

# MB AR 99

MB Financial Annual Report

MB Financial 1999 Annual Report

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MB Financial Annual Report

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## Corporate Overview

MB Financial, Inc., based in Chicago, Illinois, is the \$1.3 billion bank holding company for Manufacturers Bank. Manufacturers Bank offers a full range of commercial and consumer banking products through its 13 banking centers. The Bank concentrates its business efforts on serving privately owned small- and middle-market businesses, such as manufacturers, wholesalers, distributors, long-term health care operators and investors, and real estate developers located throughout the entire Chicago metropolitan area. Manufacturers Bank divides its business into four distinctly recognizable areas, which are, Commercial Banking, Convenient Retail Banking, Lease Banking and Korean Banking. The corporation, through its acquisition program and through careful selection of officers and employees, has moved to position Manufacturers Bank to take a leading role in filling these attractive market niches.

### MB Financial, Inc. Financial Highlights

#### Earnings per share, dollars

1995	\$ 0.52
1996	0.88
1997	0.76
1998	0.60*
1999	1.51

\* Adjusted for sale of Coal City National Bank

#### Cash earnings per share, dollars

1995	\$ 0.89
1996	1.23
1997	1.36
1998	1.21*
1999	1.80

\* Adjusted for sale of Coal City National Bank

#### Net income, thousands

1995	\$ 2,437
1996	3,637
1997	3,449
1998	3,550*
1999	9,954

\* Adjusted for sale of Coal City National Bank

#### Total assets, millions

1995	\$ 580
1996	588
1997	803
1998	872
1999	1,309

#### Total loans, millions

1995	\$ 339
1996	388
1997	527
1998	548
1999	903

#### Total deposits, millions

1995	\$ 513
1996	510
1997	684
1998	646
1999	936

## Report from Management

*The Reasons Why* In 1999, Manufacturers Bank continued our drive to become the bank that our customers want us to be. We achieved record results, added to our services and successfully completed the largest merger in our history. But rather than offering an extensive review of our recent accomplishments, we would like to use this annual report to explain who we are and what sets us apart. For our investors as well as current and prospective customers, we want to answer the question: Why Manufacturers Bank?

First and foremost, our focus is clear: we are a commercial bank. Specifically, we are a bank for the small and mid-sized businesses that are the driving force of our nation's economy. While we work hard to meet the needs of our retail customers and recognize that we have an obligation to the communities we serve, our mission is to provide commercial customers the financial and operating support they need to reach their goals. Our objective is to become one of the most rapidly growing and highly regarded banks for businesses in the Chicagoland area. We are confident that we can reach our objective.

*Specialized Service* Few other banks specialize in serving our target market—businesses with annual sales up to \$50 million—and the consolidation of the banking industry is reducing that number even more. Unlike many of our main competitors, our executive management team is based in the market we serve. That means we can deliver highly personalized service and fast answers—critical advantages in serving customers whose lives, as well as livelihoods, often are invested in their businesses.





Burt Field, President, Manufacturers Bank



Howard Jaffe, Vice President and CFO, Manufacturers Bank

We also have deep roots. Our 13 offices are woven into the communities we serve, generating the deposits that provide the majority of our funds. Our Retail Banking Department's multi-lingual staff provides a wide range of services to a diverse customer base. We are one of the few banks our size to establish a Community Development Corporation that makes improving the community into a business. Our Korean Banking Department provides Korean-language banking services to individuals and businesses in the third largest Korean community in the United States.

Across our operations, our people give us an edge. From day one, we have worked to create an environment that allows talented people to thrive and to concentrate on what they are good at and enjoy doing. The bankers on our 50-person commercial banking team average more than 20 years of lending experience and have the know-how to apply an increasingly sophisticated array of financing options.

Our highly specialized commercial leasing team provides comprehensive financial services for leasing companies located throughout the United States. We also have the specialized skills and experience needed to serve real estate developers and investors as well as the operators of long-term health care facilities.

**Sound Strategies** Our strategies are sound. While conventional commercial lending is the cornerstone of our business, we are working to meet the full spectrum of our customers' needs. For example, we have an Executive Banking Department that serves business owners, entrepreneurs and other high net worth individuals. To provide improved coverage of an overlooked segment of the market, our branch offices provide small business loans (of up to \$250,000) to businesses located in their communities. Additionally, a new banking center opening this spring, at Two South LaSalle Street gives us a premier presence in the heart of Chicago's financial district.

While our approach is based on one-to-one, high-touch service, we recognize that technology can help us add value to our relationships. Our corporate cash management clients can use the Internet to gain fast, easy and immediate access to account history, statements and other information and to initiate wire transfers and other transactions. The convenience of our services will set us apart, whether our customers walk into the bank or visit us by car, public transit, the phone or the Internet.

