

# MB Financial / AR2000

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## FINANCIAL HIGHLIGHTS

	Net income, thousands (dollars)	Total loans, millions (dollars)	Return on average equity, (percentage)
96	3,637	388	9.74
97	3,449	527	7.08
98	3,550*	548	11.16
99	9,954	903	13.79
00	11,605	1,057	13.86

	Basic earnings per share, (dollars)	Total assets, millions (dollars)	Total deposits, millions (dollars)
96	0.88	588	510
97	0.76	803	684
98	0.60*	872	646
99	1.51	1,309	936
00	1.64	1,458	1,069

\* Adjusted for sale of Coal City National Bank

## CORPORATE OVERVIEW

MB Financial (NASDAQ: MBFI) is the \$1.5 billion holding company for Manufacturers Bank, a 66-year-old financial institution that provides comprehensive commercial and consumer banking services through 13 local Banking Centers in the Chicago area. It's commercial focus is on entrepreneurial and locally operated, small- and middle-market businesses, including manufacturers, wholesalers, distributors and long-term health care providers. Manufacturers Bank finances some of the city's premier industrial, commercial and residential developments through its Real Estate Lending Department, and it also owns a significant portfolio of technology based equipment leased nationwide. It's Retail Banking Department provides premier consumer deposit and credit products primarily to consumers in proximity to the Banking Centers.

Through its strategic acquisition program and prudent selection of highly skilled bankers, MB Financial is aggressively positioning Manufacturers Bank into a leadership role in its four key markets: Commercial Banking, Lease Banking, Retail Banking and Korean Banking.

Manufacturers Bank is in business to create value for customers, shareholders, employees and the greater community. We believe it's not only good business but also our responsibility to help others achieve their goals. That's truly the essence of "We'll get it done."

We are pleased to report that 2000 was another year of progress and good performance for MB Financial and Manufacturers Bank. In our 66th year of business, we created real shareholder value by following our proven strategy for profitable growth and staying focused on our goal of being the commercial bank of choice for Chicago's middle-market business community.

As we advance on our aggressive growth track, we are performing on plan and within expectations. Our initiatives are producing the desired results, and our investments in people, processes and technology are generating solid returns. During the year, we won significant market share in commercial lending and secured important new relationships with a record number of outstanding commercial customers. We increased the collective power of our talented banking staff with key new hires that bring us additional market experience and knowledge. We stepped up our marketing efforts to generate greater awareness of our capabilities, and we expanded our suite of products and services to further penetrate our target markets.

While the financial services industry continues to be characterized by consolidations and mega mergers, we are independent and outpace our competition. Looking at our overall performance, we set records in some key measures. We increased our total assets 11.4% to \$1.5 billion. Our loans grew 17.1% to \$1.1 billion. Our net income grew 16.6% to \$11.6 million and earnings per share increased 8.6% to \$1.64. Our balance sheet is strong and we have initiatives in place to increase our deposit base. Jill York, an outstanding financial manager, who joined our executive team in 2000 as Chief Financial Officer, is guiding our financial strategy.

**Reaching Our Goal** We reached an important milestone in 2000 by becoming one of a handful of banks capable of providing Industrial Revenue Bond financing. Our commercial

bankers have developed a proficiency in this government-sponsored lending program that provides customers with innovative financing. This was a goal we targeted several years ago and achieving it effectively positions us with the top commercial banks in the Midwest. It also moves us one step closer to our ultimate objective, which is to be the premier commercial bank for Chicago's middle market. This ultimately translates into long-term, profitable growth and superior shareholder value.

Manufacturers Bank has been an important resource for Chicago area businesses for more than six decades. Our efforts are focused on mid-sized businesses, a specialized market with clear needs that fit very well with our capabilities. Our team has grown to 70 commercial bankers who are experienced, resourceful and have a deep understanding of the marketplace. They are empowered to make prompt decisions and back them up with exceptional service. As a result, we have very few credit losses. Commercial lending is our primary revenue generator because our experienced lenders consistently deliver.

