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): **May 3, 2021**

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.)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, $0.01 par value	MSBI	Nasdaq Global Select Market

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b– 2 of the Securities Exchange Act of 1934 (§ 240.12b–2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 7.01. Regulation FD Disclosure.

Midland States Bancorp, Inc. (the “Company”) is filing an investor presentation (the “Presentation”) that will be used by the Company in meetings with investors and analysts. A copy of the Presentation is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information in this Item 7.01 and the attached exhibits shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall they be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, 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	Midland States Bancorp, Inc. Investor Presentation
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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: May 3, 2021

MIDLAND STATES BANCORP, INC.

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

Exhibit 99.1

Midland States Bancorp, Inc.
NASDAQ: MSBI

Investor Presentation

May 2021

Forward-Looking Statements. This presentation may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements expressing management's current expectations, forecasts of future events or long-term goals may be based upon beliefs, expectations and assumptions of Midland's management, and are generally identifiable by the use of words such as "believe," "expect," "anticipate," "plan," "intend," "estimate," "may," "will," "would," "could," "should" or other similar expressions. All statements in this presentation speak only as of the date they are made, and Midland undertakes no obligation to update any statement. A number of factors, many of which are beyond the ability of Midland to control or predict, could cause actual results to differ materially from those in its forward-looking statements including the effects of the Coronavirus Disease 2019 ("COVID-19") pandemic, including its potential effects on the economic environment, our customers and our operations, as well as any changes to federal, state or local government laws, regulations or orders in connection with the pandemic. These risks and uncertainties should be considered in evaluating forward-looking statements, and undue reliance should not be placed on such statements. Additional information concerning Midland and its businesses, including additional factors that could materially affect Midland's financial results, are included in Midland's filings with the Securities and Exchange Commission.

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

Midland
States Bancorp, Inc.

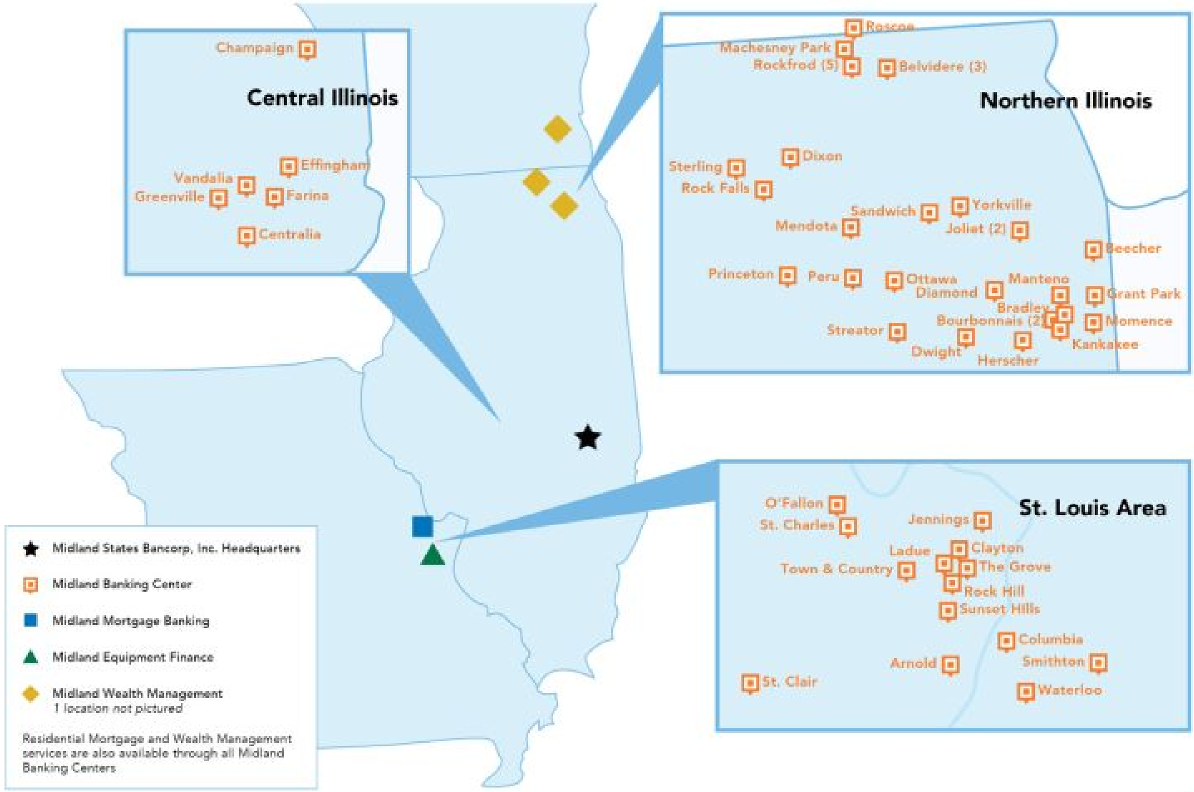
Company Snapshot

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

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

Midland States Bancorp, Inc.

Financial Services & Banking Center Footprint



Midland States Bancorp, Inc.

Investment Summary

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

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

29%

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

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

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

Illinois and contiguous states provide ample opportunities for future acquisitions

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

Notes:
1. As of March 31, 2021

Business and Corporate Strategy

Customer-Centric Culture

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

Operational Excellence

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

Enterprise-Wide Risk Management

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

Accretive Acquisitions

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

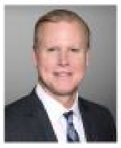
Revenue Diversification

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

Experienced Senior Management Team

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

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



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

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

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

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

Eric T. Lemke | Chief Financial Officer

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

Jeffrey A. Brunoehler | Chief Credit Officer

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

Midland
States Bancorp, Inc.

