Midland States Bancorp, Inc.

NASDAQ: MSBI

Investor Presentation

May 2017

Midland States Bancorp, Inc.

Forward-Looking Statements. This presentation contains forward-looking statements within the meaning of the federal securities laws. Forward-looking statements express management's current expectations, forecasts of future events or long-term goals and, by their nature, are subject to assumptions, risks and uncertainties, many of which are beyond the control of Midland States Bancorp, Inc. (the "Company", "Midland States" or "MSBI"). Actual results could differ materially from those indicated. Forward-looking statements speak only as of the date they are made and are inherently subject to uncertainties and changes in circumstances, including those described under the heading "Risk Factors" in the Company's annual report on form 10-K for the year ended December 31, 2016, filed with the Securities and Exchange Commission ("SEC"). Forward-looking statements are not guarantees of future performance and should not be relied upon as representing management's views as of any subsequent date. The Company undertakes no obligation to update forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law.

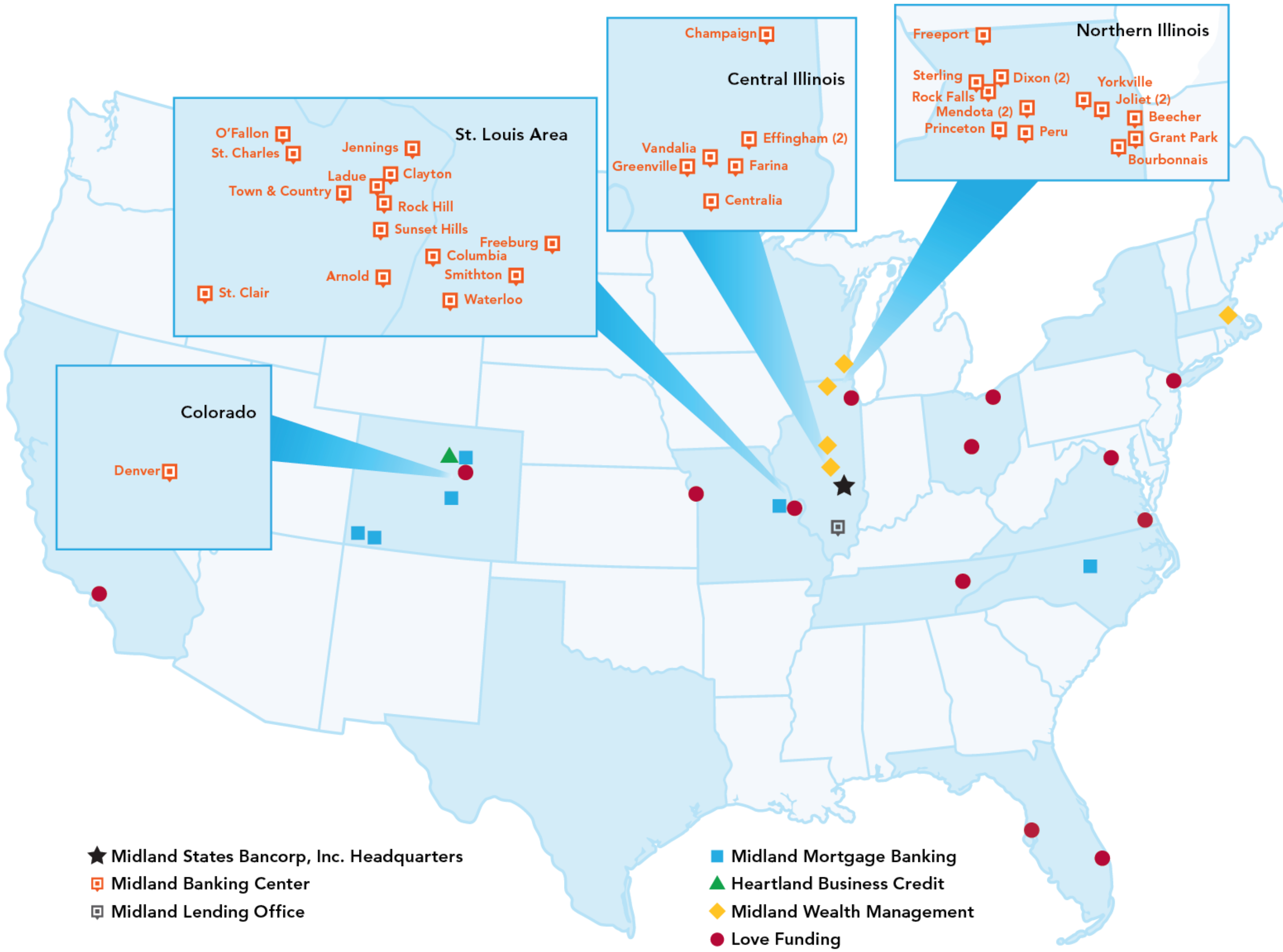
Use of Non-GAAP Financial Measures. This presentation contains certain financial information determined by methods other than in accordance with accounting principles generally accepted in the United States ("GAAP"). These non-GAAP financial measures include "Core Deposits," "Adjusted Return on Average Assets," "Adjusted Return on Average Tangible Common Equity," "Adjusted Diluted Earnings Per Share," "Core Loan Growth," "Adjusted Earnings," "Adjusted Earnings Available to Common Shareholders," "Yield on Loans Excluding Accretion Income," "Net Interest Margin Excluding Accretion Income," and "Tangible Book Value Per Share." The Company believes that these non-GAAP financial measures provide both management and investors a more complete understanding of the Company's funding profile and profitability. These non-GAAP financial measures are supplemental and are not a substitute for any analysis based on GAAP financial measures. Because not all companies use the same calculation of these measures, this presentation may not be comparable to other similarly titled measures as calculated by other companies. Reconciliations of these non-GAAP measures are provided in the Appendix section of this presentation.

Company Snapshot

- **$3.4 billion asset community bank established in 1881 and headquartered in Effingham, Illinois**
- **Five principal business lines**
  - Traditional community banking
  - Residential mortgage origination
  - Wealth management
  - Commercial FHA origination & servicing
  - Commercial equipment leasing
- **70+ offices throughout the U.S. including 37 traditional branches in Illinois and Missouri**
- **12 successful acquisitions announced since 2008**
  - Pending acquisition of Centrue Financial Corp. will add approx. $1 billion in assets

Dynamic and diversified business model pairing organic and acquisitive growth

Financial Services & Banking Center Footprint



Residential Mortgage and Wealth Management services are also available through all Midland Banking Centers.

Investment Summary

- Diversified financial holding company with community banking presence across Illinois, and in Missouri and Colorado
- Multiple complementary business lines provide continued organic growth opportunities and diversified revenue streams, with non-interest income accounting for 37.3% of total revenue[(1)]
- Experienced and deep management team led by Board of Directors with considerable ownership
- Following management transition completed in 2007, consistent track record of driving compelling shareholder returns through disciplined strategic expansion and earnings growth
- Solid asset quality with low charge-off history driven by a diversified loan portfolio, conservative credit culture and disciplined underwriting process
- Attractive, stable and expandable core deposit franchise with 20.9% non-interest bearing accounts[(2)]
- 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
- Comprehensive risk management standards applied throughout the entire business

Notes:
(1) For the three months ended March 31, 2017
(2) As of March 31, 2017

Business and Corporate Strategy

- **In conjunction with a new leadership team, MSBI's corporate initiative-driven strategic plan was adopted in late 2007 to build a diversified financial services company anchored by a strong community bank**

- **Five core strategic initiatives:**

Revenue Diversification	Generate a diversified revenue mix and build customer loyalty; driven originally by a wealth management focus, this core initiative has expanded to include residential mortgage origination and servicing, commercial FHA origination and servicing, and commercial equipment leasing
Customer-Centric Culture	Drive our 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
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
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
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

Management Team

Highly experienced senior management in place:

John M. Schultz: Chairman of the Board

- Held the position since 2006
- Chief Executive Officer of Agracel, Inc.
- Author of *BoomtownUSA: the 7 ½ Keys to Big Success in Small Towns*

Leon J. Holschbach: President & Chief Executive Officer

- Joined Midland States in August 2007
- 35+ years in community banking; 25+ years as bank president
- Held various executive and senior roles at community banks

Jeffrey G. Ludwig: Executive Vice President

- Recently promoted to President of the Bank
- Previously served 10 years as CFO
- Joined Midland States in November 2006; 16+ years in banking industry

Kevin L. Thompson: Chief Financial Officer

- Joined Midland States in November 2016
- Held various senior finance positions at multiple diversified, high growth financial institutions
- Significant public company / SEC reporting experience

Jeffrey S. Mefford: EVP, Banking

- 25+ years in community banking
- Recently promoted from SVP position
- Oversees commercial, retail, and treasury sales

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

- 19+ years experience advising banks and bank holding companies
- Significant IPO, SEC reporting and M&A experience
- Served as lead outside counsel for all of Midland's acquisitions and capital raise transactions from 2007 prior to joining the Company

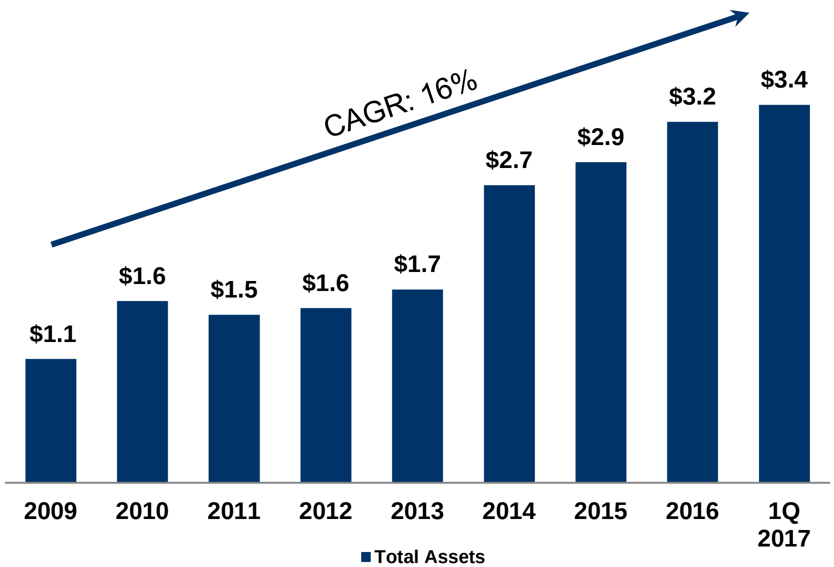
- **Risk-focused corporate culture, promoting responsibility and accountability**
- **MSBI common shares are 14.9%(1) owned by the Board of Directors and executive officers**

Note:
(1) As of March 31, 2017; beneficial ownership includes shares of unvested restricted stock that officers are entitled to vote, but does not include common stock equivalent units owned by directors or officers under the Deferred Compensation Plan