Lease Banking, an area in which we have 30 years of experience, is also one of our strongest areas. We provide leasing companies with a single point of contact for all their banking needs, an approach that clearly differentiates us. There are no layers of approvals to slow down the decision-making process. We also own equipment and lease it through various distribution channels, an increasingly profitable element of this business.

We are attracting business from quality companies that share our values: integrity, competency, customer focus, open communication, mutual respect and enthusiasm. We still believe in the power of personal relationships. This is especially true in the highly competitive field of real estate lending. We've pursued a niche in the real estate market

over the past three years and, in that short time, we have become one of the principal lenders in the city. Our real estate bankers, who average 15 years in the field, have established profitable relationships with the most experienced and established developers in the city. We expect this segment will continue to grow and generate solid fee and interest income.

**Strategic Investments** During the past few years, we have made strategic investments to solidify our position in commercial and real estate lending. Recently, we tripled the size of our Loop office at LaSalle and Madison, and opened an Oak Brook office to conveniently serve our growing commercial customer base in that region.

Another new initiative to serve our growing number of high net worth customers is Executive Banking, which is dedicated to managing the personal banking needs of our commercial and real estate customers. We have experienced private bankers that are actively pursuing this market segment.

A strategic initiative for 2001 is increasing the growth rate of our cash management business. We are confident that this initiative will produce growing deposits and fee income. In the past, most of our efforts have been directed to businesses interested in borrowing money. Now we are expanding our services to attract business from companies that are not solely driven by credit needs. We have invested in the best technology available and offer customers a cost effective and efficient suite of cash management services. We have experienced bankers managing this important effort.

We are continuously upgrading systems in our 13 retail banking centers to grow our deposit base. We have repositioned our deposit products, enhanced our pricing and bundled products to attract and retain deposit relationships. We are also considering opening branches in new markets to attract more depositors.

Since 1995, we have successfully acquired and integrated Peterson Bank, U.S. Bank and Avondale Federal Savings Bank. We continue to have aggressive growth goals and if the right opportunity presents itself, we are open to making appropriate acquisitions that fit with our growth strategy.

Most recently, we announced the acquisition of FSL Holdings, Inc., parent company of First Savings and Loan Association of South Holland. This transaction, scheduled to close in the second quarter of 2001, will enhance our position in the South Holland market and add significant deposits.

**Bright Future** Over the years, we've grown from one to thirteen locations and now serve a multitude of communities. Along the way, we have consistently increased the Bank's

assets and profitability, used discretion in making loans and continually offered innovative products and services.

All of us are proud of the consistently high quality of work we produce. There's no question that we attract talented people with a strong work ethic. We trust them and stand by their decisions. We encourage our bankers to develop their own business development plans, then give them the tools they need to execute. Additionally, we have developed incentive plans to recognize their outstanding efforts.

There is no secret to our success. We have great customers and we take business away from other banks. We have earned a level of trust and respect in a marketplace that offers great opportunity. Our plan for the future is to build on our expertise and grow faster than our markets. We expect to accelerate our funding growth as well as loan growth while maintaining credit quality. We are well on our way to achieving these goals and securing our place as one of the leading financial institutions in the Chicago metropolitan area.

The theme of this report, We'll get it done, reflects our marketing campaign, which has successfully increased awareness of our Bank and its capabilities. Now more than ever, we firmly believe that we are creating value for our customers, shareholders, employees and the greater community by being the best provider of financial services to our markets.



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

MIKE GOICH, STASIS CORPORATION

Last year our Commercial Lending Department developed an innovative package of financing that assisted with the merging of three businesses (Concord Steel of Warren, Ohio, Coburn Steel Products of Harvey, Illinois and L.B. Steel Company of East Chicago, Indiana) into one market leading manufacturing corporation, now named Concord Steel, Inc., a Stasis Corporation. The resourcefulness of commercial bankers Joe Valenti and John Sarris provided a \$6 million line of credit and a \$5.4 million Industrial Revenue Bond, allowing these fabricators of steel products, which include massive counterweights for original equipment manufacturers to finance the merger and the integration process. We guided company president, Mike Goich through a complex financing program that enabled him to acquire an additional manufacturing facility as well as equipment needed to ensure his firm a position of market leadership. As a result, we have established Manufacturers Bank as one of a limited number of banks in the Industrial Revenue Bond finance business.





