %	1.59 %	2.07 %
Allowance for credit losses to nonperforming loans	103.68 %	102.69 %	115.45 %	105.71 %	146.84 %
Net charge-offs to average loans (annualized)	0.50 %	1.17 %	0.64 %	3.69 %	0.99 %

Capital

As previously announced, the Company's board of directors authorized a share repurchase program, pursuant to which the Company is authorized to repurchase up to $45.0 million of its common stock

through December 31, 2026. The Company repurchased $10.6 million of its common stock during year-to-date 2026, and approximately $24.8 million remained available under the program at September 30, 2026.

The Company and Midland States Bank exceeded all regulatory capital requirements under Basel III, and Midland States Bank met the qualifications to be a ‘‘well-capitalized’’ financial institution, as summarized in the following table:

	As of September 30, 2026		
	Midland States Bank	Midland States Bancorp, Inc.	Minimum Regulatory Requirements [2]
Total capital to risk-weighted assets	14.52%	15.60%	10.50%
Tier 1 capital to risk-weighted assets	13.27%	13.82%	8.50%
Common equity Tier 1 capital to risk-weighted assets	13.27%	10.36%	7.00%
Tier 1 leverage ratio	9.93%	10.34%	4.00%
Tangible common equity to tangible assets [1]	N/A	5.97%	N/A

	As of June 30, 2026		
	Midland States Bank	Midland States Bancorp, Inc.	Minimum Regulatory Requirements [2]
Total capital to risk-weighted assets	14.84%	15.77%	10.50%
Tier 1 capital to risk-weighted assets	13.59%	13.97%	8.50%
Common equity Tier 1 capital to risk-weighted assets	13.59%	10.39%	7.00%
Tier 1 leverage ratio	10.08%	10.37%	4.00%
Tangible common equity to tangible assets [1]	N/A	6.64%	N/A

(1) Non-GAAP financial measure. Refer to pages 10-12 for a reconciliation to the comparable GAAP financial measure.
(2) Includes the capital conservation buffer of 2.5%, as applicable.

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. As of September 30, 2026, the Company had total assets of approximately $6.82 billion, and its Wealth Management Group had assets under administration of approximately $4.77 billion. The Company provides a full range of commercial and consumer banking products and services, merchant credit card services, trust and investment management, insurance and financial planning services. For additional information, visit https://www.midlandsb.com/ or 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 calculated in accordance with GAAP.

These non-GAAP financial measures include “Adjusted pre-provision net revenue,” “Adjusted pre-provision net revenue to average assets,” “Adjusted earnings,” “Adjusted earnings available to common shareholders,” “Adjusted diluted earnings per common share,” “Return on average tangible common equity,” “Efficiency ratio,” “Tangible common equity to tangible assets,” “Tangible book value per share,” and “Tangible book value per share, excluding AOCI.” The Company believes these non-GAAP financial measures provide both management and investors a more complete understanding of the Company’s profitability and asset profile, and that the tangible asset-based measures are commonly used by investors in evaluating value of financial institutions and their equity securities. These non-GAAP financial measures are supplemental and are not a substitute for any analysis based on GAAP financial measures. Not all companies use the same calculation of these measures; therefore, the measures in this press release may not be comparable to other similarly titled measures as presented by other companies.

Forward-Looking Statements

Readers should note that in addition to the historical information contained herein, this press release includes "forward-looking statements" within the meanings of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including but not limited to statements about the Company’s plans, objectives, future performance, goals and future earnings levels, including currently anticipated levels of noninterest income and operating expenses. These statements are subject to many risks and uncertainties, including changes in interest rates and other general economic, business and political conditions; the impact of federal trade policy, inflation, deposit volatility and potential regulatory developments; the performance of our loan portfolio and our ability to manage credit risk; changes in the financial markets; the effects of armed conflict, including the scope and duration of disruptions in global energy markets relating to war in the Middle East; changes in the business environment resulting from the adoption of artificial intelligence, including fraud and cybersecurity risk; operational risks, including with respect to fraud and information technology; changes in business plans as circumstances warrant; changes to U.S. and state tax laws, regulations and guidance; and other risks detailed from time to time in filings made by the Company with the Securities and Exchange Commission, including the risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2025, which are incorporated herein by reference. 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," “should,” "propose," "may," "plan," "seek," "expect," "intend," "estimate," "anticipate," "believe," "continue," “outlook,” “trends,” or similar terminology. Any forward-looking statements presented herein are made only as of the date of this press release, and the Company does not undertake any obligation to update or revise any forward-looking statements to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.