Successful Acquisition History

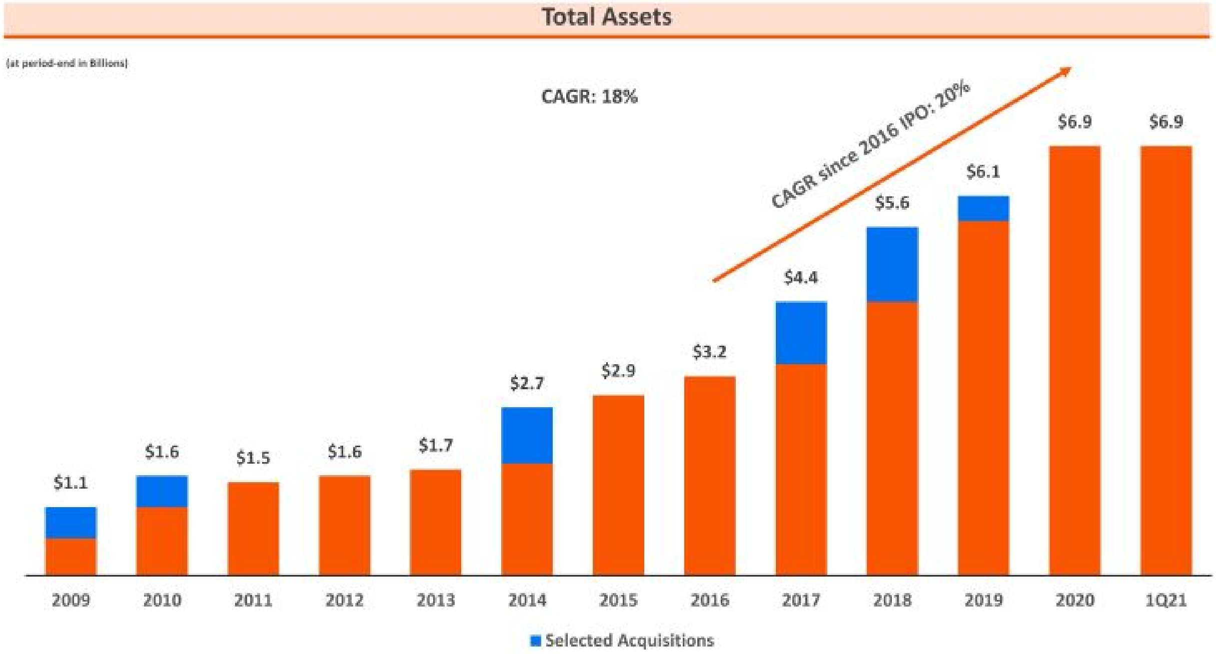
- Midland States has completed 14 transactions since 2008, including FDIC-assisted, branch, whole bank, asset purchase and business line acquisitions, and a New York trust asset acquisition
- Demonstrated history of earnings expansion
- Deliberate diversification of geographies and revenue channels
-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

Selected Acquisitions

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

Midland States Bancorp, Inc.

Successful Execution of Strategic Plan…



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

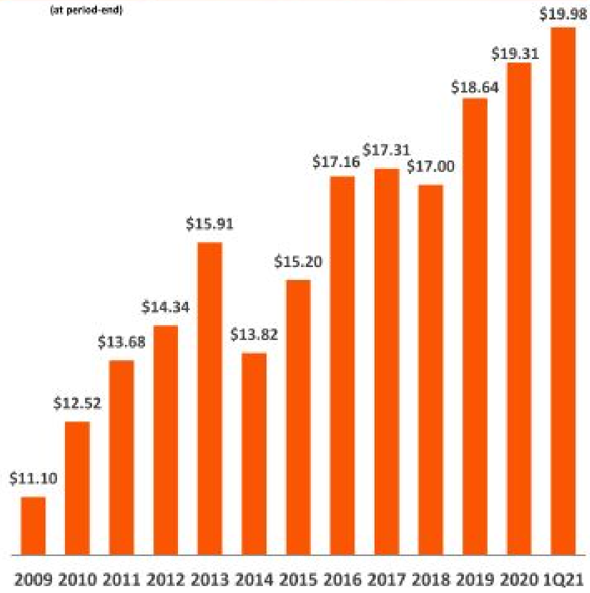
2009: Strategic Capital Bank ($540)
2014: Love Savings/Heartland Bank ($889)
2018: Alpine Bancorp. ($1,243)
2010: AMCORE Bank ($500)
2017: Centrue Financial ($990)
2019: HomeStar Financial Group ($366)

Midland States Bancorp, Inc.

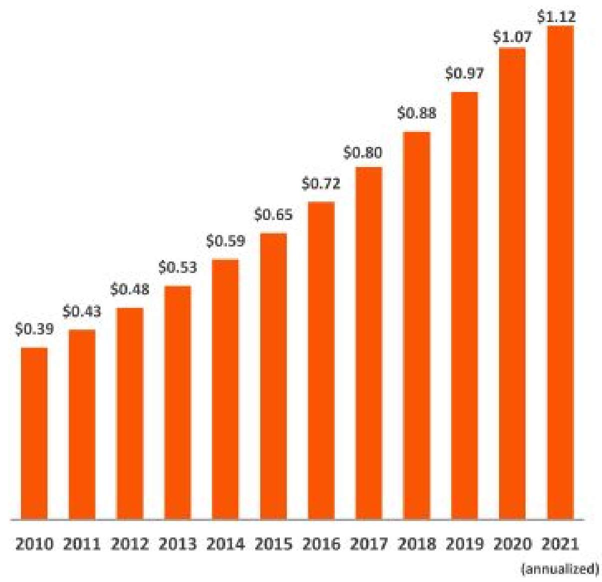
...Leads to Creation of Shareholder Value

21 Consecutive Years of Dividend Increases

Tangible Book Value Per Share[1]



Dividends Declared Per Share



Note:

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

Midland States Bancorp, Inc.