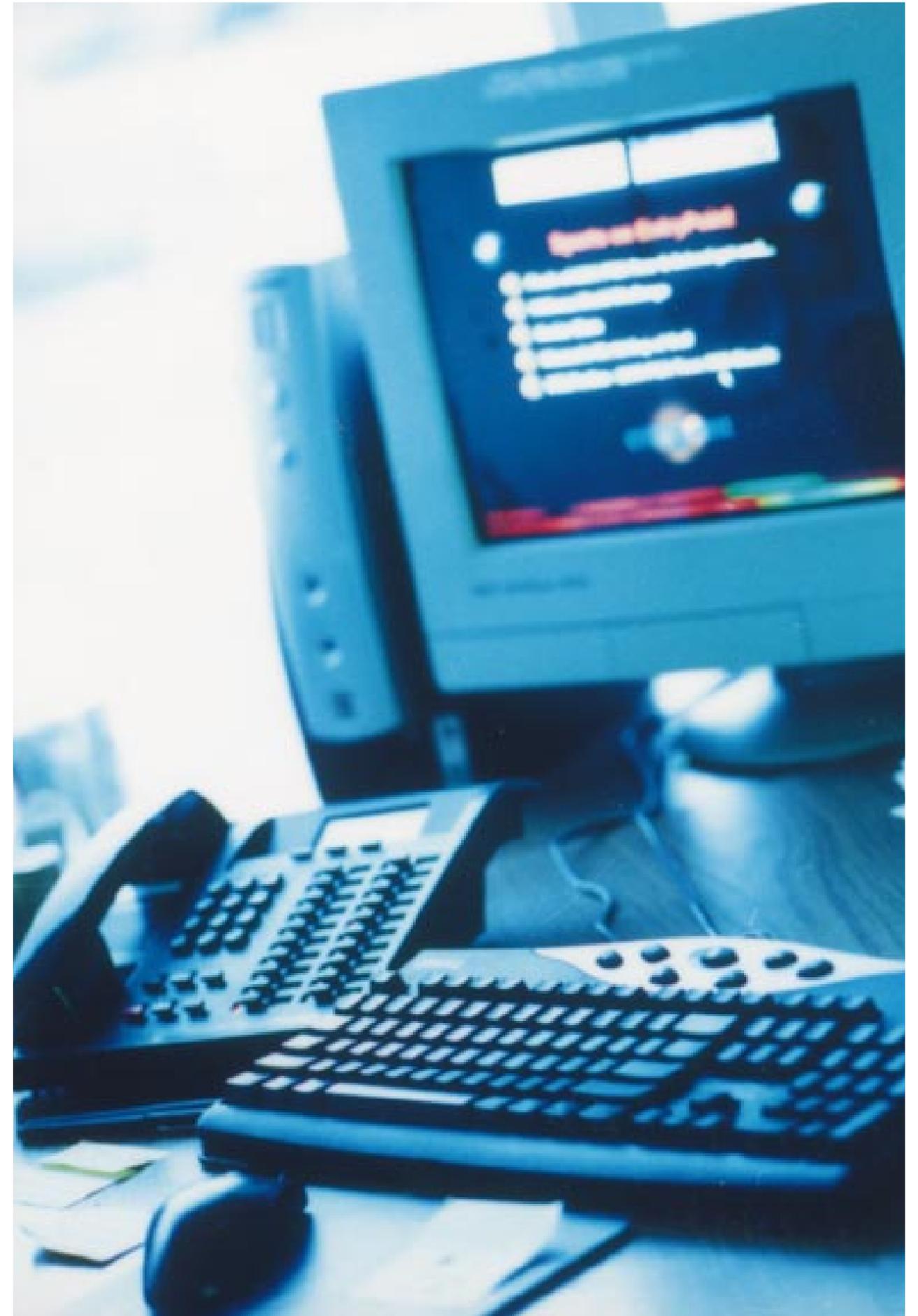
#### SIDNEY GLENNER, HEALTH AND HOME MANAGEMENT

More than 30 years experience in the health care business has taught Sidney Glenner the importance of treating people well with consistently good service. And, he expects no less from his bank. Sidney has been a loyal customer for the past two decades, during which he grew his business into a network of nursing homes, home health care and therapy services. Along the way, he looked to his banker, Mark Rubert, President of our Peterson Region, for expansion loans, operating loans, cash management services – and an understanding of the peaks and valleys in the health care industry. The relationship was built on respect and trust, and it has flourished into a healthy partnership. Back in 1980, Manufacturers Bank was one of the few lending institutions willing to provide working capital funding to nursing home operators. Our experienced bankers recognized the value in this underserved market and they have developed a profitable specialty in health care banking.