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

	As of				
(dollars in thousands)	**September 30, 2026**	**June 30, 2026**	**March 31, 2026**	**December 31, 2025**	**September 30, 2025**
Assets					
Cash and cash equivalents	$ 99,612	$ 298,747	$ 113,658	$ 127,811	$ 166,147
Investment securities	1,909,021	1,657,313	1,596,220	1,527,236	1,383,121
Loans	4,282,828	4,243,704	4,338,573	4,352,004	4,867,587
Allowance for credit losses on loans	(60,852)	(62,519)	(67,875)	(69,219)	(100,886)
Total loans, net	4,221,976	4,181,185	4,270,698	4,282,785	4,766,701
Loans held for sale	4,580	8,944	6,709	7,781	7,535
Premises and equipment, net	82,435	82,898	84,169	85,134	86,005
Other real estate owned	180	356	514	606	393
Loan servicing rights, at lower of cost or fair value	10,931	11,316	11,688	11,932	16,165
Goodwill	7,927	7,927	7,927	7,927	7,927
Other intangible assets, net	6,849	7,495	8,159	8,876	9,619
Company-owned life insurance	224,884	222,757	220,630	218,554	216,494
Credit enhancement asset	14,364	13,642	13,476	12,557	5,765
Other assets	234,083	208,036	214,115	222,221	245,643
Total assets	$ 6,816,842	$ 6,700,616	$ 6,547,963	$ 6,513,420	$ 6,911,515
Liabilities and Shareholders' Equity					
Noninterest-bearing demand deposits	$ 973,388	$ 1,010,128	$ 1,013,808	$ 1,040,411	$ 1,015,930
Interest-bearing deposits	4,644,050	4,697,150	4,426,259	4,383,968	4,588,895
Total deposits	5,617,438	5,707,278	5,440,067	5,424,379	5,604,825
Short-term borrowings	151,499	7,645	153,425	60,181	146,766
FHLB advances	353,000	258,000	238,000	293,000	373,000
Subordinated debt	27,035	27,030	27,024	27,019	27,014
Trust preferred debentures	52,409	52,219	52,035	51,857	51,684
Other liabilities	84,094	78,756	78,458	91,485	124,225
Total liabilities	6,285,475	6,130,928	5,989,009	5,947,921	6,327,514
Total shareholders’ equity	531,367	569,688	558,954	565,499	584,001
Total liabilities and shareholders’ equity	$ 6,816,842	$ 6,700,616	$ 6,547,963	$ 6,513,420	$ 6,911,515