The most significant number we posted in 1999 was \$216 million. That is the increase in loans outstanding in our core lending business. But we performed equally well by other standards of performance. As of 31 December 1999, our deposits totaled \$936 million, our loans reached \$903 million, and our total net income was \$10 million. Our return on average equity of 13.79 percent ranks us among the top 20 percent of all banks in our peer group. Our cash return on average tangible equity was 20.45 percent. Our earnings per share reached \$1.51. Our cash earnings per share was \$1.80.

We have the discipline as well as the creativity to achieve profitable growth. Thanks to the hard work of our employees, we have been quick to achieve the savings that the merger offered. In fact, we already have reduced our annual expenditures by \$3.5 million.

By every measure, we are financially strong and stable. Non-performing assets were \$11.1 million at the end of the year. The ratio of our reserves for credit losses to total loans was 1.35 percent. The bank's year-end, total risk-based capital ratio of 10.34 percent was comfortably above regulatory requirements for a well capitalized bank.

We look forward to sharing more good news with you in the months — and years — ahead. Strong economic activity, both nationally and in our local market, will encourage our core customers to expand their businesses, add or lease new equipment and make acquisitions. We will concentrate on providing the kind of service that will win us greater recognition in our market and a growing number of referrals from the other professionals that serve our customers. At a time when many of our larger competitors are distracted by industry consolidation, management changes and other issues, we can offer more attentive and consistent service, ready access to senior management and the most talented and energetic people in the banking business. We do make a difference in the lives and the work of the people — and communities — we serve.

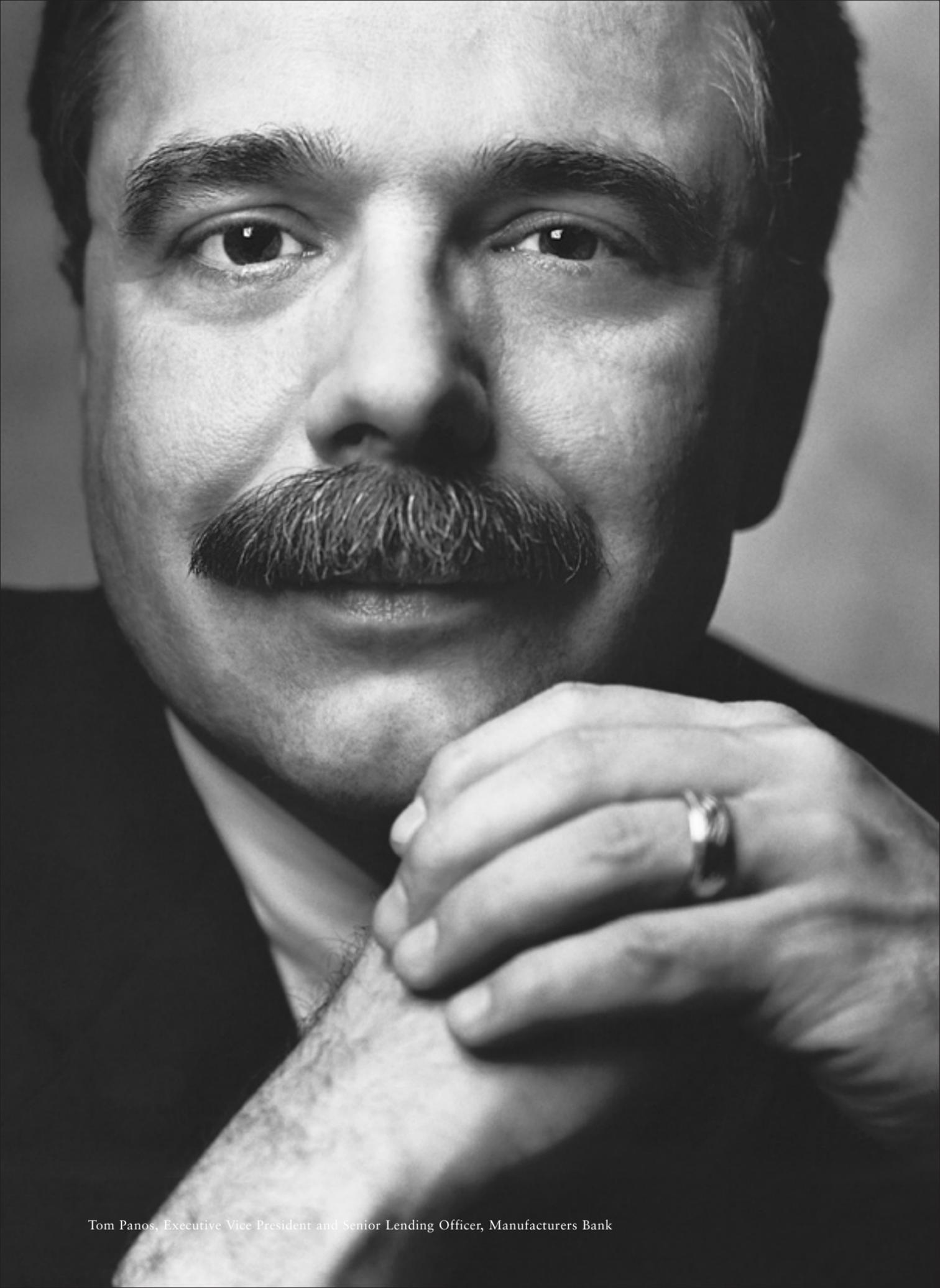
Before I close, I would like to recognize — and express our gratitude to — Robert S. Engelman, Jr., our Chairman, who stepped down as an executive officer of our organization at the end of 1999. Bob helped develop the long-range strategic plan that will be the foundation of our success, and I am pleased that we will continue to benefit from his insight and counsel as the “non-executive” Chairman of the Board.