Strategic Initiatives Strengthening Franchise

Significant Corporate Actions Since Coming Public in 2016…

Scale

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

Efficiency

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

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

Midland States Bancorp, Inc.

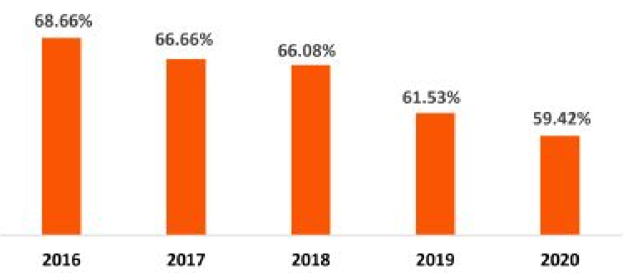
Strategic Initiatives Strengthening Franchise

...Have Produced Improved Growth and Profitability

Adjusted Pre-Tax Pre-Provision Earnings[1]

Total Loans

Efficiency Ratio[1]



Wealth Management Revenue

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

Midland States Bancorp, Inc.

2020 Optimization and Efficiency Initiatives

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

Midland States Bancorp, Inc.

Technology Roadmap

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

	Consumer	Small Business	Commercial	Wealth
Customer Facing	Near real time payments (Q1 2021)			
	Consumer online loan Origination (Q1 2021)		Loan pricing optimization engine (2021)	
	Consumer online account opening (2020)	Digital Paycheck Protection Program Portal (2020)		

Customer Facing

- Automated analytics-based marketing platform deployed with access to all datasets and all businesses (2020 and on-going)
- CRM deployed to 600+ front office employees with rich view of the customer, automated leads, and single view of pipelines for executive team (2020)
- Digital mortgage application (2020)
- Self service loan portal and treasury on-boarding (2021)

Foundational

- **Fintech Partnerships Established** — Canapi Fund, Alloy, Blend, Plaid, GreenSky
- **CX Platform Customer Feedback (2020, 2021)**
- **Artificial Intelligence (2020, 2021)** 200+ RPA "bots" deployed in the last 18 months, AI based solutions applied in Risk Management, Mortgage Operations (Q2 2021), and Cyber Security (UEBA)
- **Silo-elimination and 360 view of customer (2020)** — All sales teams on single sales platform using same 360 view of customer
- **Centralized Data Analytics - PowerBI, SAS Viya (2018, 2019, 2020)** — Oracle data warehouse with 98% of data accessible for analytics across all products, services and channels
- **Digital Talent (39 FTE)** Chief Digital Officer, Director – Digital Customer Experience, Director – Enterprise Data Services, Director – Digital Solution Delivery, Lead Engineer API Development, Senior Manager – Digital Marketing, Manager – Customer Experience, Board Member – Digital Expertise

Recent Financial Trends

Midland
States Bancorp, Inc.

Overview of 1Q21

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

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

Midland States Bancorp, Inc.

Loan Portfolio

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

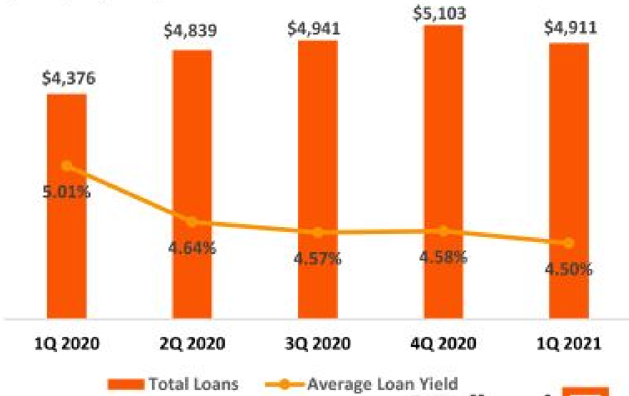
Loan Portfolio Mix

(in millions, as of quarter-end)

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

Total Loans and Average Loan Yield

(in millions, as of quarter-end)



Midland States Bancorp, Inc.

Total Deposits

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

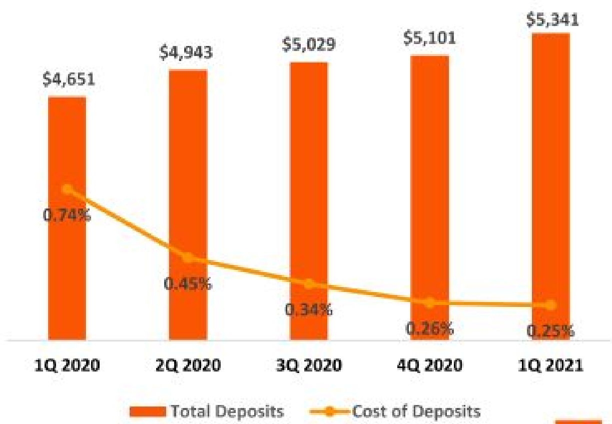
Deposit Mix

(in millions, as of quarter-end)