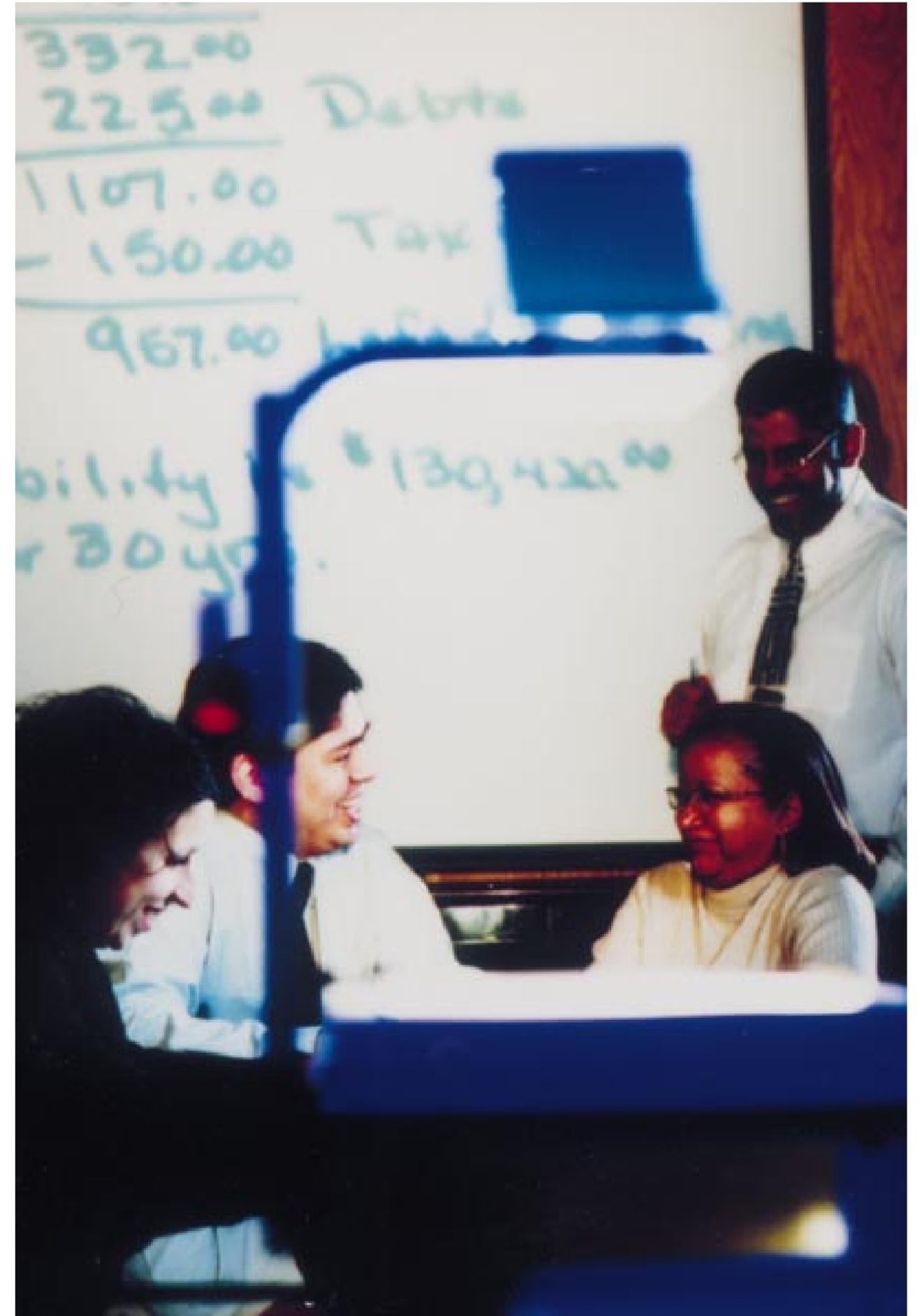
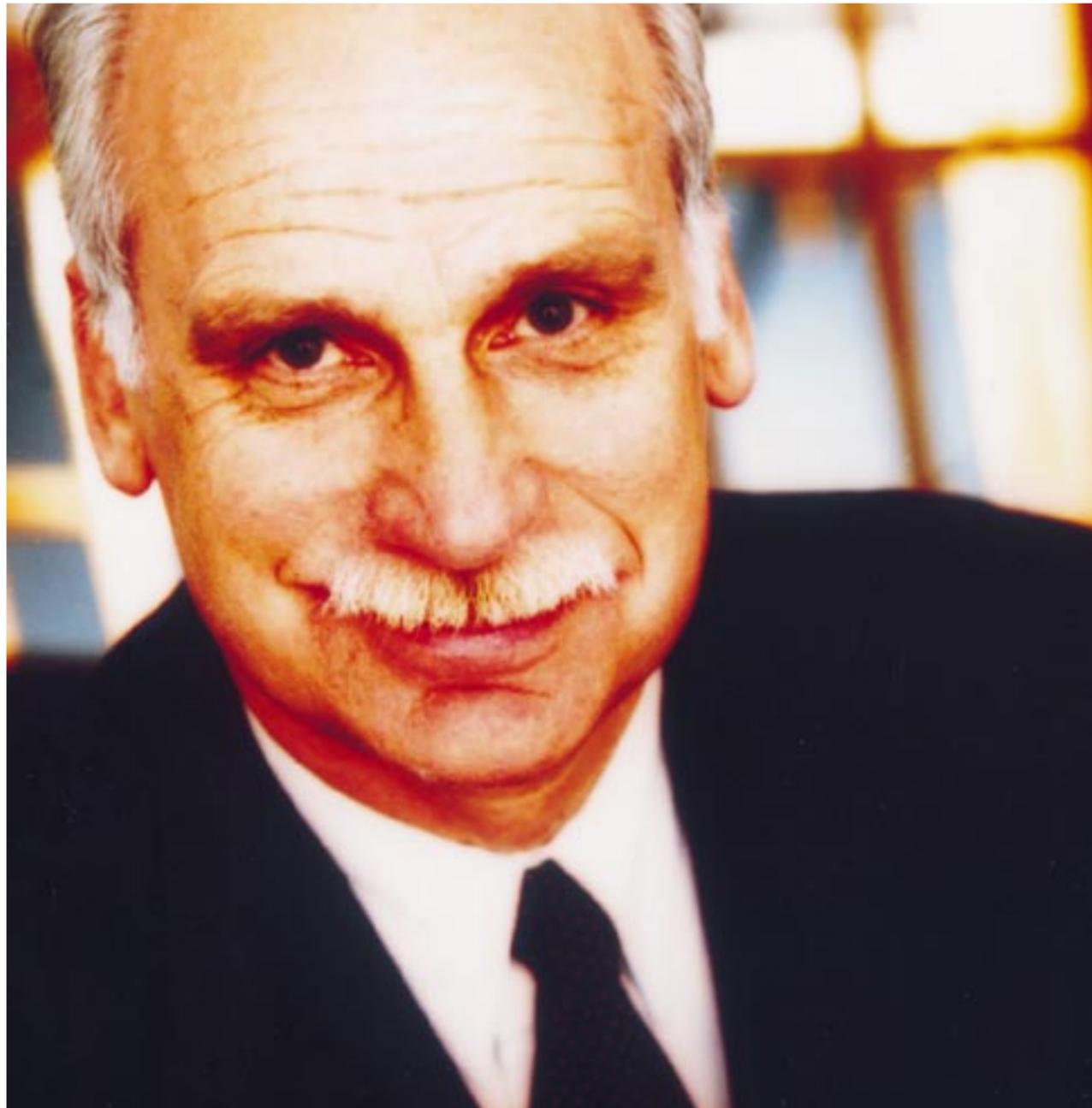


CHUCK GATELY, LASALLE SYSTEMS LEASING, INC.