On the following pages, some of the members of our management team discuss the strengths we bring to our key markets and the reasons why our customers do business with us. We have what it takes: outstanding, experienced professionals, who are experts at what they do and who are dedicated to do what's right.

At Manufacturers Bank, we'll get it done.



Mitchell Feiger  
President and Chief Executive Officer  
MB Financial, Inc.



## Commercial Banking

*To Be the Best* There are over six thousand businesses in the Chicago area that have sales of \$5 to 50 million, and you can count the banks that concentrate on serving them on the fingers of one hand. Our goal is to be the best of that group—and we're succeeding!

We're succeeding because we have the best people. We have one of the largest commercial banking staffs dedicated to serving middle-market companies in Chicago, and it also is one of the most experienced. While we have a number of bright young people, most of our bankers have decades of experience. Our customers can count on speaking with someone, most often a contemporary, who understands their business and the issues they're facing. What's more, our local management allows us to offer personalized, responsive service that larger institutions simply aren't engineered to provide. We're in the best position to offer business customers prompt, effective follow-up, which is the first thing they look for in banking relationships.

It's vital to have good people, because for our business customers, borrowing money is personal business. Banks are typically their primary source of capital, and they want to work with an institution that they know and that they know is reliable. Lending is our primary business, so our customers can rest assured that we'll be there for them and that we have a long-term commitment to meet their needs.



Jack Sharp, Senior Vice President and Mark Rubert, President, Peterson Region, Commercial Banking, Manufacturers Bank



Bill Spoo, President, West Region, Commercial Banking, Manufacturers Bank



Joe Valenti, Senior Vice President and Dick Beutel, Senior Vice President, Commercial Banking, Manufacturers Bank

From seasonal credit facilities and other working capital loans to long-term financing for expansions or acquisitions, our solutions are creative. We work closely with our clients to identify and apply the best solutions to their financing needs. We're experienced in Industrial Revenue Bonds, Employee Stock Ownership Plans and other financing tools that can offer companies additional sources of capital. We also can help business owners obtain low-cost construction financing for the buildings they occupy through the Small Business Administration's 504 program. Our wide contacts in the Chicago business community can help our customers identify new opportunities and establish profitable new relationships.