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

Total Deposits and Cost of Deposits

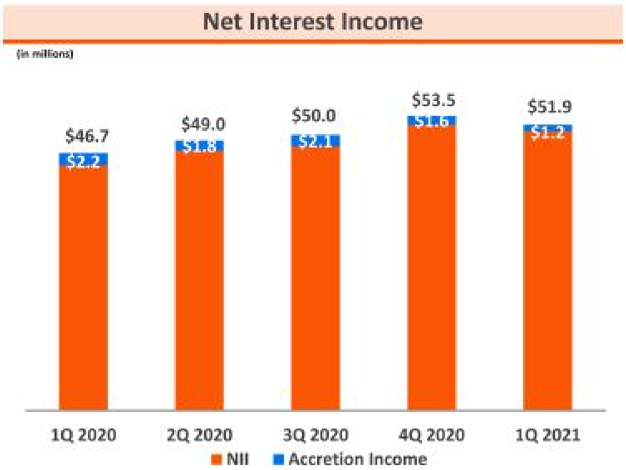
(in millions, as of quarter-end)

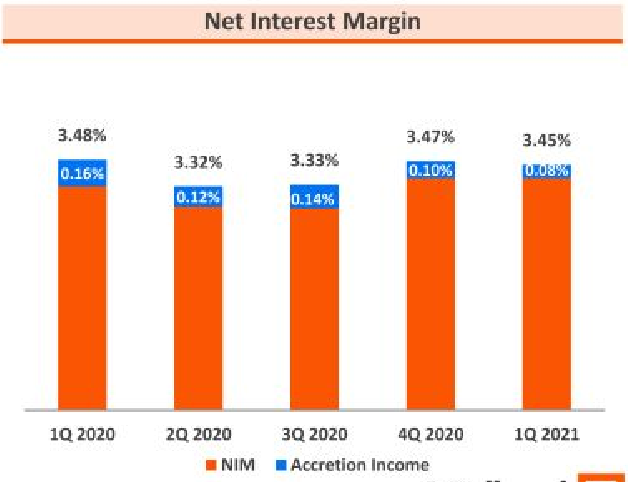


Midland States Bancorp, Inc.

Net Interest Income/Margin

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

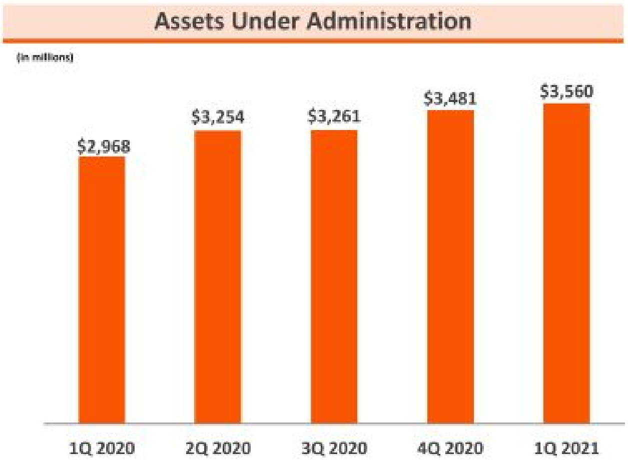


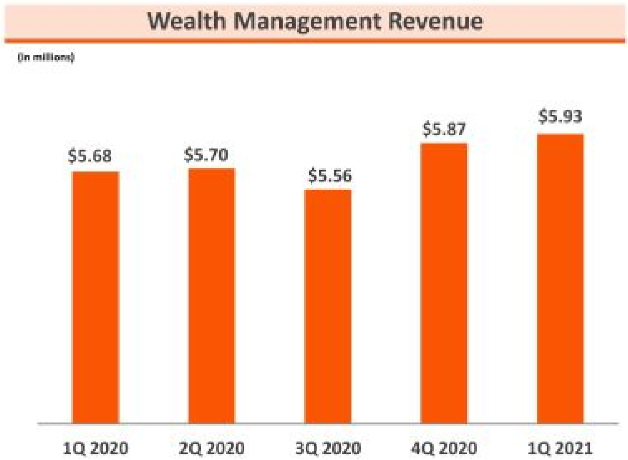


Midland States Bancorp, Inc.

Wealth Management

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



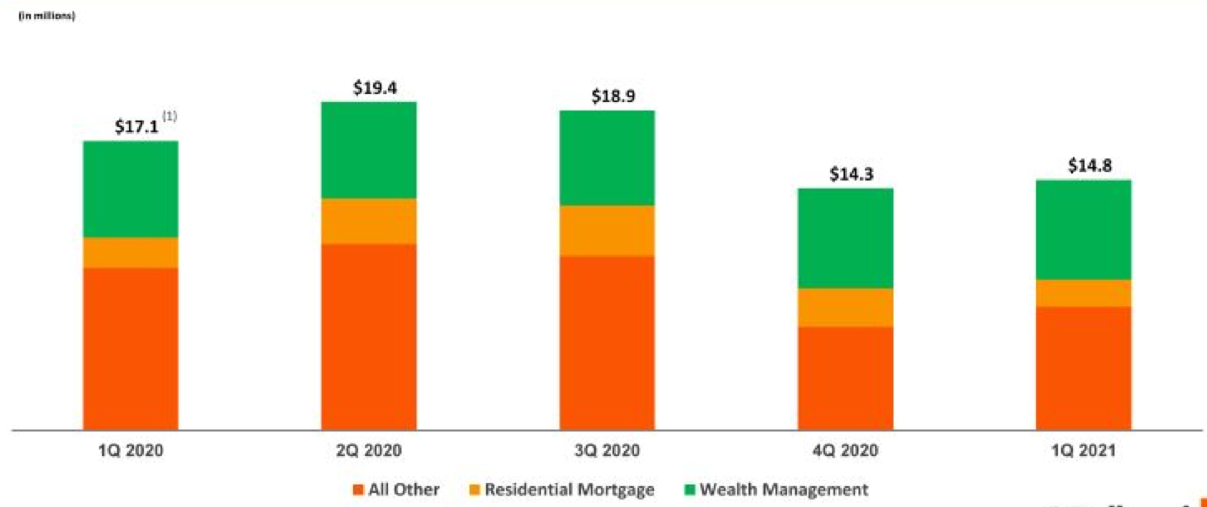


Midland States Bancorp, Inc.