In 1980, Chuck started his leasing business. Today, with the financial and moral support of Burt Field, President of Manufacturers Bank, LaSalle Systems Leasing is a nationwide high technology lessor with annual revenues in excess of \$60 million. From the beginning Burt Field knew that Chuck and his team possessed honesty, integrity and knowledge of the leasing business. Over the past 30 years, Burt Field and Manufacturers Bank have built up a reputation as one of the best and most knowledgeable bank leasing organizations in the country with numerous customers involved in lease financing for high-tech equipment such as computer and telecommunications systems. Today, LaSalle Systems Leasing has thousands of pieces of equipment on lease and is one our Bank's largest depositors. Through people like Chuck and his associates at LaSalle Systems Leasing, Manufacturers Bank has been able to develop a lease loan portfolio of more than \$240 million and has become active in providing debt, equity and bridge financing for the leasing industry nationwide.



When NHS celebrated its 25th anniversary last March, among the dinner committee hosts was Tommy FitzGibbon, President of our Community Development Corporation and Chief Retail Banking Officer, whose long standing relationship with this community organization has helped both the Bank and many city neighborhoods prosper. Tommy serves on the NHS board and, as Chairman of the Resource Development Committee, helped raise more than \$4 million for their operating fund. NHS, working together with Manufacturers Bank and other corporate partners, has developed products and services that empower neighborhoods with restored investment and opportunities. NHS Executive Director, Bruce Gottschall, oversees the non-profit operation, which originates about 1,000 loans each year in partnership with community banks. With the help of Manufacturers Bank, NHS brings together the right partners to help individuals rehabilitate property and become responsible homeowners. The relationship works on several levels: we provide a warehouse line of credit; we are an investor in a number of NHS loan programs that help residents get mortgages, insurance and loans to invest in their properties; we provide meeting space for NHS to conduct free classes on home buying and; in early 2001, Manufacturers Bank will provide NHS with all of their cash management accounts. So, not only is community development a vital social service, it's good business.





W. HARRIS "BILL" SMITH, SMITHFIELD PROPERTIES

As one of the city's most dynamic real estate developers, Bill Smith only has time to deal with the best. He is building his latest luxury condominium, Erie on the Park, using skilled contractors and the most experienced real estate bankers. Our Real Estate Banking Department, headed by market savvy banker Jane Okarski, has not only been Bill's lender of choice on many prominent projects but also manages the escrows for the condominium's end buyers, representing more than \$3 million in deposits. Bill's confidence in our ability to get things done extends to his personal finances as one of our many commercial clients who have chosen to place their private accounts in the expert hands of our Executive Banking Department, one of our newest and fastest growing areas. Experienced, responsive and creative in their approach to financing, our real estate banking team has proven they can handle all types of residential, commercial and industrial financing.



## Commercial Banking

*Commercial Lending* Our core capability is commercial lending—done with ease and intelligence by highly experienced lenders. Our 70 commercial bankers, who manage more than \$830 million in loans, provide extraordinary service for customers and produce highly profitable results for our investors. We approach commercial lending with the same entrepreneurial spirit and prudent management that our customers bring to their businesses. Working together, we build trust and relationships that not only achieve mutual goals but also endure for decades.

Our commercial bankers are excellent sales people and have made substantial gains in market share during the last five years. Despite setting the bar very high in 2000, our Commercial Banking Department exceeded its goals and achieved another outstanding year by attracting twice as many significant new commercial customers as in 1999.

Our target market consists of businesses with \$5 million to \$50 million in annual sales. We continue to benefit from the changing banking landscape as the city's commercial banks consolidate and there are fewer middle-market bankers offering attentive and responsive service. Most importantly, our commercial bankers act as readily accessible, single source providers for commercial banking services, offering competitive products and quick decisions without layers of approvals.