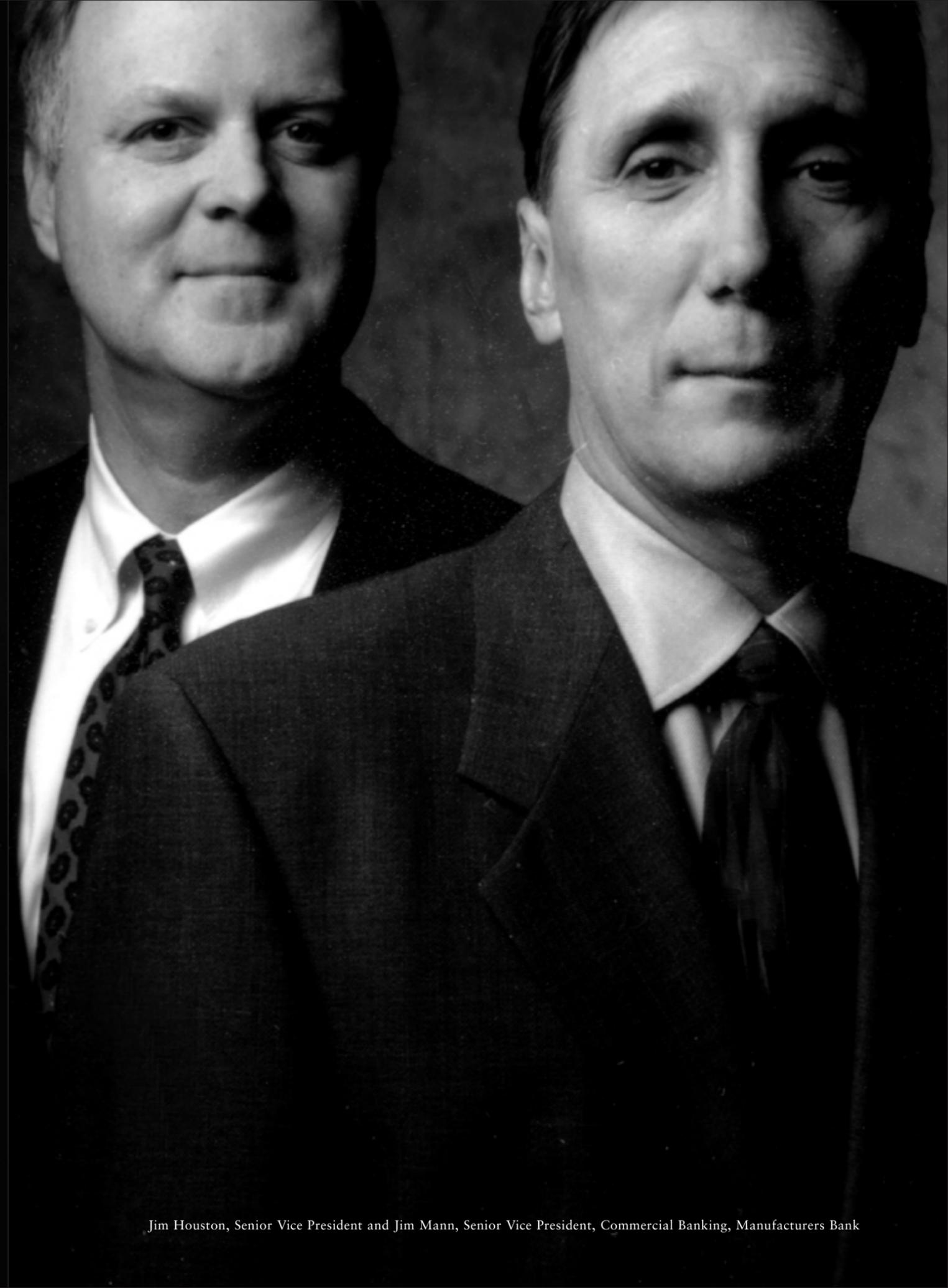
Informed, experienced, responsive lending is our primary business. But we haven't overlooked the value of strong operating services. Cash management services, which allow owners to accurately evaluate their company's financial status and concentrate funds for short- and long-term investment, play an increasingly important role in long-term relationships. Over the past decade, personal computers and the Internet have given smaller businesses access to the same electronic banking tools used by large corporations, and the benefits include lower costs, faster processing and more time to spend on their core activities.

Our Corporate InterConnect cash management product helps customers manage money at every point from the mail room to the bottom line. Using a highly secure, Internet-based system to deliver information when and where customers want it, we can give customers access to their account histories and statements as well as images of all checks that have been presented for payment. Customers also can initiate their own wire transfers, stop payment orders and transfers between accounts.

Our automated lockbox system improves reporting and helps convert nonproductive assets into productive ones. Other key cash management services include our zero balance accounts and wholesale lockbox, controlled disbursement and Automated Clearing House (ACH) services. Meanwhile, our TaxTel service allows businesses to pay federal and state taxes electronically, with no forms to fill out.

To meet the needs of companies that typically do not have large information technology departments—or training budgets—all of our new e-banking services are easy to master and to use. Our goal is to make our electronic business banking services as personal and responsive as those that we deliver face-to-face.

Our long-term commitment to long-term health care providers—nursing homes and assisted care living facilities—has helped us build a leading position in that market and a large, loyal and growing customer base.



Tom Marvinac, President, South Region, Commercial Banking, Manufacturers Bank

Jim Houston, Senior Vice President and Jim Mann, Senior Vice President, Commercial Banking, Manufacturers Bank

In addition to serving Chicago's manufacturers, wholesalers and distributors, we have in-depth experience in meeting the needs of two specialized industries.

*Commercial Real Estate* Another team of experienced bankers focuses on the real estate industry, where our in-depth knowledge of the communities we serve helps us identify the best opportunities and control our risks. We concentrate on providing experienced residential and commercial developers with acquisition, development and construction financing, and we combine the responsive service they need with the ability to fund large transactions at competitive rates. Our experience in working with some of Chicago's best known developers has given us an in-depth understanding of the needs of the Chicago area real estate industry. Immediate access to our decision-makers, and timely approvals, documentation and funding, help them move ahead with confidence in a dynamic market.

We're building a name for ourselves, and you can see it in our growth. We're receiving an increasing number of referrals from legal and accounting professionals as well as from our current customers. Our bankers are playing an increasingly active role in local business organizations and increasing our recognition in the marketplace. We'll come to be recognized as Chicago's best commercial bank.