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

(dollars in thousands, except per share data)	For the Three Months Ended				
	September 30, 2026	**June 30, 2026**	**March 31, 2026**	**December 31, 2025**	**September 30, 2025**
Net interest income:					
Interest income	$ 93,021	$ 88,177	$ 86,022	$ 92,095	$ 98,493
Interest expense	30,299	28,588	28,605	33,393	37,376
Net interest income	62,722	59,589	57,417	58,702	61,117
Provision for credit losses:					
Provision for credit losses on loans	3,685	7,109	5,403	11,825	20,505
Provision (recapture) of credit losses on unfunded commitments	50	(290)	(400)	(200)	(500)
Total provision for credit losses	3,735	6,819	5,003	11,625	20,005
Net interest income after provision for credit losses	58,987	52,770	52,414	47,077	41,112
Noninterest income:					
Wealth management revenue	8,651	8,768	8,248	8,272	8,018
Service charges on deposit accounts	3,775	3,449	3,355	3,573	3,598
Interchange revenue	3,984	3,553	3,528	3,437	3,445
Residential mortgage banking revenue	216	686	626	690	735
Income on company-owned life insurance	1,828	2,127	2,076	2,060	2,102
Gain (loss) on sales of investment securities, net	—	—	(1,731)	—	14
Credit enhancement income (loss)	3,108	3,081	3,360	6,876	(242)
Other income	1,675	2,104	2,660	1,959	2,346
Total noninterest income	23,237	23,768	22,122	26,867	20,016
Noninterest expense:					
Salaries and employee benefits	28,500	27,354	26,157	25,906	26,393
Occupancy and equipment	4,330	4,229	4,535	4,353	4,206
Data processing	6,871	6,994	7,065	6,834	7,186
Professional services	1,669	1,665	2,242	2,321	2,017
Amortization of intangible assets	646	664	717	743	743
Loss on sale of loan portfolios	—	—	—	23,051	—
Impairment on leased assets and surrendered assets	—	—	—	684	—
FDIC insurance	791	781	529	3,739	1,512
Other expense	10,036	9,068	9,179	9,561	7,757
Total noninterest expense	52,843	50,755	50,424	77,192	49,814
Income (loss) before income taxes	29,381	25,783	24,112	(3,248)	11,314
Income tax expense (benefit)	6,573	5,895	5,649	(360)	3,757
Net income (loss)	22,808	19,888	18,463	(2,888)	7,557
Preferred stock dividends	2,229	2,228	2,228	2,228	2,229
Net income (loss) available to common shareholders	$ 20,579	$ 17,660	$ 16,235	$ (5,116)	$ 5,328
Basic earnings (loss) per common share	$ 0.95	$ 0.82	$ 0.74	$ (0.24)	$ 0.24
Diluted earnings (loss) per common share	$ 0.95	$ 0.82	$ 0.74	$ (0.24)	$ 0.24
Weighted average common shares outstanding	21,128,351	21,074,683	21,301,246	21,854,033	21,863,911
Weighted average diluted common shares outstanding	21,140,143	21,074,683	21,301,246	21,854,033	21,863,911

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

(dollars in thousands)	As of September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
Loan Portfolio Mix					
Commercial loans	$ 1,183,813	$ 1,185,730	$ 1,216,511	$ 1,178,521	$ 1,476,533
Equipment finance leases	30,339	37,086	43,803	50,981	310,983
Total commercial loans and leases	1,214,152	1,222,816	1,260,314	1,229,502	1,787,516
Commercial real estate	2,332,478	2,296,978	2,322,198	2,342,664	2,336,661
Construction and land development	249,268	243,840	276,469	286,140	260,073
Residential real estate	358,021	347,664	344,511	349,623	353,475
Consumer	128,909	132,406	135,081	144,075	129,862
Total loans	$ 4,282,828	$ 4,243,704	$ 4,338,573	$ 4,352,004	$ 4,867,587
Loan Portfolio Segment					
Regions					
Eastern	$ 985,101	$ 978,944	$ 989,596	$ 972,031	$ 927,977
Northern	782,911	771,844	758,815	711,702	724,695
Southern	664,770	700,937	713,592	729,368	725,892
St. Louis	994,197	951,505	934,974	915,126	896,005
Total Community Bank	3,426,979	3,403,230	3,396,977	3,328,227	3,274,569
Specialty finance	560,102	532,070	613,514	668,183	642,167
Non-core loan program and other [1]	295,747	308,404	328,082	355,594	950,851
Total loans	$ 4,282,828	$ 4,243,704	$ 4,338,573	$ 4,352,004	$ 4,867,587
Deposit Portfolio Mix					
Noninterest-bearing demand	$ 973,388	$ 1,010,128	$ 1,013,808	$ 1,040,411	$ 1,015,930
Interest-bearing:					
Checking	2,155,193	2,094,880	1,886,212	1,855,215	1,996,501
Money market	1,306,610	1,242,303	1,295,781	1,248,942	1,240,885
Savings	498,397	640,292	495,899	487,742	486,953
Time	666,749	694,642	723,055	748,942	804,740
Brokered time	17,101	25,033	25,312	43,127	59,816
Total deposits	$ 5,617,438	$ 5,707,278	$ 5,440,067	$ 5,424,379	$ 5,604,825
Deposit Portfolio by Channel					
Retail	$ 2,890,419	$ 3,003,073	$ 2,904,695	$ 2,823,064	$ 2,791,085
Commercial	1,361,246	1,325,592	1,209,210	1,193,637	1,248,445
Public Funds	609,873	576,188	455,982	473,381	605,474
Wealth & Trust	249,209	243,549	242,977	265,747	263,765
Servicing	475,862	502,335	478,496	498,496	498,892
Brokered Deposits	17,106	25,033	125,949	143,192	167,228
Other	13,723	31,508	22,758	26,862	29,936
Total deposits	$ 5,617,438	$ 5,707,278	$ 5,440,067	$ 5,424,379	$ 5,604,825