Strategic Growth History

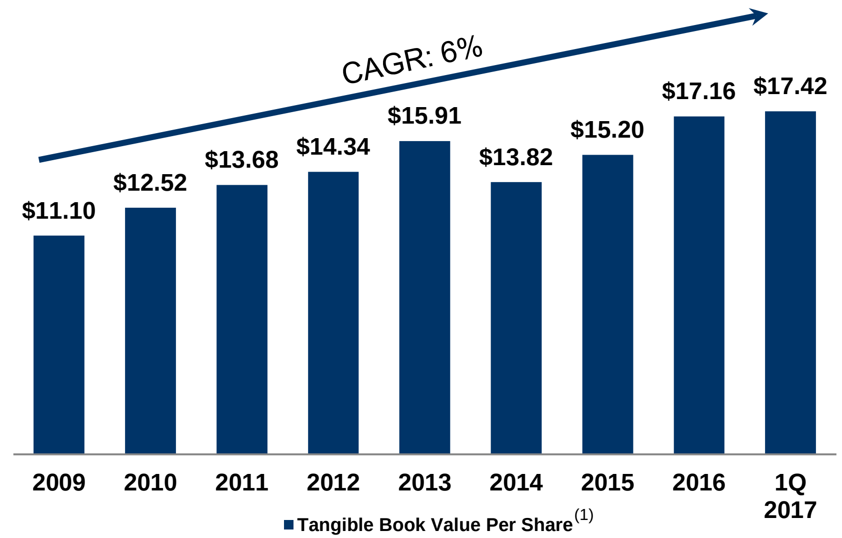
Successful Execution of Strategic Plan…

(at period-end in Billions)



…Driving Consistent TBV Growth

(at period-end)



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)

Successful Acquisition History

- **Midland States has announced 12 transactions since 2008, including FDIC-assisted, branch, whole bank, asset purchase, business line, 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**

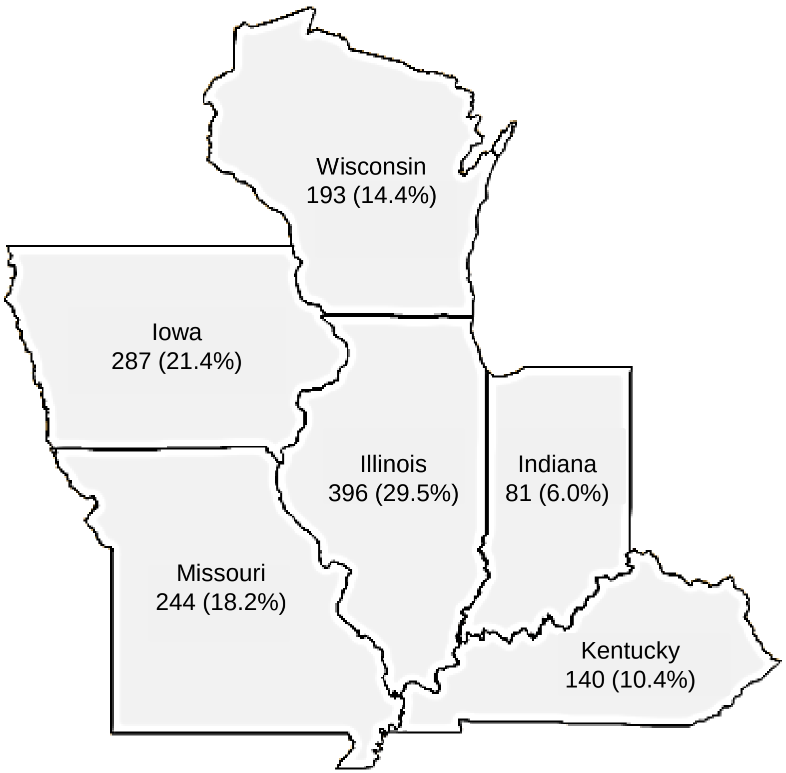
Selected Acquisitions

	2009	2009	2010	2010	2013	2014	2016	2017
	Waterloo Bancshares	**Strategic Capital Bank**	**AMCORE Bank, N.A.**	**Westbridge Bank & Trust**	**Grant Park Bancshares**	**Love Savings / Heartland Bank**	**Sterling Bancorp**	**Centrue Financial (pending)**
Acquisition Type	Whole Bank	FDIC-Assisted	Branch	FDIC-Assisted	Whole Bank	Whole Bank	Trust Administration	Whole Bank
Assets Acquired ($mm)	$116.1	$540.4	$499.5	$84.7	$108.7	$889.0	-	$975.8
City, State	Waterloo, IL	Champaign, IL	Rockford, IL	Chesterfield, MO	Grant Park, IL	St. Louis, MO	Yonkers, NY	Ottawa, IL
		Financially Transformative	**Operationally Transformative**			**Revenue Diversification**		**Enhanced Scale and Market Presence**

Market Opportunities & Acquisition Strategy

- **MSBI believes there will be numerous small to midsized banking organizations available for acquisition within Illinois and contiguous states**
- **There are 1,341 institutions in the six-state region with less than \$1.0 billion in assets [(1)]**
  - Illinois and Missouri combine for a total of 640 of those institutions
- **MSBI targets institutions with demographics similar to current markets that are strategically compelling and financially accretive**
- **Remain a community bank focused on customer service**

Number of Banks & Thrifts
With less than \$1.0 Billion in Assets [(1)]



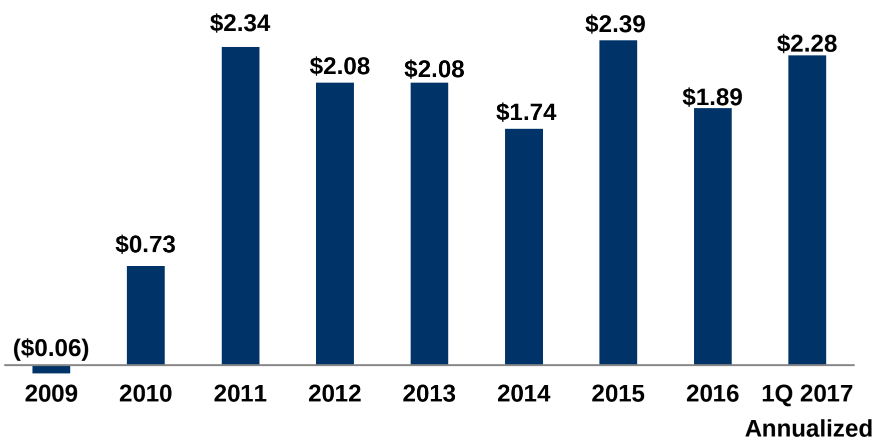
Be a "partner of choice" for community banks with scale and/or succession challenges

Note:
(1) Based on March 31, 2017 financial data
Source: SNL Financial

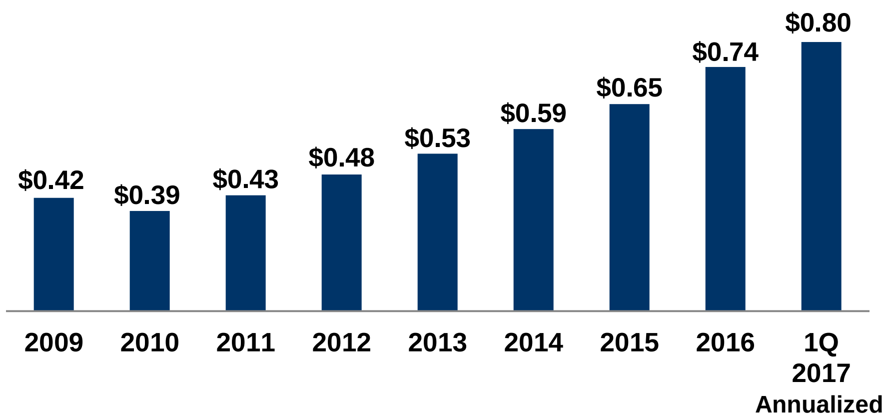
Compelling Earnings and Dividend History

- **Profitability and earnings per share are driven by MSBI's attractive asset base, core funding structure and growing fee generating businesses**
- **10%+ annual dividend growth over the past 15 years**

Adjusted Diluted Earnings Per Share [1]



Dividends Declared Per Share

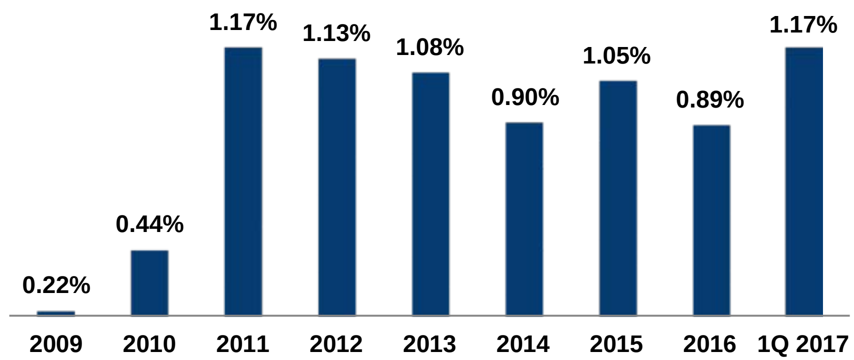


MSR Impairment Impact [2]:	2015	2016	2017
Pre-tax aggregate	$0.4mm	$3.1mm	$0.1mm
After-tax per share	$0.02	$0.14	$0.00
Annualized after-tax per share	--	--	--

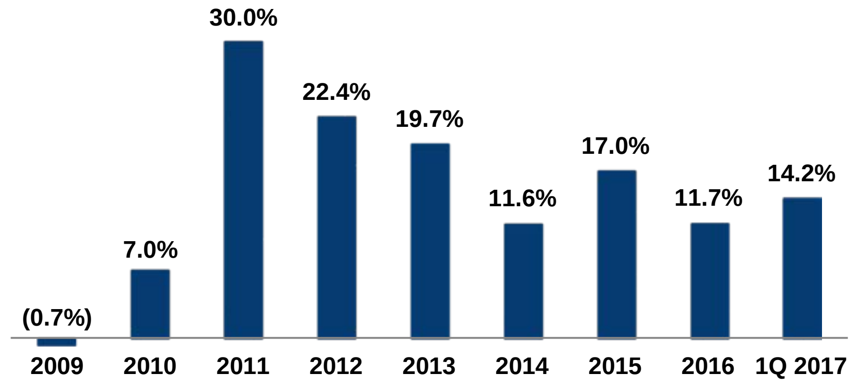
Notes:
(1) Adjusted diluted earnings per share is a non-GAAP financial measure; please see page 40 for a reconciliation
(2) 2017 results included $0.1 million pre-tax impairment on mortgage servicing rights, which had no impact to diluted earnings per share; 2016 results include $3.1 million pre-tax impairment on mortgage servicing rights; 2016, the after-tax MSR impairment impact per diluted share is $0.14 based on 14,428,839 weighted average diluted common shares outstanding and the Company's 35% effective tax rate; 2015 results include $0.4 million pre-tax impairment on mortgage servicing rights; for 2015, the after-tax MSR impairment impact per diluted share is $0.02 based on 12,112,403 weighted average diluted common shares outstanding and the Company's 35% effective tax rate