During 2000, our reputation as a leading commercial bank was further enhanced when we became one of a select group of banks providing Industrial Revenue and Development Bond financing. Our IRB team now has several IRBs in process helping manufacturing customers creatively finance expansion and upgrade facilities.

To provide greater accessibility and convenience, we tripled the size of our Loop office at the corner of LaSalle and

Madison Streets in the heart of Chicago's financial district. We opened an office in the dynamic Oak Brook corridor, headed by Bill Spoo, a veteran commercial banker who brings a wealth of market experience to this office.

Our growth is carefully managed and aligned with opportunities to generate new business. We have been very successful in attracting the best talent and keeping them loyal to our customers and our business mission. Our commercial bankers average 20 years of banking experience with diverse expertise in many fields of business. As a result, they have earned a following in the business community and much of our new business comes from referrals.

There are more than 17,000 companies in Chicago's middle market, and our database identifies 3,000 firms as especially good prospects. We are aggressively marketing to these businesses and fully expect to secure many new, profitable relationships in the coming years.

*Commercial Real Estate Lending* Accounting for more than 40% of the Bank's total commercial loans, our Commercial Real Estate Department continues to gain momentum in the marketplace by working with the city's most prominent real estate developers to finance major industrial, commercial and residential developments. In the highly competitive and complex real estate marketplace, Manufacturers Bank has become one of the dominant lenders in Chicago.

In all commercial lending, no single area is more competitive than real estate financing, and we have a definite advantage with our lean and experienced organization. Led by Senior Vice President Jane Okarski, a widely respected loan officer with more than 18 years experience in the Chicago market, our commercial real estate team has earned the trust of some of the area's most productive real estate developers. Our senior real estate bankers, averaging 15

years of lending experience, have a finely honed insight into the customer base and the marketplace. They are empowered to structure deals and make decisions to ensure customers can capitalize on opportunities as they arise.

We are going to expand this department, which is a growing source of profitability, generating not only interest income but also substantial fee-based income that translates directly to the bottom line. In the near future, commercial real estate growth initiatives include developing new business by offering additional bank products and services to this diverse customer base.

*Cash Management Services* Most of our recent efforts have been focused on commercial lending, and having built a successful base there, we are directing some of our focus to the other half of the market that do not need to borrow money but can benefit from better cash management. An important ongoing initiative is to attract more customers to our commercial cash management services, which we expect will generate significant deposits and fee-based income.

Using the best technology, systems and streamlined processes, we offer highly efficient cash management services, including lock box, controlled disbursement, account reconciliation, Automated Clearing House transactions and wire transfers. Along with TaxTel, an electronic tax payment system, and our 24-hour Phone Access Line (PAL), this comprehensive package of services provides customers with a new level of convenience and efficiency.

Our web-based Corporate InterConnect service has proven to be an easy-to-use system that provides an efficient and secure alternative to paper reporting and telephone inquiries. By using this convenient browser technology, our commercial cash management customers have a direct link to the bank and total access to their accounts.

*Executive Banking* As an extension of our corporate financial services, Manufacturers Bank has created an Executive Banking Department to serve the private banking needs of our many commercial and high net worth customers. We have built a solid team of experienced private bankers who understand the importance of discretion and creativity in managing wealth for high-net worth individuals.

This relatively new service has been developed for the long-term as a high-potential growth area. Through our exceptional staff of private bankers, we bring the same qualities of stability, experience and creative solutions to executive banking as we do in our other banking services.

Our full line of executive banking services includes personal lines of credit, partnership loans, bridge loans, investments services, retirement planning, choice checking accounts and web based access.

## Lease Banking

It was another strong year for the leasing of mission critical business equipment, such as computers, satellite and telephone communication equipment, manufacturing equipment and software, which is a multi-billion dollar industry. Manufacturers Bank has a definite edge with more than 30 years of experience managing lease investments and loans. Bank President Burt Field and his skilled team of bankers have originated more than \$1 billion in flexible funding that has helped customers engage in a wide range of commercial and industrial leasing nationwide.