Noninterest Income

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

Noninterest Income



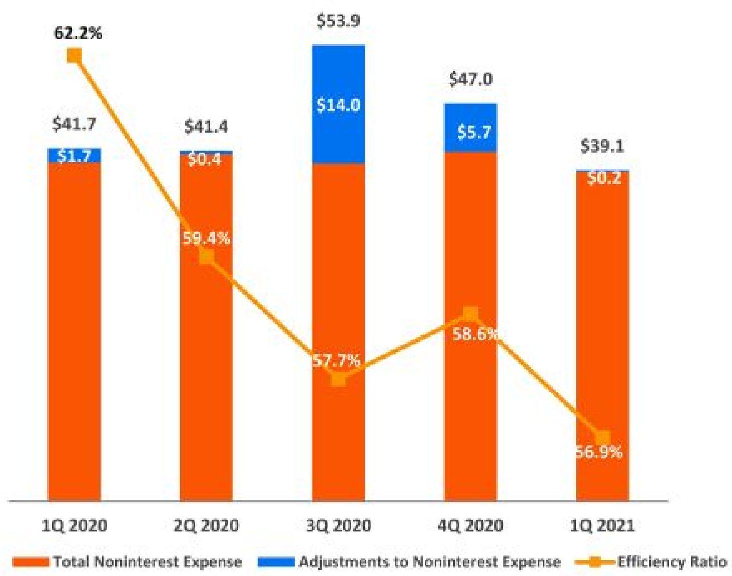
Notes:
(1) Excludes $8.5 million impairment of commercial mortgage servicing rights

Midland States Bancorp, Inc.

Noninterest Expense and Operating Efficiency

Noninterest Expense and Efficiency Ratio [1]

(Noninterest expense in millions)



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

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

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

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

Midland States Bancorp, Inc.

COVID-19
Response and Impact

Midland
States Bancorp, Inc.