Performance Metrics

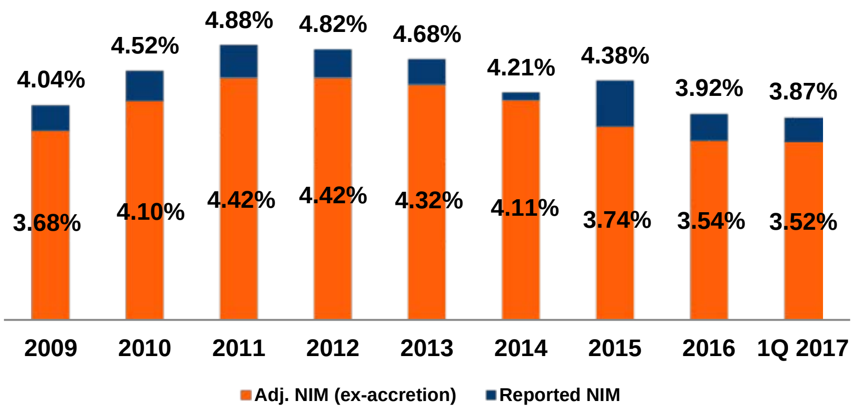
Adjusted Return on Average Assets [1]



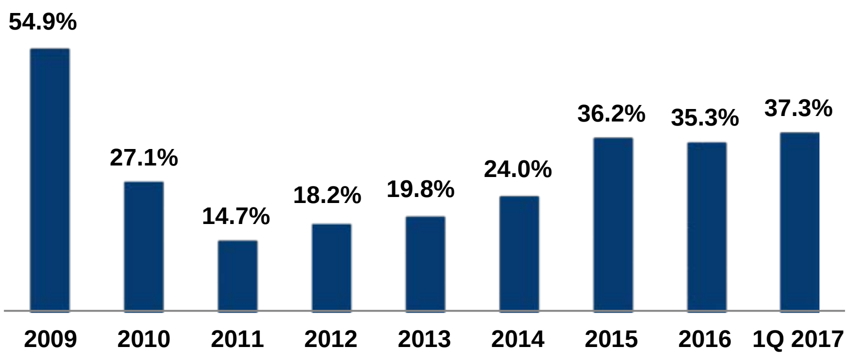
Adjusted Return on Avg. Tangible Common Equity [1]



Net Interest Margin [2]



Noninterest Income / Total Revenue



Notes:

(1) Adjusted return on average assets and adjusted return on average tangible common equity are non-GAAP financial measures; please see page 41 for a reconciliation

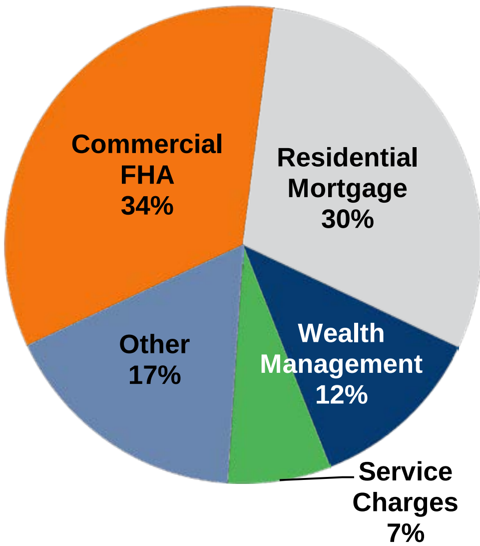
(2) Net interest margin excluding accretion income is a non-GAAP financial measure management uses to assess the impact of purchase accounting on the yield on loans and net interest margin, excluding loan accretion from acquired loans; please see page 40 for a reconciliation

Diversified Revenue Streams

- **Significant base of four non-interest income sources diversify earnings across various operating environments while reducing sensitivity to changes in the yield curve**
  - Love Savings/Heartland Bank acquisition augmented mortgage banking revenue and provided further noninterest income diversification
  - FHA financing subsidiary, Love Funding, generates income from GNMA securitization fees, origination fees and retained servicing rights

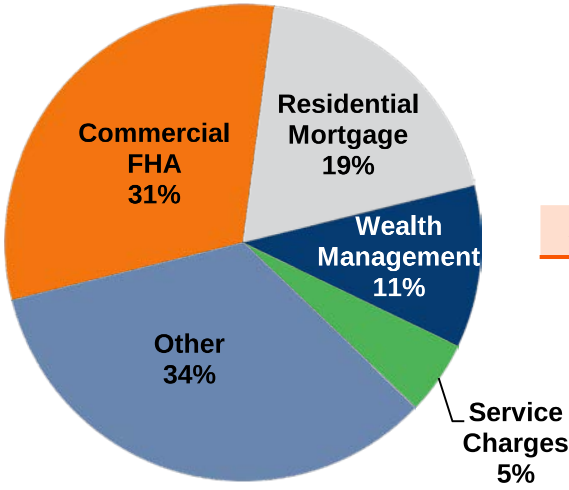
Full Year Ended December 31, 2015

$59.5mm



Full Year Ended December 31, 2016

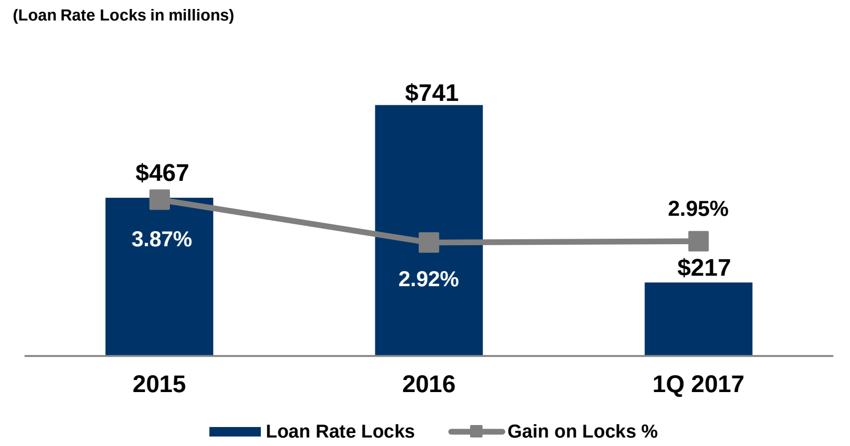
$72.1mm



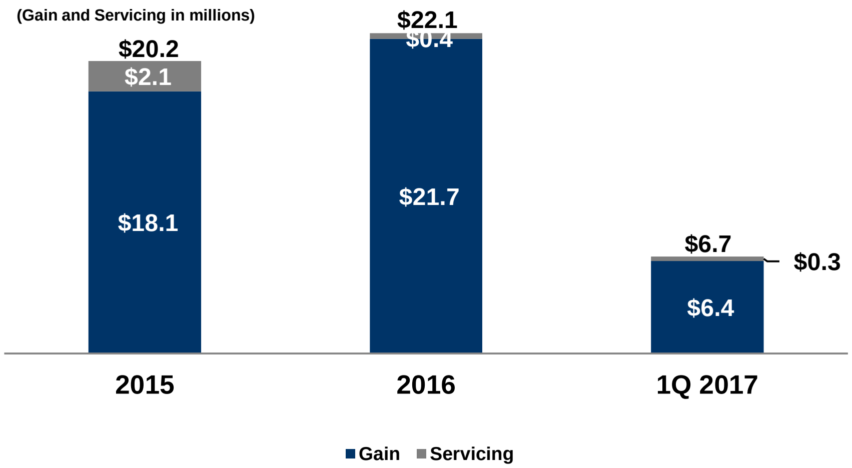
Business Unit Review - Love Funding

- Commercial FHA origination and servicing business focused on multifamily and healthcare facilities
- One of the top originators of government sponsored mortgages for multifamily and healthcare facilities in the U.S.
- CEO with 17 years tenure and previously with HUD for 12 years
- Long-term replacement reserve deposits for maintenance/capex of properties and escrow deposits are low-cost sources of funds
- $3.9 billion servicing portfolio with average deposits of $280 million at 1Q17

Loan Rate Locks and Gain on Locks



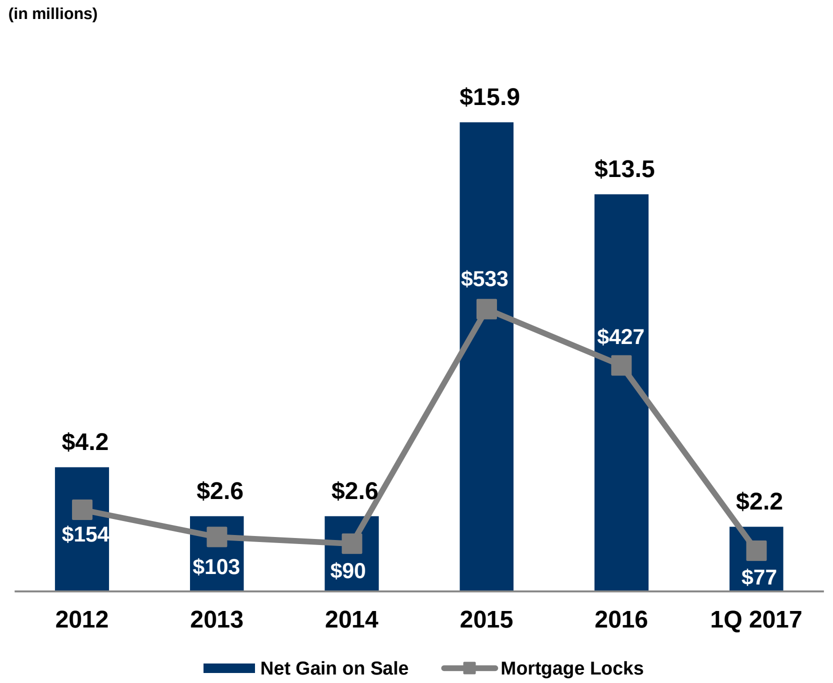
Commercial FHA Revenue Mix



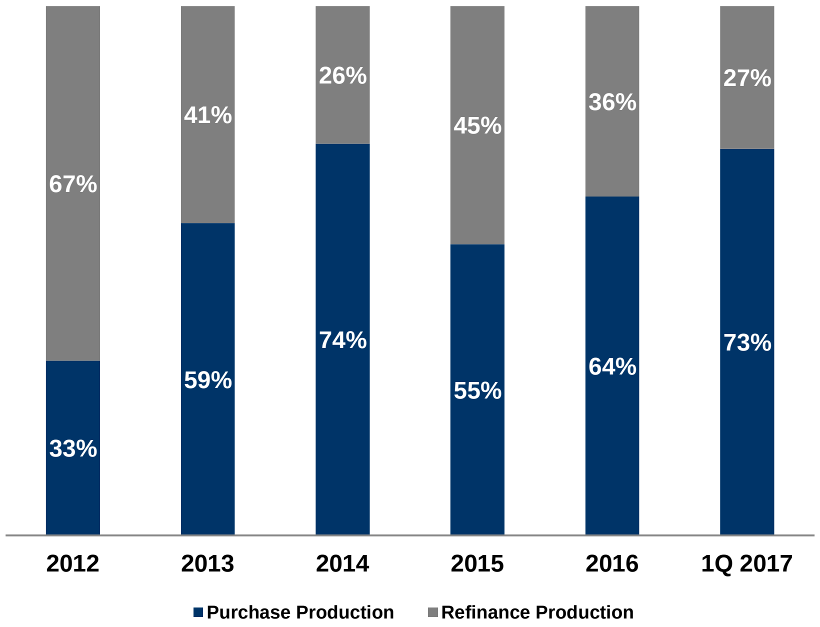
Business Unit Review - Residential Mortgage