(1) Non-core loan programs refer to loan portfolios originated through third parties or capital markets, including loans to finance the sale of the GreenSky portfolio, and equipment financing loans and leases.

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

Adjusted Earnings Reconciliation

	For the Three Months Ended				
(dollars in thousands, except per share data)	**September 30, 2026**	**June 30, 2026**	**March 31, 2026**	**December 31, 2025**	**September 30, 2025**
Income (loss) before income tax expense (benefit) - GAAP	$ 29,381	$ 25,783	$ 24,112	$ (3,248)	$ 11,314
Adjustments to noninterest income:					
(Gain) loss on sales of investment securities, net	—	—	1,731	—	(14)
Gain on sale of mortgage servicing rights	—	—	(2,077)	—	—
(Gain) loss on limited partnership investments	(18)	176	1,689	134	315
Total adjustments to noninterest income	(18)	176	1,343	134	301
Adjustments to noninterest expense:					
Loss on sale of loan portfolios	—	—	—	(23,051)	—
Total adjustments to noninterest expense	—	—	—	(23,051)	—
Adjusted earnings pre-tax - non-GAAP	29,363	25,959	25,455	19,937	11,615
Adjusted earnings tax expense	6,579	5,941	6,002	5,726	3,836
Adjusted earnings - non-GAAP	22,784	20,018	19,453	14,211	7,779
Preferred stock dividends	2,229	2,228	2,228	2,228	2,229
Adjusted earnings available to common shareholders	$ 20,555	$ 17,790	$ 17,225	$ 11,983	$ 5,550
Adjusted diluted earnings per common share	$ 0.95	$ 0.82	$ 0.79	$ 0.54	$ 0.25

Adjusted Pre-Provision Net Revenue Reconciliation

	For the Three Months Ended				
(dollars in thousands)	**September 30, 2026**	**June 30, 2026**	**March 31, 2026**	**December 31, 2025**	**September 30, 2025**
Adjusted earnings pre-tax - non-GAAP	$ 29,363	$ 25,959	$ 25,455	$ 19,937	$ 11,615
Provision for credit losses	3,735	6,819	5,003	11,625	20,005
Adjusted pre-provision net revenue	$ 33,098	$ 32,778	$ 30,458	$ 31,562	$ 31,620
Adjusted pre-provision net revenue to average assets (annualized)	1.96 %	2.01 %	1.91 %	1.86 %	1.81 %