Paycheck Protection Program Overview

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

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

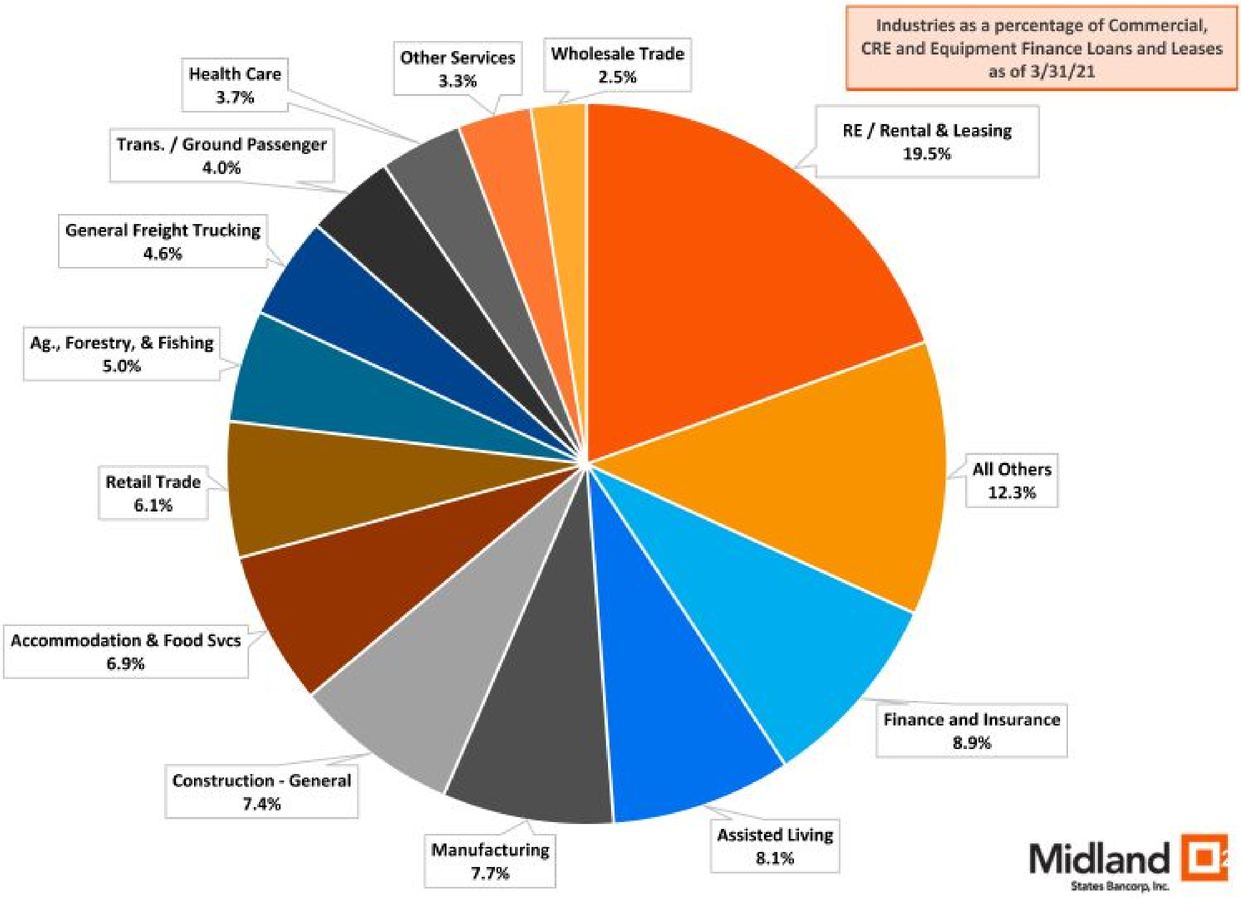
Impact on 1Q21 Financials

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

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

Midland States Bancorp, Inc.

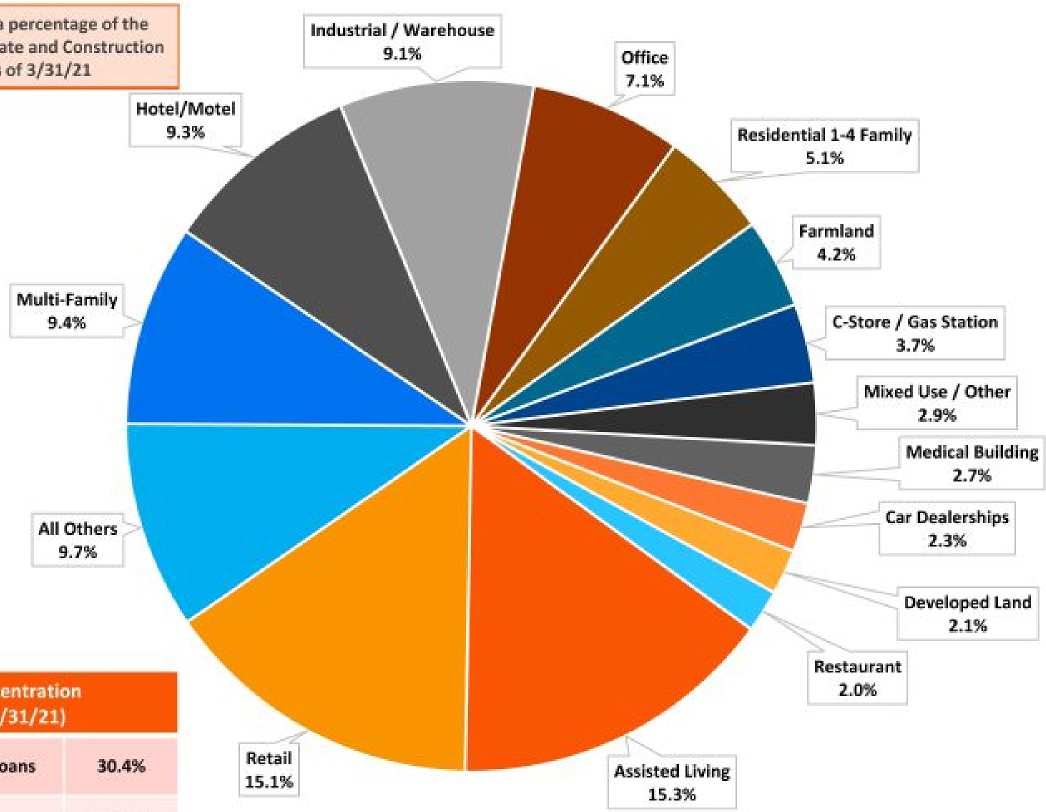
Commercial Loans and Leases by Industry



Midland States Bancorp, Inc.

Commercial Real Estate Portfolio by Collateral Type

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



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

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

Midland States Bancorp, Inc.

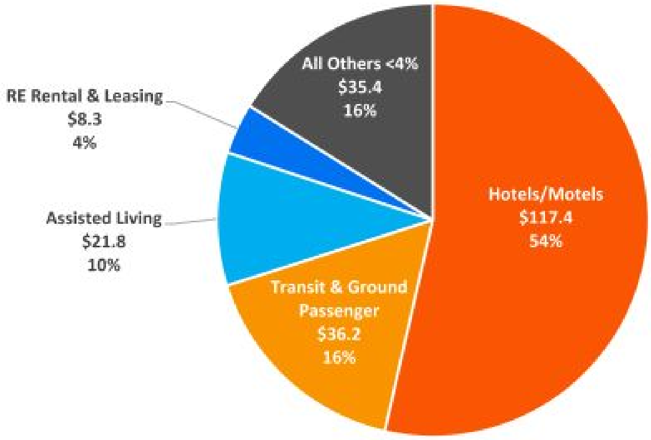
Loan Deferral Overview

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

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

Deferrals by Industry
(as of March 31, 2021)

($ in millions)



Midland States Bancorp, Inc.