- **Residential mortgage loan origination and servicing**
- **Cornerstone product – contributes substantial fee income for the Bank**
- **15 fold increase in mortgage originations from eight years ago**

Net Gain on Sale and Mortgage Locks



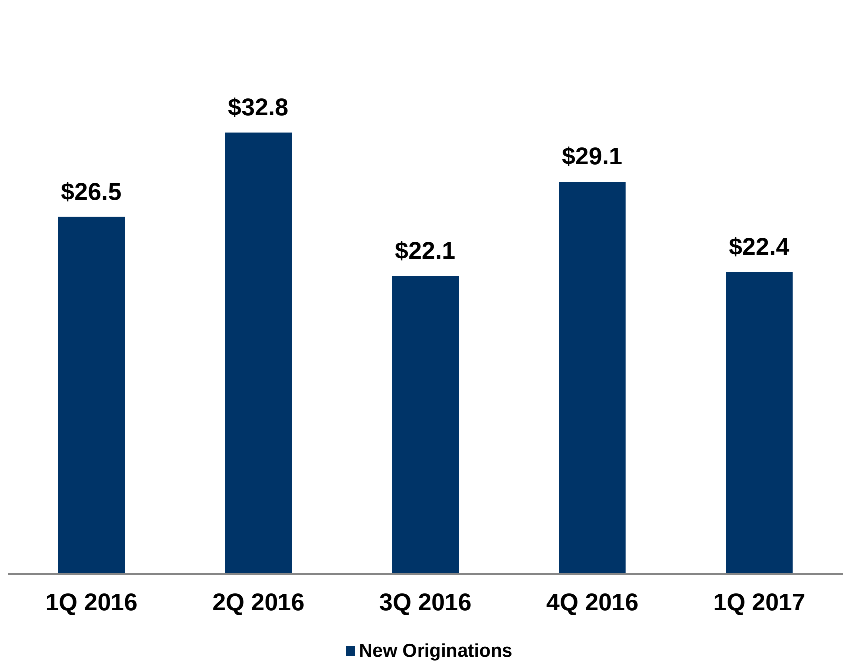
Purchase / Refinance Mix



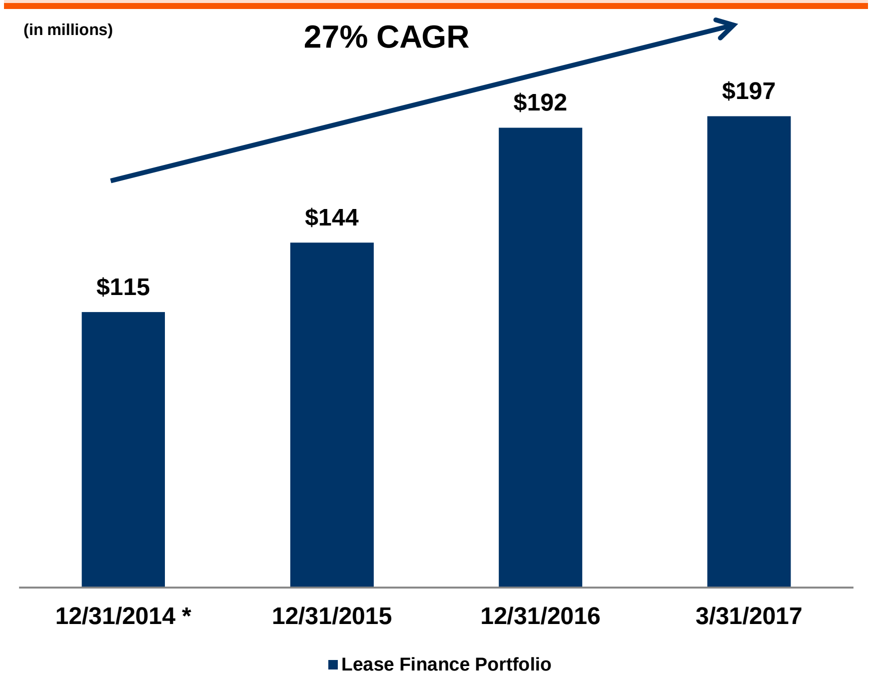
Business Unit Review - Heartland Business Credit

- Equipment leasing sourced from a network of equipment manufacturers and brokers
- Target industries include: Healthcare, Petroleum, Telecommunications and Lighting
- Attractive yields – average rate (ex. accretion) on lease finance portfolio was 5.44% in 1Q17

New Originations



Lease Finance Portfolio



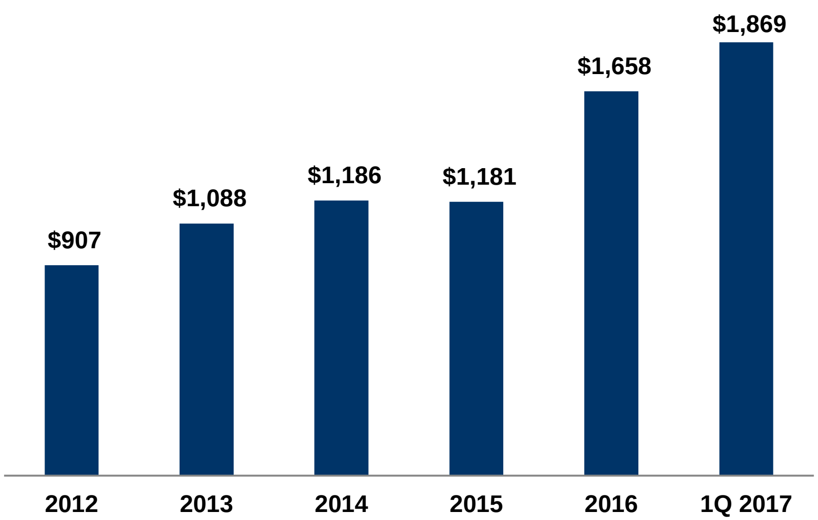
* Date of acquisition

Business Unit Review – Wealth Management

- Offers comprehensive suite of Trust and Wealth Management products
- Acquisition of Sterling Trust (Nov. 2016) added $400 million in Assets Under Administration
- Acquisition of CedarPoint Investment Advisors (Mar. 2017) added RIA platform
- Year-over-year organic growth in assets under administration in 1Q17 was $109 million, or 9%, excluding both the Sterling Trust and CedarPoint acquisitions

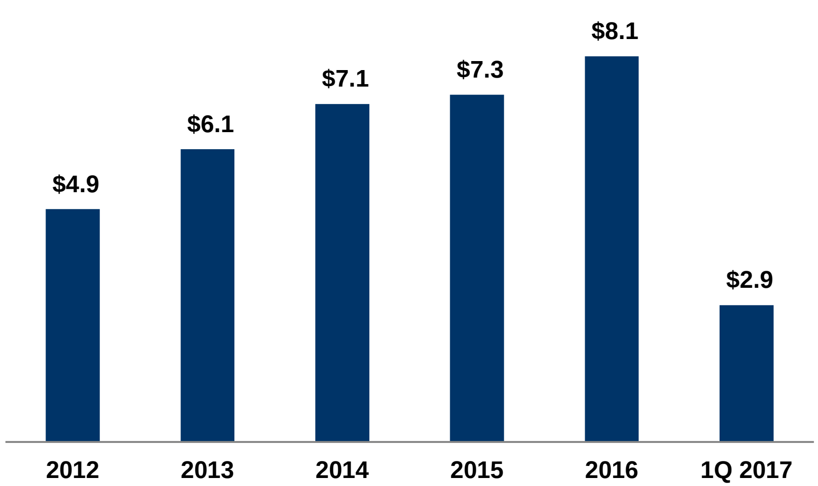
Assets Under Administration

(in millions)