*Commercial Leasing* Today, nearly every business recognizes the benefits that leasing provides, including reduced capital requirements, less risk of being trapped with obsolete equipment and improved planning. But we've been familiar with those benefits for a long time. Our team of leasing professionals has served the industry since the early 1970s. In fact, we helped some of industry's best known leasing companies go into the business.

Today, leasing companies across the country can count on us for a complete range of banking services, including working capital and equity financing. We also finance the debt portion of leveraged leases and make direct investments in leased equipment. The broad scope of our services sets us apart from many of our competitors, who offer only a limited range of products. Customers can obtain all of the credit facilities they need to run their businesses from a single source, with a single call.

Our experience gives us better insight into our customers' needs — and the way that they like to do business. And often their first concern is finding a financing partner who can provide responsive service, not just once, but every time they call. Whether they lease computers or equipment, our leasing customers operate in a business where a slow answer is likely to mean a missed sale. They can't wait for a decision from a committee — they need a decision right away.





Because we know the business and our customers, we can consistently deliver fast answers—and good advice. Long-term customers often call on us to discuss new opportunities—and how we can help them achieve their goals. Strong, long-term relationships with customers have helped us build our lease loan portfolio to \$187 million, and we expect to continue growing. We are working to develop new markets for our services among software vendors and other companies, and we're offering our leasing services to our commercial banking customers. The opportunities are tremendous.

#### Korean Banking

*We Understand* Immigrants from scores of countries have come to Chicago to build their dreams, and we're proud to be a part of that tradition today. Our Korean Banking Department provides retail and commercial banking services to the ethnic Korean communities on the north side of Chicago and in the northwest suburbs. And we don't just speak their language, we understand their lives.

Our Korean department is like a small bank within the bank—responsible for opening new accounts, answering questions, pursuing new business and making loans that range in size from several thousand to several million dollars. But most of all, we understand how challenging establishing a new life here can be, and we work to help our customers meet the challenge.

We get to know our customers well, and play an active role in their lives. We often counsel the retailers and wholesalers we serve on how to do business in this country—including how to successfully apply for loans. We've even been asked to consult with our customers on their family life—and to attend the weddings of their children.

What's more, we take an active role in the community. The department's managers have conducted seminars on doing business and have appeared on Chicago's three Korean television stations as well as in its three daily newspapers. We're building strong—and lasting—relationships with a community of more than 150,000 people. We can grow, together.

## Retail Banking

*We'll Be There* When it comes to serving individuals and their families, our strategy is simple. We set ourselves apart by providing superior service to all of our customers — all of the time.

We've invested to reach this goal. Our Telephone Banking Center provides fast answers to routine inquiries and allows our banking center employees to concentrate on serving the customers who visit our offices. We have launched an extensive training program that is aimed at developing relationships with our retail customers, not merely completing their transactions. Our tellers have become customer service associates and are learning how to understand more about their customers and their needs. Every customer has his or her own personal banker whose job it is to make sure that we are doing everything we can to help them reach their financial objectives. Continuing customer research, including mystery shopper programs, provides feedback on our progress and helps us learn about new requirements and opportunities to serve our customers.

As we develop deeper relationships with our customers, we better tailor our products to their needs. One example is our new Premier Club checking account, which is exclusive to Manufacturers Bank. We know it's one of the most valuable checking account programs in the country. For a small monthly fee, members can receive discounts from more than 1,200 business partners as well as favorable rates on prescription medications, eyewear, long distance telephone service, travel, dental insurance, and other products and services. We are developing an on-line mortgage program that provides pre-approved mortgage loans.





Other new services are aimed at business owners, entrepreneurs and the growing number of affluent professionals who are moving into the communities we serve. An Executive Banking Department provides comprehensive, highly integrated services—including credit, financial, retirement and estate planning, and investments—to high net worth individuals and their families. We offer a full range of non-FDIC insured investments in mutual funds, equities, annuities and other financial products and help business owners develop and manage 401(k) plans.

We combine these increasingly sophisticated financial products with personal, attentive service, delivered by people who have come to know their customers. Our banking centers offer commercial and small business lending services to the thousands of small businesses in their communities. We are expanding our base of business customers and creating enduring relationships with the growth companies of tomorrow.



## Community Development

*Making a Difference* All banks are required to reinvest in the communities they serve. Manufacturers Community Development Corporation helps us do more for our communities by approaching reinvestment as a business — with clear strategies and objectives.

We're reaching our business goals. Each month, we process over \$3 million in conventional commercial and residential loan, and government agency support requests. We generate fee income from loans and consulting services. We even help other financial institutions improve their ability to reach community lending goals.

And we're making a difference in the communities we serve, particularly when it comes to housing. For example, we helped lead the syndication of the last phase of Homan Square, which has turned the former Sears catalog site into housing for people with low- and moderate-incomes. In Rogers Park, we were one of the sponsors for the Gateway Center, which includes the 84-unit Gateway Seniors Development. We've even taken part in a semi-annual program sponsored by DePaul University to help bankers in Poland develop their home mortgage industry.