Return on Average Tangible Common Equity

	For the Three Months Ended				
(dollars in thousands)	**September 30, 2026**	**June 30, 2026**	**March 31, 2026**	**December 31, 2025**	**September 30, 2025**
Net income available to common shareholders	$ 20,579	$ 17,660	$ 16,235	$ (5,116)	$ 5,328
Average total shareholders' equity—GAAP	$ 566,982	$ 561,753	$ 569,482	$ 582,698	$ 576,431
Adjustments:					
Preferred stock	(110,548)	(110,548)	(110,548)	(110,548)	(110,548)
Goodwill	(7,927)	(7,927)	(7,927)	(7,927)	(7,927)
Other intangible assets, net	(7,159)	(7,813)	(8,487)	(9,320)	(9,978)
Average tangible common equity	$ 441,348	$ 435,465	$ 442,520	$ 454,903	$ 447,978
Return on average tangible common equity (annualized)	18.50 %	16.27 %	14.88 %	(4.46)%	4.72 %

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

Efficiency Ratio Reconciliation

	For the Three Months Ended				
(dollars in thousands)	**September 30, 2026**	**June 30, 2026**	**March 31, 2026**	**December 31, 2025**	**September 30, 2025**
Noninterest expense - GAAP	$ 52,843	$ 50,755	$ 50,424	$ 77,192	$ 49,814
Loss on sale of loan portfolios	—	—	—	(23,051)	—
Adjusted noninterest expense	$ 52,843	$ 50,755	$ 50,424	$ 54,141	$ 49,814
Net interest income - GAAP	$ 62,722	$ 59,589	$ 57,417	$ 58,702	$ 61,117
Effect of tax-exempt income	202	207	218	221	209
Adjusted net interest income	62,924	59,796	57,635	58,923	61,326
Noninterest income - GAAP	23,237	23,768	22,122	26,867	20,016
(Gain) loss on sales of investment securities, net	—	—	1,731	—	(14)
Gain on sale of mortgage servicing rights	—	—	(2,077)	—	—
(Gain) loss on limited partnership investments	(18)	176	1,689	134	315
Adjusted noninterest income	23,219	23,944	23,465	27,001	20,317
Adjusted total revenue	$ 86,143	$ 83,740	$ 81,100	$ 85,924	$ 81,643
Efficiency ratio	61.34 %	60.61 %	62.17 %	63.01 %	61.01 %

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

(dollars in thousands, except per share data)	As of September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
Shareholders' Equity to Tangible Common Equity					
Total shareholders' equity—GAAP	$ 531,367	$ 569,688	$ 558,954	$ 565,499	$ 584,001
Adjustments:					
Preferred stock	(110,548)	(110,548)	(110,548)	(110,548)	(110,548)
Goodwill	(7,927)	(7,927)	(7,927)	(7,927)	(7,927)
Other intangible assets, net	(6,849)	(7,495)	(8,159)	(8,876)	(9,619)
Tangible common equity	$ 406,043	$ 443,718	$ 432,320	$ 438,148	$ 455,907
Less: Accumulated other comprehensive loss (AOCI)	(122,197)	(67,931)	(69,582)	(60,333)	(62,966)
Tangible common equity, excluding AOCI	$ 528,240	$ 511,649	$ 501,902	$ 498,481	$ 518,873
Total Assets to Tangible Assets:					
Total assets—GAAP	$ 6,816,842	$ 6,700,616	$ 6,547,963	$ 6,513,420	$ 6,911,515
Adjustments:					
Goodwill	(7,927)	(7,927)	(7,927)	(7,927)	(7,927)
Other intangible assets, net	(6,849)	(7,495)	(8,159)	(8,876)	(9,619)
Tangible assets	$ 6,802,066	$ 6,685,194	$ 6,531,877	$ 6,496,617	$ 6,893,969
Common Shares Outstanding	20,801,859	20,725,814	20,813,975	21,169,854	21,543,557
Tangible Common Equity to Tangible Assets	5.97 %	6.64 %	6.62 %	6.74 %	6.61 %
Tangible Book Value Per Share	$ 19.52	$ 21.41	$ 20.77	$ 20.70	$ 21.16
Tangible Book Value Per Share, excluding AOCI	$ 25.39	$ 24.69	$ 24.11	$ 23.55	$ 24.08