Wealth Management Revenue

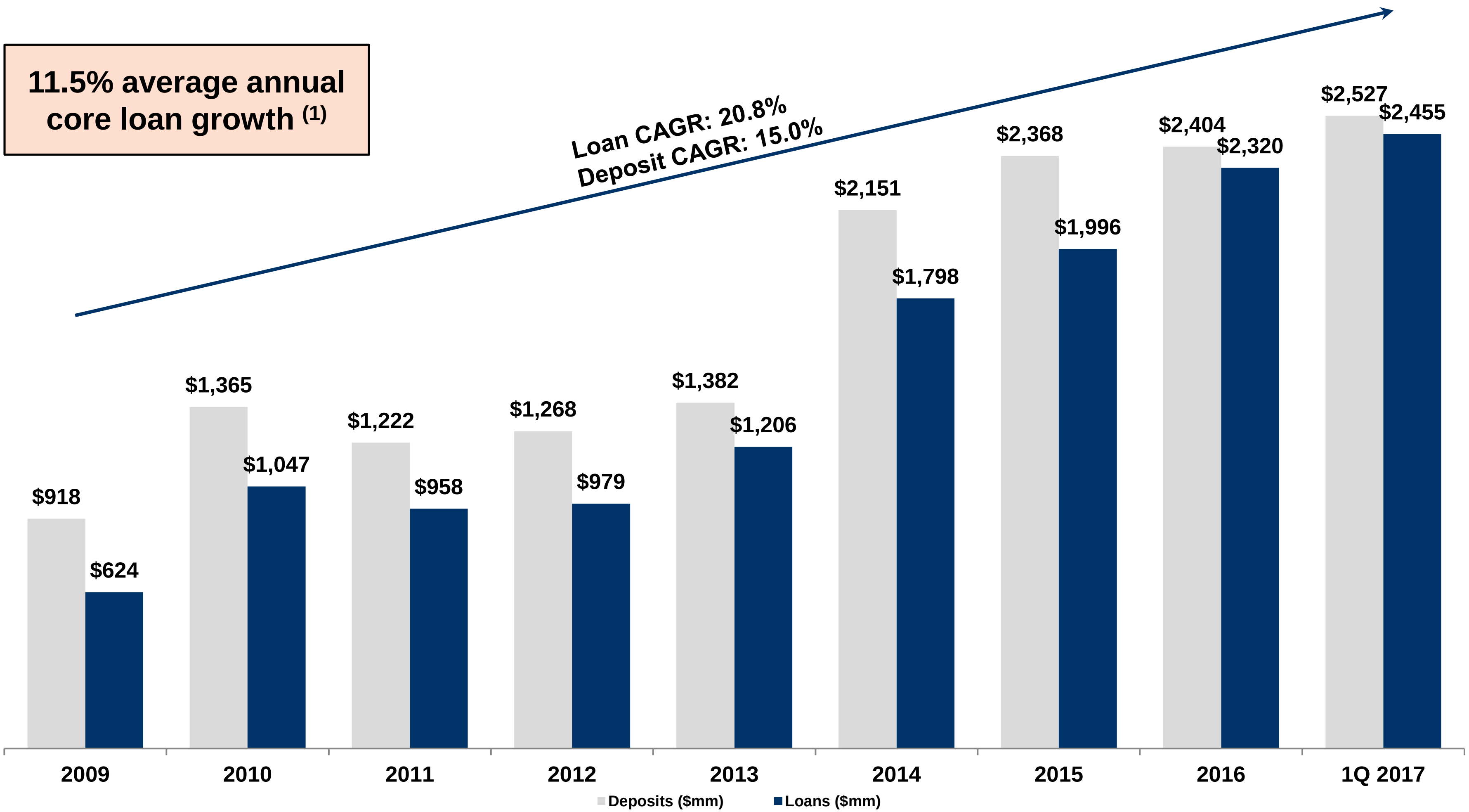
(in millions)



Delivering Organic Loan Growth

Total Loans and Deposits

11.5% average annual core loan growth (1)

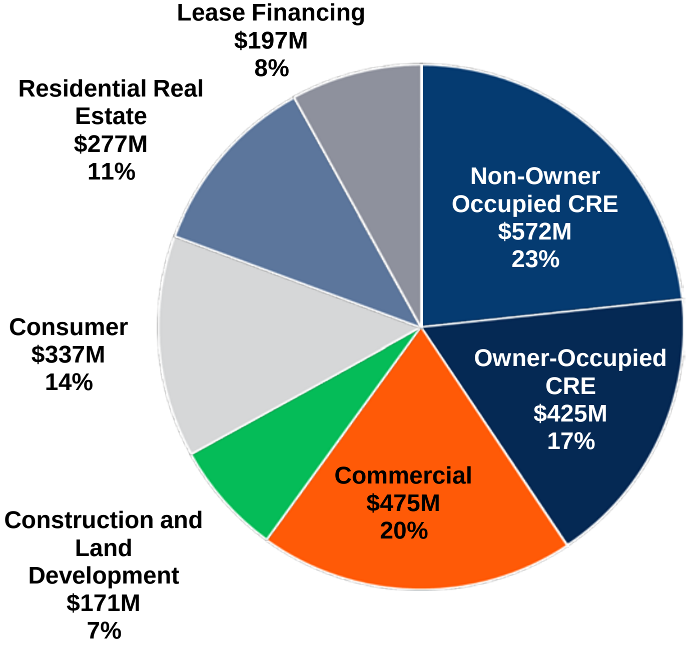


Note:
(1) Average annual core loan growth represents average percentage change in the Company's core loans from December 31, 2008 to March 31, 2017; core loans represent non-PCI loans, less non-PCI loans acquired, plus non-PCI loans sold as of the date the loans were acquired or sold, and exclude certain short-term loans that the Company does not consider to be core loans; acquired non-PCI loans become core loans subsequent to the acquisition date and will negatively affect core loan growth in future periods as these loans are repaid or prepaid

Loan Portfolio Overview[1]

- Broadly diversified loan portfolio by type of customer and loan type
- Current loan origination efforts focus on high quality commercial loan segments
- 62% of portfolio is fixed; 38% is floating
- In addition to growth via acquisition, MSBI has generated organic loan growth of 7.8% in 2014, 11.6% in 2015, 16.7% in 2016 and 20.6% annualized during the three months ended March 31, 2017

Loan Portfolio Mix



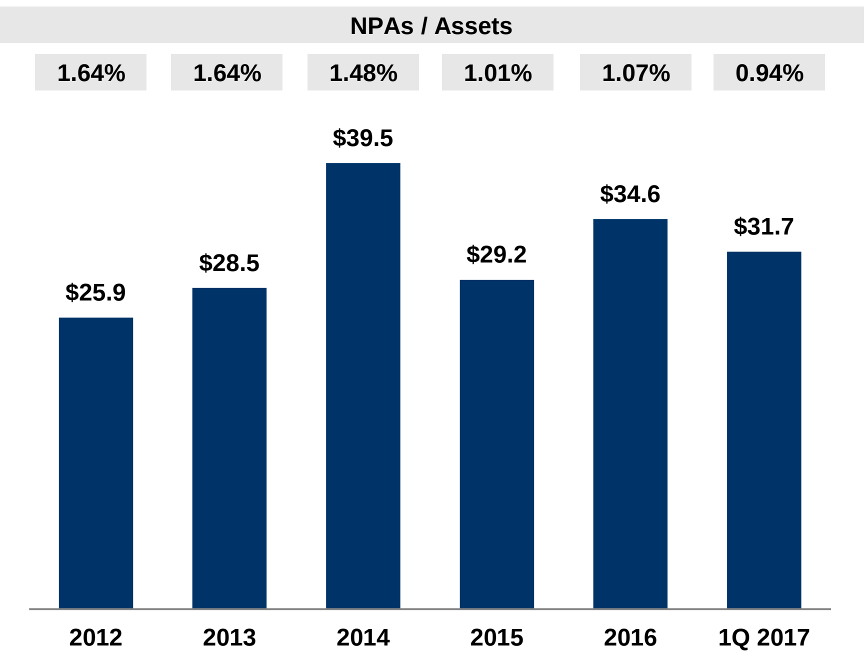
$2.5 Billion Gross Loans
4.91% Yield

Note:
(1) Includes purchased credit-impaired loans of $18.1 million as of March 31, 2017

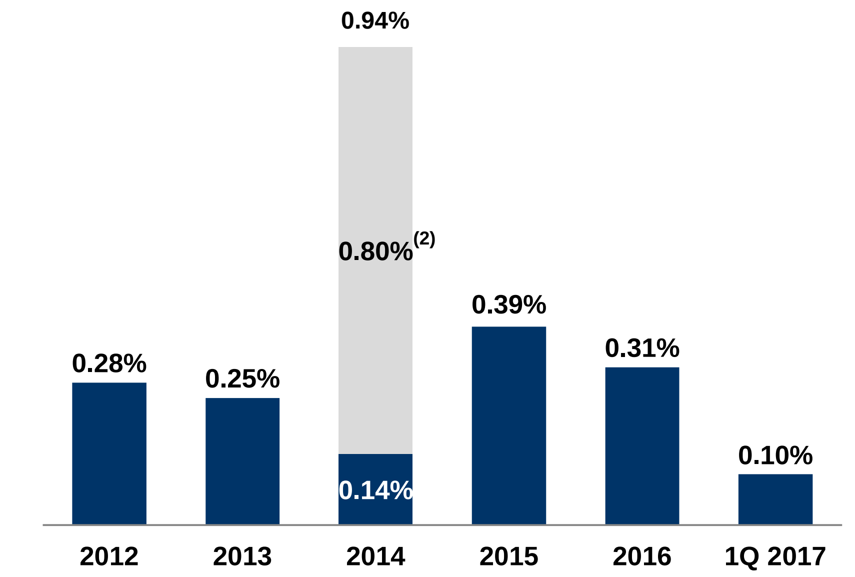
Strong Credit Quality

- **Managed by experienced personnel, MSBI maintains a disciplined approval process and conservative credit culture**
- **Credit losses have steadily declined since 2015**

Nonperforming Assets ($mm) (1)



NCOs / Average Loans

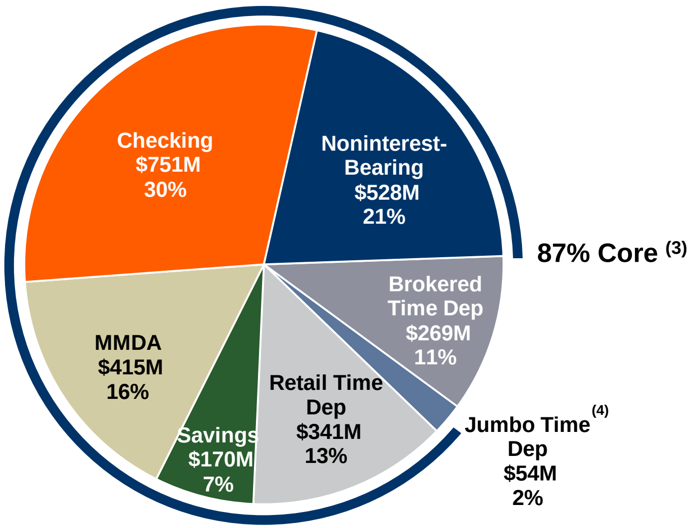


Notes:
(1) Nonperforming assets include nonperforming loans, other real estate owned and other repossessed assets; nonperforming assets exclude covered other real estate owned related to our two FDIC-assisted transactions; nonperforming loans include nonaccrual loans, loans past due 90 days or more and still accruing interest and loans modified under troubled debt restructurings; nonperforming loans exclude purchased credit-impaired loans, or PCI loans, acquired in our prior acquisitions; PCI loans had carrying values of $43.0 million, $30.4 million, $44.2 million, $38.5 million, $29.4 million and $18.1 million as of December 31, 2012, 2013, 2014, 2015, 2016 and March 31, 2017, respectively; this ratio may therefore not be comparable to a similar ratio of our peers
(2) NCOs for 2014 include a $9.8 million charge-off of a PCI loan related to a pool of commercial real estate loans from a previous FDIC acquisition being closed out in 2014 due to no more active loans remaining in the pool; excluding this charge-off, NCOs / Average Loans for the period would be 0.14%
(3) As of or for the three months ended March 31, 2017