Efforts like these benefit our community and our customers. We've worked with a number of employers to help create programs that enable their employees to purchase homes — a great way to build worker loyalty in a tight labor market. And every project we take part in adds to that local community's economic vitality and quality of life.

MB Financial, Inc. Consolidated Balance Sheets  
(Amounts in Thousands)

31 December	1999	1998
<b>ASSETS</b>		
Cash and due from banks	\$ 29,420	\$ 23,669
Other interest bearing deposits	1,487	-
Federal funds sold	-	20,350
Investment securities:		
Securities available for sale	271,313	212,020
Securities held to maturity (fair value of \$11,529 at 31 December 1998)	-	11,142
Stock in Federal Home Loan Bank	6,290	2,614
Loans	903,126	548,353
Less: allowance for loan losses	12,197	6,344
Net loans	890,929	542,009
Lease investments, net	38,034	21,931
Premises and equipment, net	15,304	11,483
Other assets	26,563	8,380
Interest only securities	13,821	-
Intangibles, net	16,265	18,293
<b>Total assets</b>	<b>\$ 1,309,426</b>	<b>\$ 871,891</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Liabilities</b>		
Deposits:		
Noninterest bearing	\$ 145,059	\$ 128,218
Interest bearing	791,016	517,443
<b>Total deposits</b>	<b>936,075</b>	<b>645,661</b>
Short-term borrowings	244,569	130,521
Long-term borrowings	32,698	37,034
Other liabilities	16,706	11,815
<b>Total liabilities</b>	<b>1,230,048</b>	<b>825,031</b>
<b>Stockholders' Equity</b>		
Common stock (31 December 1999 \$0.01 par value; authorized 20,000,000 shares; issued 7,064,515 shares; 31 December 1998 no par value; \$10 stated value; authorized 200,000 shares; issued 48,957 shares)	71	490
Additional paid-in capital	50,656	23,794
Retained earnings	32,186	22,232
Accumulated comprehensive income (loss)	(3,535)	344
<b>Total stockholders' equity</b>	<b>79,378</b>	<b>46,860</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 1,309,426</b>	<b>\$ 871,891</b>

MB Financial, Inc. Consolidated Statements of Income  
(Amounts in Thousands Except Common Share Data)

Years Ended 31 December	1999	1998	1997
<b>Interest income:</b>			
Loans	\$ 63,887	\$ 44,929	\$ 41,313
Investment securities:			
Taxable	17,228	11,787	8,527
Nontaxable	320	305	433
Federal funds sold	796	611	1,413
Other interest bearing accounts	60	-	-
<b>Total interest income</b>	<b>82,291</b>	<b>57,632</b>	<b>51,686</b>
<b>Interest expense:</b>			
Deposits	31,059	22,319	21,617
Short-term borrowings	5,381	5,118	1,353
Long-term borrowings	5,327	2,389	2,202
<b>Total interest expense</b>	<b>41,767</b>	<b>29,826</b>	<b>25,172</b>
<b>Net interest income</b>	<b>40,524</b>	<b>27,806</b>	<b>26,514</b>
Provision for loan losses	1,260	750	971
<b>Net interest income after provision for loan losses</b>	<b>39,264</b>	<b>27,056</b>	<b>25,543</b>
<b>Other income:</b>			
Loan service fees	3,532	374	521
Deposit service fees	3,304	3,174	2,564
Lease financing, net	724	1,418	1,172
Net gains on sale of securities available for sale	1	167	138
Gain on sale of Coal City National Bank	-	4,099	-
Other operating income	1,501	708	540
	9,062	9,940	4,935
<b>Other expenses:</b>			
Salaries and employee benefits	17,214	12,954	11,556
Occupancy and equipment expense	6,085	4,402	3,500
Intangibles amortization expense	2,472	3,254	3,321
Other operating expenses	7,789	6,427	5,818
	33,560	27,037	24,195
<b>Income before income taxes and minority interest</b>	<b>14,766</b>	<b>9,959</b>	<b>6,283</b>
Income taxes	4,812	3,605	2,402
<b>Income before minority interest</b>	<b>9,954</b>	<b>6,354</b>	<b>3,881</b>
Minority interest	-	(99)	(432)
<b>Net income</b>	<b>9,954</b>	<b>6,255</b>	<b>3,449</b>
Preferred stock dividend	-	1,085	276
<b>Net income available to common stockholders</b>	<b>\$ 9,954</b>	<b>\$ 5,170</b>	<b>\$ 3,173</b>
Basic earnings per common share	\$ 1.51	\$ 1.26	\$ 0.76
Diluted earnings per common share	\$ 1.51	\$ 1.25	\$ 0.76
Weighted average common shares outstanding	6,586,596	4,093,254	4,151,036
Weighted average common shares outstanding including dilutive shares	6,598,058	4,130,996	4,151,036

The common share data for the years ended 31 December 1998 and 1997 was converted using an exchange ratio of 83.5 to 1.