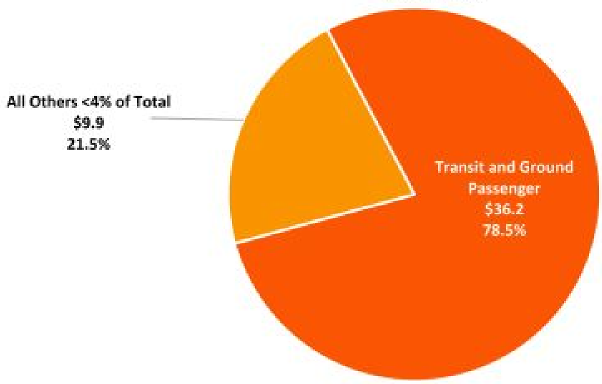
Midland Equipment Finance Portfolio Overview

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

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

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

($ in millions)



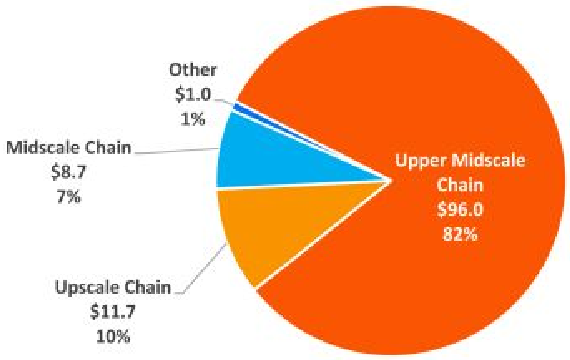
Midland States Bancorp, Inc.

Hotel/Motel Portfolio Overview

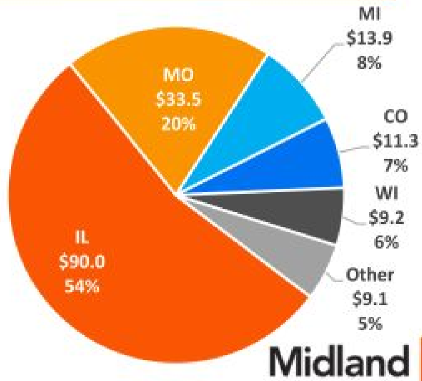
Portfolio Characteristics (CRE & C&I) (as of 3/31/21)	
Total Outstanding	$167.0 million (3.4% of total loans)
Number of Loans	46
Average Loan Size	$3.6 million
Largest Loan	$11.3 million
Average LTV	57%
Total Deferred Loans as of 12/31/20	$82.6 million (45.8% of portfolio)
Total Deferred Loans as of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

Deferrals by Chain Scale

($ in millions)



Portfolio by State



Midland States Bancorp, Inc.

GreenSky Consumer Loan Portfolio Overview

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

Delinquency Rate (greater than 60 days)

Prime Credit

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

Credit Enhancement

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

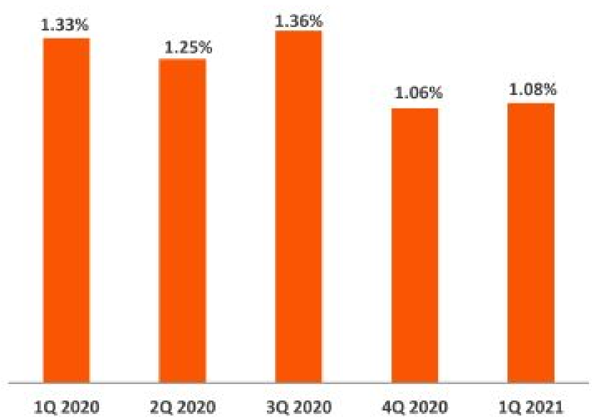
Midland States Bancorp, Inc.

Asset Quality

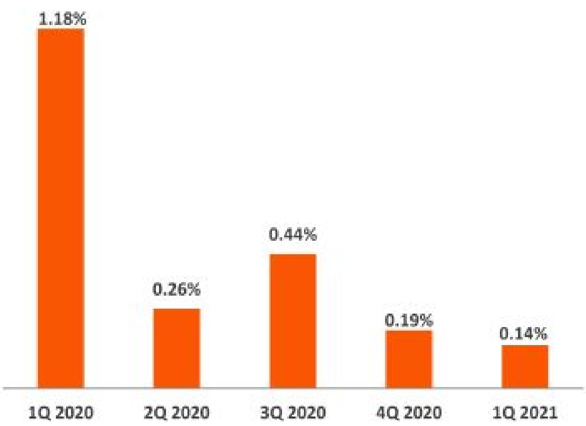
- Nonperforming loans declined $1.2 million due to resolution of long-term problem loans
- NPLs/total loans increased to 1.08% from 1.06% at the end of the prior quarter due to the decline in total loan balances
- Net charge-offs of $1.7 million, or 0.14% of average loans
- Provision for credit losses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

Nonperforming Loans / Total Loans

(Total Loans as of quarter-end)