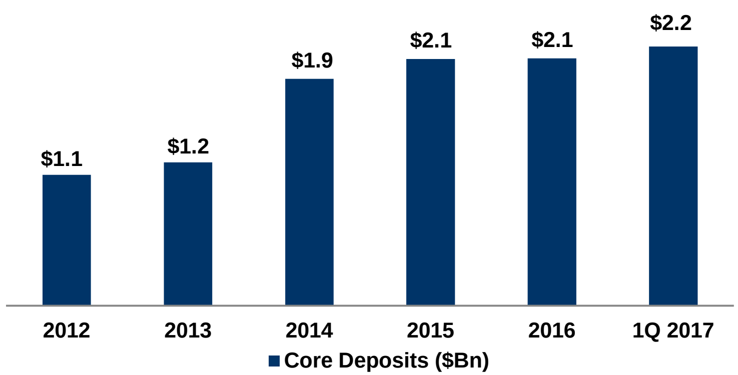
Attractive and Growing Core Deposit Base (1)

- 87% core deposits
- 21% non-interest bearing deposits
- Low cost of deposits at 40 basis points
- Recent acquisitions have improved overall funding mix

Deposit Mix



Core Deposits (3)



$2.5 Billion Total Deposits
0.40% Cost

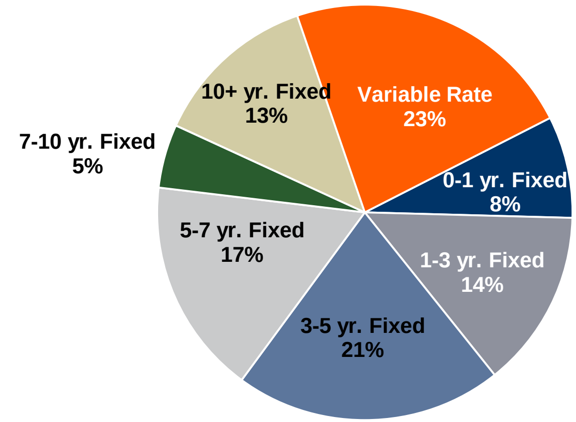
Notes:
(1) As of or for the three months ended March 31, 2017
(2) Net non-core funding dependence ratio represents the degree to which the Bank is funding longer term assets with non-core funds; this ratio is calculated as non-core liabilities, less short term investments, divided by long term assets
(3) Core deposits defined as total deposits less brokered deposits and certificates of deposit greater than $250,000
(4) Jumbo time deposits classified as time certificates of $250,000 or more

Well Positioned for Higher Interest Rates

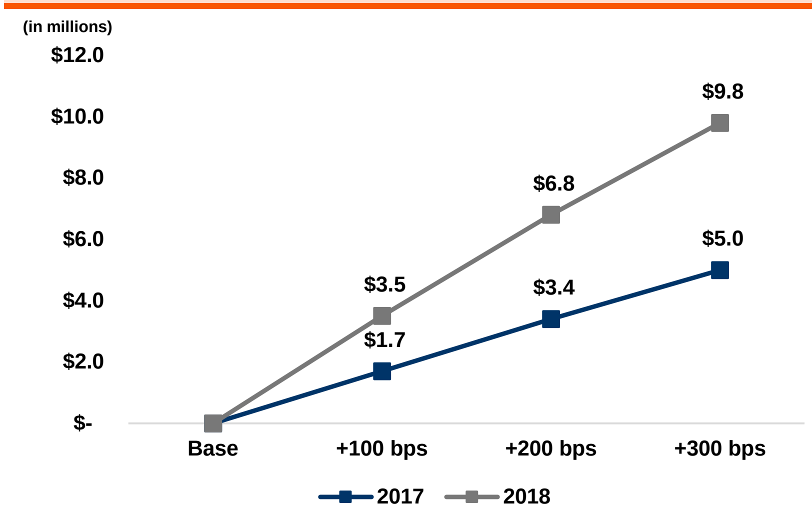
- **Midland's modeled base case earnings outlook for the years 2017 and 2018 in an +100 bps scenario would boost net interest income by $1.7 million in 2017 and $3.5 million in 2018**

- **Conservative asset sensitive position reflects the impacts from shorter-duration investment and loan portfolios as of March 31, 2017**

Loan Maturities



Earnings Sensitivity [1]



Asset & Liability Durations

Securities	3.0
Loans	1.4
Non-interest checking	5.5
NOW	3.2
MMDA	0.5
Savings	6.0
Time Deposits	1.2
Borrowings	1.2

Notes:
(1) Base case assumes static rates and balance sheet as of March 31, 2017, without any additional FOMC projected rate hikes.

Midland States Bancorp
Acquisition of
Centrue Financial Corporation

Midland
States Bancorp, Inc.

Transaction Highlights

Scalable $1 Billion Franchise that Strengthens Existing Footprint

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

Strong Transaction Economics

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

Deal Execution

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

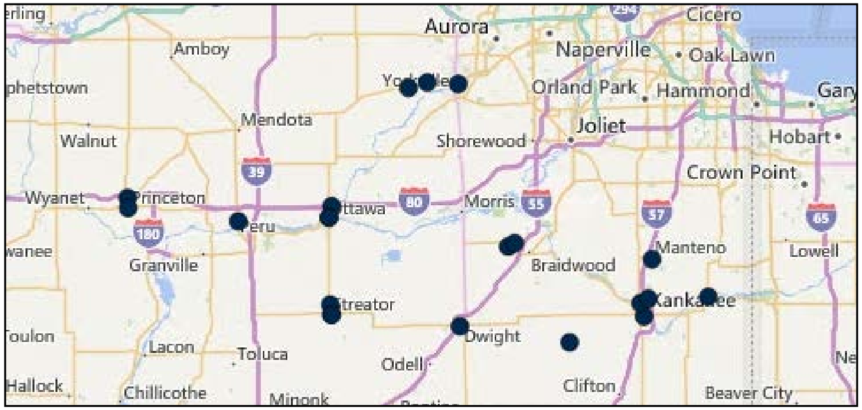
Notes:
(1) Excludes Discover Financial Services and merger targets.
(2) Per SNL Financial and Centrue Financial Corporation's Earnings Presentation.

Centrue Financial Corporation Overview

Overview

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

Branch Map[3]



Financial Highlights[1],[4]

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

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

Centrue Financial Corporation's Recent Improvements

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

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

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

Pro Forma Franchise

Overview

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

Pro Forma Deposit Market Share(3)

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

Branch Map

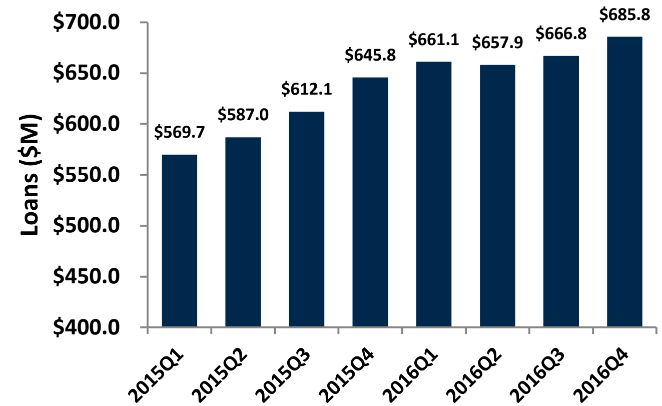
Notes:
(1) Excludes Discover Financial Services and merger targets.
(2) MSBI and CFCB as of 12/31/2016.
(3) Per 2016 FDIC Summary of Deposits. Note: branch count does not account for pending branch closures. Branch map does not depict Midland's Colorado location.

Diversified, Low Risk Loan Portfolio

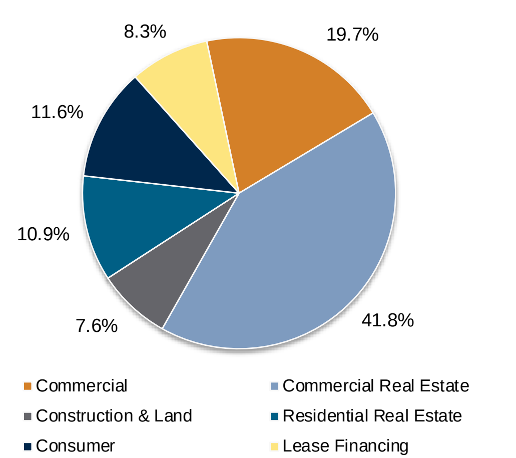
Centrue Financial Loan Portfolio

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

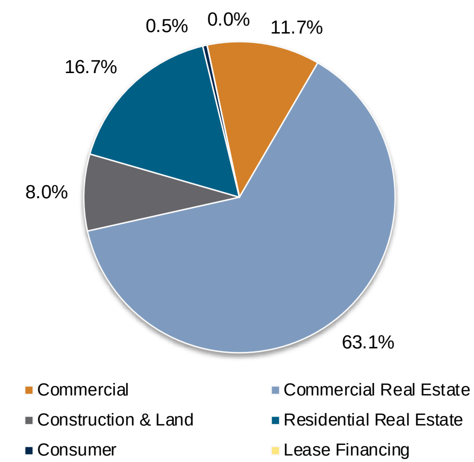
Centrue Loan Growth



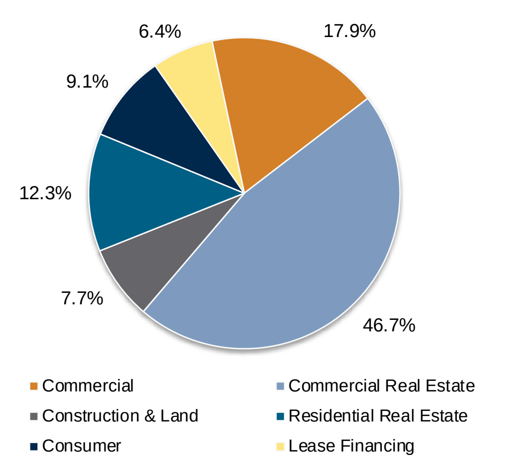
Midland States



Centrue



Pro Forma



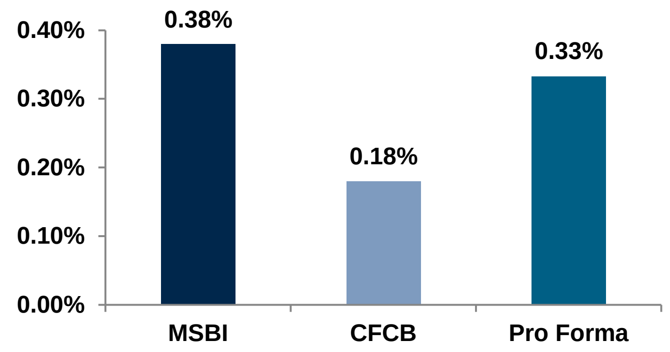
Notes:
Source: Centrue filings.
Note: Midland States Bancorp, Inc.’s and Centrue Financial Corp.’s financials based on BHC-GAAP data as of 12/31/2016.