MB Financial, Inc.

*Directors*

Robert S. Engelman, Jr., Chairman, MB Financial  
R. Thomas Eiff, TEC Chairman for Southern Arizona  
Alfred Feiger, Private Investor  
Mitchell Feiger, President and CEO, MB Financial;  
Chairman, Manufacturers Bank  
Burton J. Field, President, Manufacturers Bank  
Lawrence E. Gilford, Private Investor  
Richard I. Gilford, Private Investor  
David L. Husman, Private Investor  
Arthur L. Knight, Jr., Private Investor  
Peter G. Krivkovich, President and CEO,  
Cramer-Krasselt Company  
Clarence Mann, Private Investor  
Hipolito Roldan, CEO Hispanic Housing  
Development Corporation

*Executive Officers*

Mitchell Feiger, President and CEO, MB Financial;  
Chairman, Manufacturers Bank  
Howard A. Jaffe, Vice President and CFO, MB Financial;  
Executive Vice President and CFO, Manufacturers Bank  
Burton J. Field, President, Manufacturers Bank  
Thomas D. Panos, Executive Vice President  
and Senior Lending Officer, Manufacturers Bank

Manufacturers Bank

*Directors*

Charles Dann  
R. Thomas Eiff  
Robert S. Engelman, Jr.  
Alfred Feiger  
Mitchell Feiger  
Burton J. Field  
Lawrence E. Gilford  
Richard I. Gilford  
David L. Husman  
Howard A. Jaffe  
Arthur L. Knight, Jr.  
Clarence Mann  
James Mann  
Charles Oh  
Thomas D. Panos  
Hipolito Roldan  
Mark Rubert  
George Wallach

*Regional Presidents*

Thomas B. Marvinac, President, South Region  
Mark Rubert, President, Peterson Region  
William Spoo, President, West Region

Manufacturers Bank

*Senior Vice Presidents*

Richard A. Beutel, Commercial Banking  
James G. Houston, Commercial Banking  
Jeffrey Husserl, Human Resources  
James Mann, Commercial Banking  
Charles Oh, Korean Banking  
Jane Okarski, Commercial Real Estate  
Alan I. Rubens, Commercial Banking  
Jack H. Sharp, Commercial Banking  
Joseph P. Valenti, Commercial Banking

*Vice Presidents*

Donna Adam, Accounting  
Jeffrey J. Augustine, Investments  
Sandra L. Biske, Commercial Banking  
Wayne E. Biver, Loan Servicing  
Kenneth A. Engemann, Commercial Banking  
Scott Ernsteen, Strategic Planning  
Irene Ford, Commercial Banking  
Amalia Gonzalez, Retail Banking  
Karen Y. Hale, Executive Banking  
Robert H. Hanigan, Commercial Banking  
Maureen McNally Janes, Commercial Banking  
Rebecca J. Johnson, Commercial Banking  
Marcia N. Keeler, Legal  
Jon L. Khile, Commercial Real Estate  
Brien J. Leahy, Commercial Banking  
Nicolas Mando, Operations  
William R. Mayer, Community Banking  
Angelo Mazzoni, Retail Banking  
John E. McNamara, Commercial Real Estate  
Mitchell A. Morgenstern, Commercial Banking  
Thomas Munoz, Community Lending  
Diane R. Nagel, Commercial Banking  
Karen A. Perlman, Marketing  
Dennis Roesslein, Commercial Banking  
Jeffery A. Smith, Information Services  
James A. Toscano, Community Banking  
Wayne Wilczak, Commercial Real Estate  
Sheila M. Wilkinson, Cash Management  
Edward J. Wisniewski, Sr., Purchasing

*Assistant Vice Presidents*

Susan Augustine, Retail Banking  
Michael L. Austin, Business Systems  
Bernard T. Bartilad, Commercial Banking  
William Ber, Commercial Banking  
Patrice Busleta, Retail Banking  
Stephen D. Conroy, Community Lending  
Pat Dzuris, Retail Banking  
Marianne Fonsino, Retail Banking  
Azalia Gomez, Retail Banking  
Patricia Handzel, Item Processing  
Cynthia Juranich, Retail Banking  
Susan Leary, Retail Banking  
Tami Lubke, Retail Banking  
Marta M. Mazurczak, Retail Banking  
Dora M. Messina, Business Systems  
Denise Molick, Accounting  
Joy Park, Korean Banking  
Robert Pierson, Commercial Banking  
Mia Rhee, Retail Banking  
Edmundo Rodriguez, Retail Banking  
Carla Stewart, Retail Banking  
Bridgitt R. Ward, Retail Banking