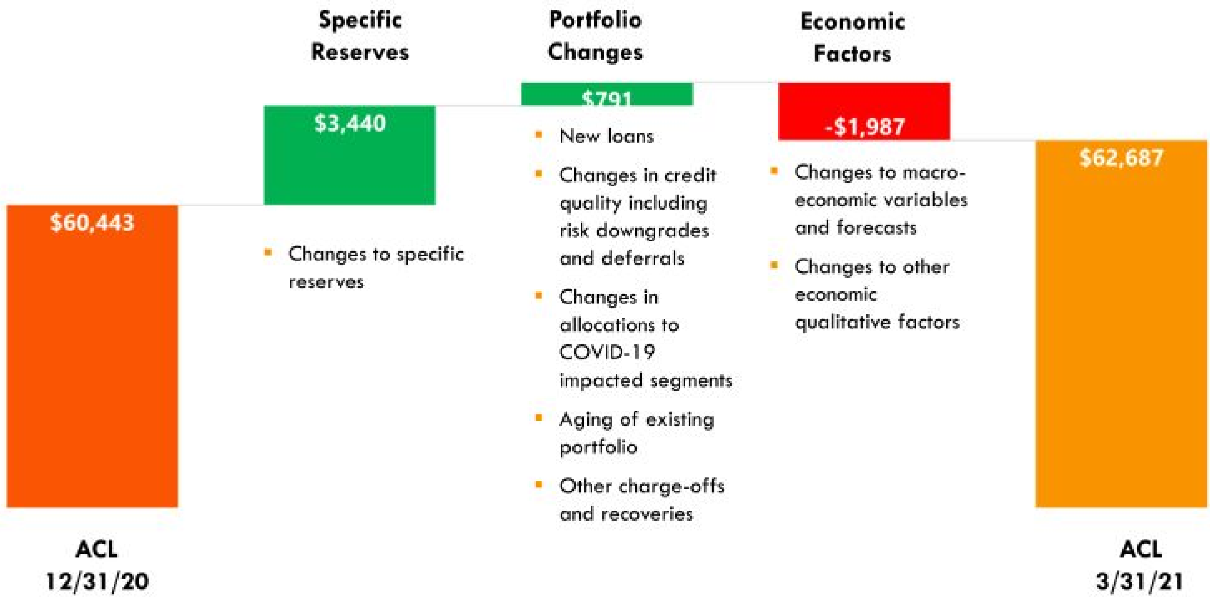
NCO / Average Loans



Midland States Bancorp, Inc.

Changes in Allowance for Credit Losses

($ in thousands)



ACL by Portfolio

($ in thousands)

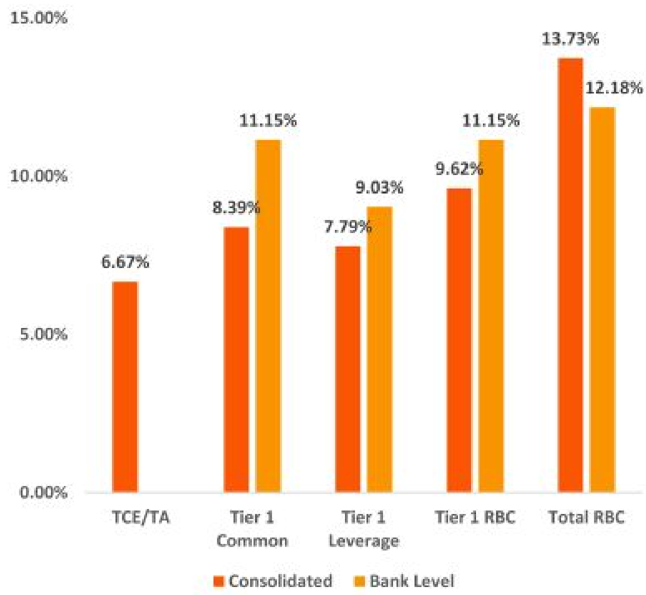
Portfolio	Total Loans at 3/31/21	ACL	% of Total Loans	Total Loans at 12/31/20	ACL	% of Total Loans
Commercial	$ 808,262	$ 8,214	1.02%	$ 937,382	$ 8,537	0.90%
Warehouse Lines	205,115	-	0.00%	273,298	-	0.00%
Commercial Other	766,632	9,125	1.19%	748,193	11,314	1.51%
Equipment Finance	456,059	8,575	1.88%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

Notes:
(1) Primarily consists of loans originated through GreenSky relationship

Midland States Bancorp, Inc.

Capital and Liquidity Overview

Capital Ratios
(as of 3/31/21)



Liquidity Sources
(as of 3/31/21)

($ in millions)	
Cash and Cash Equivalents	$ 631.2
Unpledged Securities	252.6
FHLB Committed Liquidity	645.2
FRB Discount Window Availability	57.3
Primary Liquidity	**1,586.3**
FRB – PPP Liquidity Facility[1]	211.6
Secondary Liquidity	**211.6**
Total Estimated Liquidity	**$ 1,797.9**

Conditional Funding Based on Market Conditions

Additional Credit Facility	$ 250.0
Brokered CDs (additional capacity)	$ 500.0

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

Other Liquidity
Holding Company Cash Position of $65.1 Million

Midland States Bancorp, Inc.

Outlook

Midland
States Bancorp, Inc.

2021 Outlook and Priorities

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

Midland States Bancorp, Inc.

Long-Term Formula for Enhancing Shareholder Value

Disciplined Balance Sheet Growth

+

Improving Operating Efficiencies

+

Stable Sources of Recurring Income

+

Accretive M&A Transactions

=

Earnings Growth, Improving Returns and Enhanced Franchise Value

Midland States Bancorp, Inc.

APPENDIX

Midland
States Bancorp, Inc.

ESG: A Framework for Sustainability

Environmental

Facilities

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

Paper Reduction

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

Social

Community Outreach

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

Culture and People

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

Philanthropy

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

Financial Education

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

CRA, Community Development and Financial Inclusion

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

Governance

Reputation

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

Oversight of Strategy and Risk

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

Data Security

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

Management of Legal and Regulatory Environment

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

Appendix: Reconciliation of TBV Per Share

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

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

Midland
States Bancorp, Inc.

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

Adjusted Earnings Reconciliation

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

Adjusted Pre-Tax, Pre-Provision Earnings Reconciliation

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

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

Efficiency Ratio Reconcilation

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

Midland
States Bancorp, Inc.

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

Adjusted Earnings Reconciliation

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

Adjusted Pre-Tax, Pre-Provision Earnings Reconciliation

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

Midland States Bancorp, Inc.

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

Efficiency Ratio Reconciliation

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

Midland States Bancorp, Inc.

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

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

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

Return on Average Tangible Common Equity (ROATCE)

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

Midland States Bancorp, Inc.