Attractive Core Deposit Base

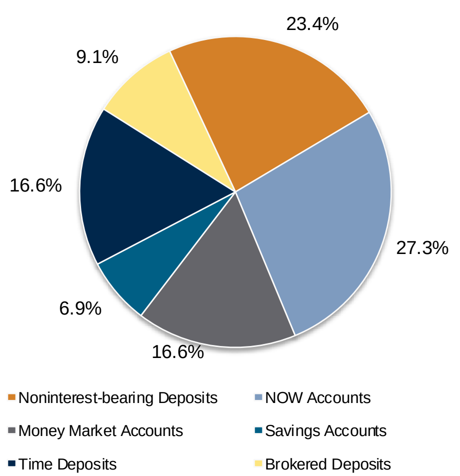
Centrue Financial Deposit Overview

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

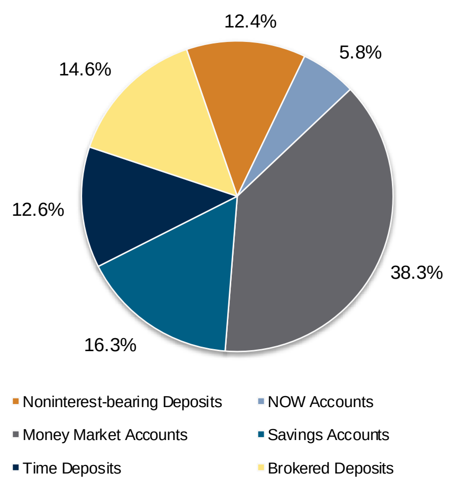
LTM Cost of Deposits



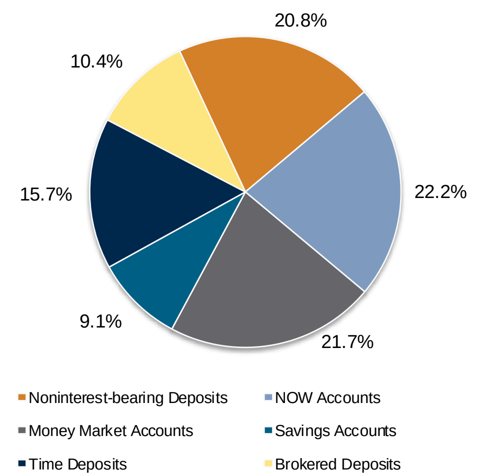
Midland States



Centrue



Pro Forma



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

Summary of Deal Terms

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

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

Key Transaction Assumptions

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

Recent Financial Performance and Outlook

Midland States Bancorp, Inc.

First Quarter 2017 Summary

Strong Earnings	Net income of $8.5 million or $0.52 per diluted share
Positive Trends in Key Metrics	Strong loan growth, expanding NIM, higher non-interest income, greater efficiencies and improvement in credit quality
Robust Loan Growth	Total loans increased 23% on an annualized basis
Wealth Management Acquisition	Expanded Wealth Management business with acquisition of CedarPoint Investment Advisors, our first Registered Investment Advisory firm
Operational Excellence	Completed branch network optimization efforts and achieved targeted cost savings and efficiencies

Catalysts for Continued Profitable Growth

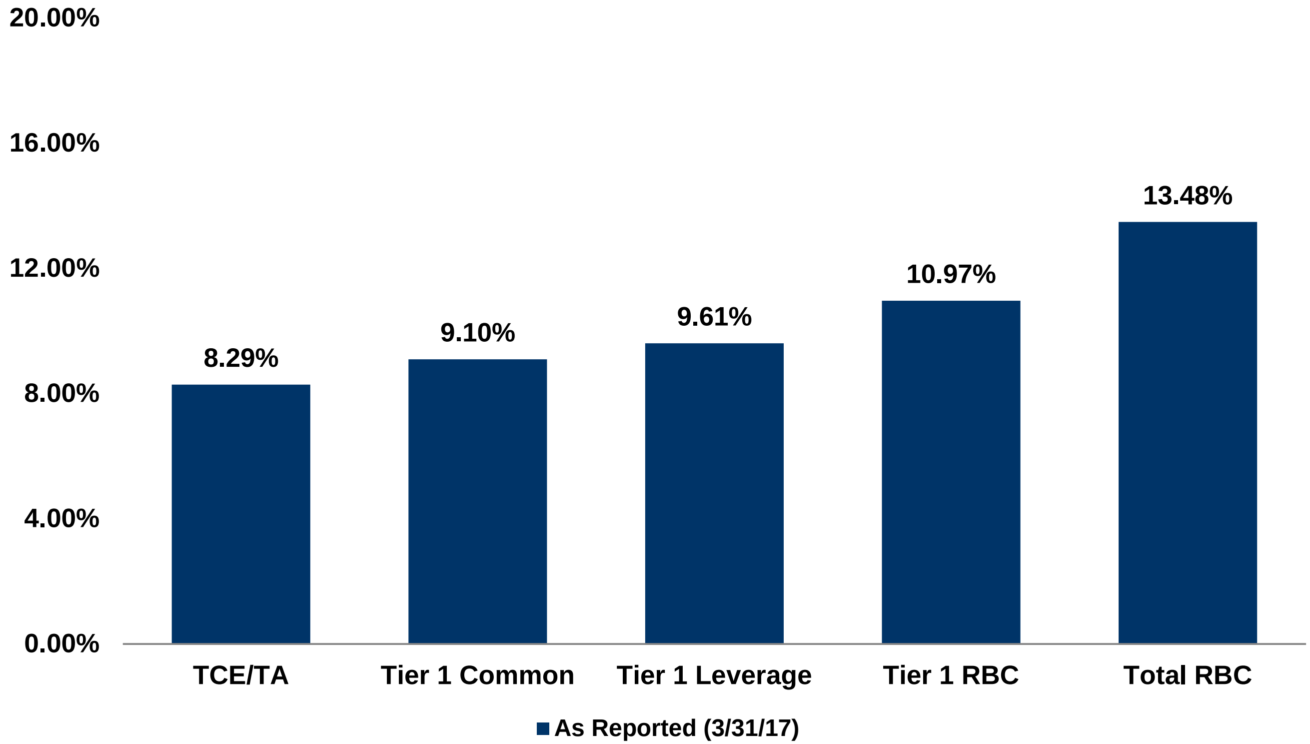
- Healthy economic conditions in our markets
- Multiple lending areas and specialty businesses experiencing strong organic growth
- New RIA platform enhances ability to recruit new talent to Wealth Management business
- Operational Excellence initiative driving improvement in efficiencies
- Asset-sensitive balance sheet will benefit from rising interest rates
- Centrue acquisition will add to scale, market penetration and earnings power
- Target rich M&A landscape provides opportunities for additional transactions that will enhance the value of the franchise

APPENDIX

Appendix: Board of Director Profiles

Name:	Background:
John M. Schultz *Chairman of the Board*	• Mr. Schultz serves as CEO of Agracel Inc, an industrial developer of facilities for manufacturing and high tech entities in small to midsized communities, and is the author of BoomtownUSA: The Keys to Big Success in Small Towns. He serves on the Board of Trustees of Monmouth College and the Board of Directors of Altorfer Inc.
Leon J. Holschbach *Vice Chairman of the Board* *President & CEO*	• Mr. Holschbach is Vice Chairman, President & CEO of the Company and Vice Chairman and CEO of the Bank. Prior to joining MSBI, he held positions of Region Market President, Community Bank Group at AMCORE Bank, N.A., from 2000 to 2007; President and CEO of AMCORE Bank North Central N.A. from 1997 to 2000; and President of Citizen's State Bank in Wisconsin, from 1979 to 1997.
Deborah A. Golden	• Ms. Golden is Executive Vice President, General Counsel and Secretary of GATX Corporation, a global leader in railcar leasing. She previously held positions with Midwest Generation LLC, Office of the Governor of the State of Illinois, and various executive positions at Ameritech Corporation.
Jerry L. McDaniel	• Mr. McDaniel is President of Superior Fuels, a wholesale supplier of petroleum products. He is also a principal in other businesses including real estate development and carwash operations. Mr. McDaniel also serves on the Southeastern Illinois Community Foundation.
Jeffery M. McDonnell	• Mr. McDonnell is CEO of J&J Management Services, Inc., a private management company, and also serves on the boards of St. Louis public television station KETC, The Center for Emerging Technologies, and previously Love Savings Holding Company and Heartland Bank. He also serves on the investment advisory committees for the venture capital firms Oakwood Medical and Rivervest.
Dwight A. Miller	• Mr. Miller is CEO and owner of Dash Management, a 12 unit McDonald's franchisee in Illinois, and he has served in a number of management positions with McDonald's Corp. He serves as President of the Greater Chicago Region-Regional Leadership Council, representing McDonald's franchisees, and currently serves on McDonald's National Leadership Committee. He is the past Chairman for the Champaign County Chamber of Commerce.
Richard T. Ramos *Audit Committee Chair*	• Mr. Ramos is CFO and Board member for Maritz Holdings, based in St. Louis, which specializes in design and development of corporate incentive, reward and loyalty programs. Previously he served as CFO for Purcell Tire & Rubber, practiced corporate law in St. Louis and was a senior manager at KPMG. He is a CPA and member of the Missouri Bar.
Laurence A. Schiffer	• Mr. Schiffer was Co-CEO and a principal owner of Love Savings Holding Company, and Chairman of Heartland Bank, prior to Midland's acquisition. He is also President and Co-CEO of Hallmark Investment and Chairman and CEO of Allegro Senior Living. Over the past four decades, Mr. Schiffer has directed the development, ownership, acquisition, and management of commercial real estate properties.
Robert F. Schultz *Compensation Committee Chair*	• Mr. Schultz serves as Managing Partner of J.M. Schultz Investment, a family investment firm. Since 1996, he has served as Chairman of AKRA Builders, a national construction, design build and management firm. Prior to joining the Midland board he served on the boards of directors of Prime Banc Corp. and First National Bank of Dieterich.
Thomas D. Shaw	• Mr. Shaw is the former CEO of Shaw Media, a media business formed in 1851, which currently has more than 60 print, online, and mobile publications as well as commercial printing and video services. He is a former board member of several entities, including Dixon National Bank since 1976, and following its acquisition by a larger bank in 1993, on that bank's regional board until 2001.
Jeffrey C. Smith *Governance Committee Chair*	• Mr. Smith serves as Principal/Managing Partner of Walters Golf Management, a golf club management company headquartered in St. Louis, Missouri, which also offers turn key management, construction management, acquisition, consulting, agronomics and remodeling services.