*Officers*

Nora P. Cortez, Compliance  
Elizabeth Kiss, Human Resources  
Doria L. Koros, Executive Office  
Michael Macikanycz, Information Services  
Marcela Melendez, Commercial Banking  
Ronald Meyer, Loan Servicing  
Denise Plankis, Human Resources  
Steven Postregna, Loan Servicing  
John Sassaris, Commercial Banking  
Patricia A. Schulz, Investments

*Manufacturers Community Development Corporation*

Thomas P. FitzGibbon, Jr., President

## Stockholder Information

### Annual Meeting

All stockholders are invited to attend our annual meeting, which will be held at 9:00 A.M., on Tuesday, 30 May 2000, at the branch of Manufacturers Bank located at 7557 West Oakton Street, Niles, Illinois. We look forward to meeting all stockholders and welcome your questions at the annual meeting. Any stockholder unable to attend this year's meeting is invited to send questions and comments in writing to Mitchell Feiger, President and Chief Executive Officer, MB Financial, Inc.

### Form 10-K

Individuals who wish to obtain a copy at no charge of MB Financial, Inc.'s Form 10-K for the fiscal year ended 31 December 1999, as filed with the Securities and Exchange Commission, may do so by writing Howard A. Jaffe, Vice President and Chief Financial Officer, MB Financial, Inc.

### For Further Information

Stockholders and prospective investors are welcome to call or write MB Financial, Inc. with questions or requests for additional information. Please direct inquiries to:

Howard A. Jaffe  
Vice President and Chief Financial Officer  
MB Financial, Inc.  
1200 North Ashland Avenue  
Chicago, Illinois 60622  
773.645.7866

### Registrar and Transfer Agent

Stockholders with a change of address or related inquiries should contact:

LaSalle Bank, NA  
c/o Corporate Trust Operations  
135 South LaSalle Street, Suite 1960  
Chicago, Illinois 60603  
312.904.2458

### Quarterly Calendar

The Company operates on a fiscal year ending 31 December. Quarterly results are announced within 45 days after the end of each quarter, and audited results are announced within 90 days after year-end.

## Stock Market Information

The common stock of MB Financial, Inc. is traded on the National Association of Securities Dealers Automated Quotation System (NASDAQ) under the ticker symbol MBFI. Stock price quotations are published daily in the *Chicago Tribune*, *Chicago Sun-Times*, and *The Wall Street Journal*, among others. The stock is commonly listed as MB Fnl.

At 31 December 1999, there were 20,000,000 common shares authorized; 7,064,515 common shares were outstanding, held by approximately 1,400 stockholders of record.

As of 31 December 1999, the following securities firms indicated they were maintaining an inventory of MB Financial, Inc. common stock and acting as market makers:

Sandler O'Neill & Partners, L.P.  
Spear, Leeds & Kellogg  
Mesirow & Co., Inc.  
Howe Barnes Investments, Inc.  
Friedman Billings Ramsey & Co.  
Sherwood Securities Corp.  
Mayer & Schweitzer, Inc.

### Price Summary

The following schedule details our stock's quarter ending high and low stock price for the last two years:

1999	High	Low	Ending
First	\$ 16.00	\$ 13.38	\$ 13.38
Second	14.63	12.38	13.19
Third	14.50	12.38	13.38
Fourth	13.50	12.50	12.44
1998	High	Low	Ending
First	\$ 16.75	\$ 14.88	\$ 16.00
Second	18.19	15.75	17.38
Third	17.88	11.13	11.25
Fourth	16.00	8.38	15.50

### Independent Public Accountants

McGladrey & Pullen, LLP  
Mokena, Illinois

This Annual Report has not been received/approved by the FDIC.

Manufacturers Bank

*Locations*

Main Office

1200 North Ashland Avenue  
Chicago, Illinois 60622

8300 West Belmont Avenue  
Chicago, Illinois 60634

2 South LaSalle Street  
Chicago, Illinois 60603

6101 North Lincoln Avenue  
Chicago, Illinois 60659

2965 North Milwaukee Avenue  
Chicago, Illinois 60618

3232 West Peterson Avenue  
Chicago, Illinois 60659

6443 North Sheridan Road  
Chicago, Illinois 60626

3030 East 92nd Street  
Chicago, Illinois 60617

17130 Torrence Avenue  
Lansing, Illinois 60438

7557 West Oakton Street  
Niles, Illinois 60714

2215 York Road, Suite 306  
Oak Brook, Illinois 60523

901 East Sibley Boulevard  
South Holland, Illinois 60473

16255 South Harlem Avenue  
Tinley Park, Illinois 60477

Telephone Banking Center

773.645.3333

708.444.2300

847.663.6075

[www.manufacturersbank.com](http://www.manufacturersbank.com)



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