Capital Position



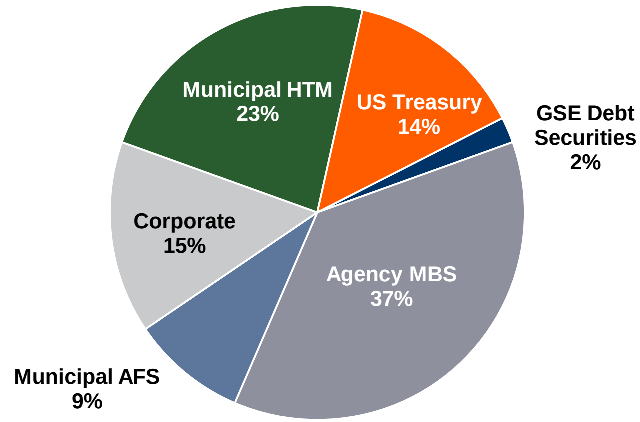
Appendix: Solid Reserve Coverage

	As of December 31, 2015				As of December 31, 2016				As of March 31, 2017			
(dollars in thousands)	Non-Purchased Credit-Impaired Loans	Purchased Credit-Impaired Loans	Total	% of the Allowance to Total Loans in the Respective Category	Non-Purchased Credit-Impaired Loans	Purchased Credit-Impaired Loans	Total	% of the Allowance to Total Loans in the Respective Category	Non-Purchased Credit-Impaired Loans	Purchased Credit-Impaired Loans	Total	% of the Allowance to Total Loans in the Respective Category
Commercial	$ 6,542	$ 375	$ 6,917	1.38%	$ 5,421	$ 499	$ 5,920	1.29%	$ 5,541	$ 493	$ 6,034	1.27%
Commercial real estate	4,176	1,003	5,179	0.59%	2,993	232	3,225	0.33%	3,690	240	3,930	0.39%
Construction and land development	419	16	435	0.29%	345	-	345	0.19%	460	-	460	0.27%
Total commercial loans	$ 11,137	$ 1,394	$ 12,531	0.82%	$ 8,759	$ 731	$ 9,490	0.59%	$ 9,691	$ 733	$ 10,424	0.63%
Residential real estate	1,626	494	2,120	1.30%	2,572	357	2,929	1.15%	2,430	412	2,842	1.02%
Consumer	742	7	749	0.46%	900	30	930	0.34%	1,125	159	1,284	0.38%
Lease financing	588	-	588	0.41%	1,513	-	1,513	0.79%	1,255	-	1,255	0.64%
Total allowance for loan losses	$ 14,093	$ 1,895	$ 15,988	0.80%	$ 13,744	$ 1,118	$ 14,862	0.64%	$ 14,501	$ 1,304	$ 15,805	0.64%
Net charge-offs to average loans				0.39%				0.31%				0.10%

Appendix: Investment Portfolio Overview (1)

- **Midland has optimized the investment portfolio to enhance portfolio quality, flexibility and yield while maintaining an effective duration of approximately 3.0 years**
- **Portfolio weighted average yield of 3.50% as of March 31, 2017 outperforms Raymond James peer banks by 75+ bps**

Investment Portfolio



(dollars in thousands)	Book Value	% of Total Investment Securities	Weighted Average Tax Equivalent Yield
Investment Securities Available for Sale:			
US Treasury securities	$ 45,906	13.7%	0.69%
Government sponsored entity debt securities	7,477	2.2%	2.47%
Agency mortgage-backed securities	123,861	36.9%	2.47%
State and municipal	31,234	9.3%	3.12%
Corporate securities	50,854	15.2%	4.77%
Total Securities Available for Sale	$ 259,332	77.3%	2.68%
Investment Securities Held to Maturity:			
State and municipal	76,276	22.7%	6.27%
Total Investment Securities	**$ 335,608**	**100.0%**	**3.50%**

Note:
(1) As of March 31, 2017

Appendix: Reconciliation of Net Interest Margin Excluding Accretion Income

	Year Ended December 31,								Three Months Ended
	2009	2010	2011	2012	2013	2014	2015	2016	March 31, 2017
Reported yield on loans	6.58%	6.48%	6.17%	5.73%	5.33%	4.65%	5.21%	4.83%	4.91%
Effect of accretion income on acquired loans	(0.56%)	(0.62%)	(0.65%)	(0.56%)	(0.50%)	(0.14%)	(0.73%)	(0.47%)	(0.43%)
Yield on loans excluding accretion income	6.02%	5.86%	5.52%	5.17%	4.83%	4.51%	4.48%	4.36%	4.48%
Reported net interest margin	4.04%	4.52%	4.88%	4.82%	4.68%	4.21%	4.38%	3.92%	3.87%
Effect of accretion income on acquired loans	(0.36%)	(0.42%)	(0.46%)	(0.40%)	(0.36%)	(0.10%)	(0.59%)	(0.38%)	(0.35%)
Net interest margin excluding accretion income	3.68%	4.10%	4.42%	4.42%	4.32%	4.11%	3.79%	3.54%	3.52%

Appendix: Reconciliation of Adjusted Earnings/Profitability[1]

(dollars in thousands, except per share data)	Year Ended December 31, 2009	2010	2011	2012	2013	2014	2015	2016	Three Months Ended March 31, 2017
Adjusted Earnings									
Income before income taxes - GAAP	$ 23,662	$ 17,924	$ 15,347	$ 18,499	$ 20,528	$ 15,467	$ 35,498	$ 50,422	$ 11,473
Adjustments to other income:									
Provision for loan losses from Purchase Credit Impaired loan pool	(10,500)	-	-	-	-	-	-	-	-
Gain on sales of investment securities, net	399	2	466	953	321	77	193	14,702	67
Other than-temporary-impairment on investment securities	-	(63)	(742)	(319)	(190)	(190)	(461)	(824)	-
Gain on bargain purchase	19,218	8,704	-	-	2,154	-	-	-	-
FDIC settlement	-	-	-	-	-	1,709	-	-	-
FDIC loss-sharing income (expense)	10,496	4,012	4,455	1,477	(1,149)	(3,491)	(566)	-	-
Accretion (amortization) of FDIC indemnification asset, net	1,912	(1,232)	(8,047)	(5,172)	(2,705)	(954)	(397)	-	-
Reversal of contingent consideration accrual	-	-	-	-	-	-	-	350	-
Gain on sale of other assets	-	-	-	-	-	2,972	12	-	-
Total adjusted other income	21,525	11,423	(3,868)	(3,061)	(1,569)	123	(1,219)	14,228	67
Adjustments to other expense:									
Foundation contribution	-	-	-	-	-	900	-	-	-
Professional fees and other expenses for aborted stock offering	-	-	3,413	-	-	-	-	-	-
Expenses associated with payoff of subordinated debt	-	-	-	-	-	-	-	511	-
Net expense from FDIC loss share termination agreement	-	-	-	-	-	-	-	351	-
Branch network optimization plan charges	-	-	-	-	-	-	-	2,099	-
Integration and acquisition expenses	893	2,964	1,807	1,424	2,727	6,229	6,101	2,343	1,346
Total adjusted other expense	893	2,964	5,220	1,424	2,727	7,129	6,101	5,304	1,346
Adjusted earnings pre tax	3,030	9,465	24,435	22,984	24,824	22,473	42,818	41,498	12,752
Adjusted earnings tax	985	2,653	6,326	6,015	7,283	6,758	13,625	14,055	3,316
Adjusted earnings	$ 2,045	$ 6,812	$ 18,109	$ 16,969	$ 17,541	$ 15,715	$ 29,193	$ 27,443	$ 9,436
Preferred stock dividends	2,291	3,668	4,205	5,211	4,718	7,601	-	-	-
Preferred stock dividends paid upon early conversion [1]	-	-	-	-	-	(3,346)	-	-	-
Adjusted earnings available to common shareholders	$ (246)	$ 3,144	$ 13,904	$ 11,758	$ 12,823	$ 11,460	$ 29,193	$ 27,443	$ 9,436
Adjusted Diluted EPS	$ (0.06)	$ 0.73	$ 2.34	$ 2.08	$ 2.08	$ 1.74	$ 2.39	$ 1.89	$ 0.57
Weighted average diluted common shares outstanding	4,180,620	4,279,630	8,089,492	7,862,361	8,379,455	7,528,641	12,112,403	14,428,839	16,351,637
Average Assets	$ 917,798	$ 1,533,344	$ 1,542,456	$ 1,508,232	$ 1,630,565	$ 1,753,286	$ 2,768,879	$ 3,075,134	$ 3,284,577
Adjusted Return on Average Assets	0.22%	0.44%	1.17%	1.13%	1.08%	0.90%	1.05%	0.89%	1.17%
Average Tangible Common Equity	$ 35,649	$ 45,198	$ 46,279	$ 52,406	$ 65,083	$ 98,546	$ 172,064	$ 234,898	$ 269,462
Adjusted Return on Average Tangible Common Equity	(0.69%)	6.96%	30.04%	22.44%	19.70%	11.63%	16.97%	11.68%	14.20%

Notes:

(1) Represents preferred stock dividends paid through applicable call dates with respect to the early conversion of Series D, E and F preferred shares, which the holders agreed to convert into common shares on December 31, 2014

Additional Information. Midland has filed a registration statement on Form S-4 with the Securities and Exchange Commission (SEC) in connection with its proposed acquisition of Centrue. The registration statement includes a proxy statement of Midland and Centrue that also constitutes a prospectus of Midland, which has been sent to the shareholders of each of Midland and Centrue. Shareholders are advised to read the joint proxy statement/prospectus because it contains important information about Midland, Centrue and the proposed transaction. This document and other documents relating to the merger filed by Midland and Centrue can be obtained free of charge from the SEC's website at www.sec.gov. These documents also can be obtained free of charge by accessing Midland's website at www.midlandsb.com under "Investors" and then under the "SEC Filings" tab or by accessing Centrue's website at www.centrue.com under "Investor Relations" and then under the "SEC Filings" tab. Alternatively, these documents may be obtained free of charge from Midland upon written request to Midland States Bancorp, Inc., Corporate Secretary, 1201 Network Centre Drive, Effingham, Illinois, 62401 or by calling (217) 342-7321 or emailing corpsec@midlandsb.com, or from Centrue, upon written request to Centrue Financial Corporation, Investor Relations, 122 West Madison Street, Ottawa, Illinois 61350 or by calling (815) 431-8400 or emailing investor.relations@centrue.com.

Participants in the Transaction. Midland, Centrue and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from shareholders in connection with the proposed transaction under the rules of the SEC. Information about these participants may be found in Midland's definitive proxy statement relating to its 2017 annual meeting of shareholders filed with the SEC on March 17, 2017 and in Centrue's Annual Report on Form 10-K filed with the SEC on March 2, 2017. These documents can be obtained free of charge from the sources indicated above. Additional information regarding the interests of these participants is included in the joint proxy statement/prospectus regarding the proposed transaction.