In 2000, the Lease Banking Department increased its lease loan portfolio to \$245 million, a solid adjunct to our loan and bond investments that also provides good liquidity. We manage lease loan transactions ranging from \$200,000 to \$20 million. In addition, we also buy equipment and lease it

through our customers, an element of our business that is becoming a steady source of revenue. A significant portion of the leasing business involves technology equipment, such as computer and telecommunications networks, which are increasingly in demand and considered vital to today's business operations.

Our total package of leasing services includes lease loans, bridge loans, equity loans and equity investment—all delivered through a one-to-one relationship between the customer and the bank officer. This single-source approach—and the flexibility to make same-day approvals on many loans—has earned us long-standing relationships with leading national leasing companies who maintain structured lease agreements with Fortune 1000 companies.

We expect this business to continue to generate solid returns as more companies realize the benefits of equipment leasing, including less capital investment and reduced risk of obsolescence.

#### Retail Banking

We are dedicated to providing professional service to all of our customers—both commercial and consumer. Manufacturers Bank offers convenient and comprehensive banking services to individuals and families living or working around 12 of our Retail Banking Centers throughout the Chicagoland area.

To keep pace with our thriving loan business, we have set aggressive targets for our retail deposit growth, which is vital to our ability to fund loans and expand our retail presence. In the past year, we have made investments in systems, processes and people to upgrade and consolidate our retail products. We've recruited new Banking Center Managers and integrated newly acquired branches into our corporate culture. We have consolidated more than 60 different accounts, resulting from our mergers, into a more efficient package of 20 accounts, including individual savings, checking, money market accounts, mortgage and home equity loans, IRAs and certificates of deposit. We also provide investment strategies and products through a relationship with LaSalle Street Securities, LLC. We expect to achieve steady growth through better products and services, more effective customer service and improved branch offices.

In addition to expanding our ATM network through our membership in the AGREE Network, that opens up more than 900 ATMs to our customers, we have developed several products that afford customers with maximum convenience and value. Our Premier Club is an exclusive personal checking account that provides customers with discounts on things such as travel, prescriptions, long distance phone service, entertainment and groceries plus discounts at over

1,300 Business Partners. During 2001, we are introducing AccessMyBank.com, our online retail banking service, to provide customers with web-based, direct access to their account data. Using advanced software, this online banking service will allow customers to pay bills, check balances, transfer funds between accounts and view check images. Coupled with our PAL telephone banking service, our customers have 24 hour access 7 days a week to their accounts and bank services.

Banking online is just one of the many ways individuals can experience service at Manufacturers Bank. Our traditional customer base can still depend on their reliable passbooks and teller transactions.

The Community Lending Department made twice as many loans to small businesses and consumers since 1999. As of June 2000 the American Banker rated Manufacturers Bank in the top 100 banks in the country in small business lending.

Our two employee sales incentive programs, STARR (Striving To Achieve Reward and Recognition) and EXCEL are encouraging our retail bankers to higher levels of performance. This aligns employee and shareholder goals. We reward our people when they produce more income for the Bank.

Our Financial Services team provides our customers with the most appropriate vehicles for retirement planning and other investment opportunities. The sale of non-insured deposit products provides the Bank with a method to maintain existing relationships.

#### Korean Banking

Across our branch offices, we speak over 25 different languages underscored with a consistent can-do attitude. We best serve our customer base by understanding their needs and appreciating their differences. Nowhere is this more evident than in our Korean Banking Department, one of the largest in the Midwest, which serves the ethnic Korean communities located throughout the Chicago metropolitan area. We play an active role in this tight-knit community of more than 150,000 by counseling business owners, processing commercial and consumer loans and providing retail banking and cash management services in their native language. Our staff consists of 13 banking professionals who are fluent in Korean and understand the special needs of the Korean American community.

During 2000, we reached out to more customers by opening a branch of our Korean department in our Niles Banking Center. This suburban area is home to many Korean-owned businesses, including some of the more than 250 Korean church congregations. Inside the Niles Banking Center, we renovated an area for the Korean-American community,

which is being used for art exhibits, seminars and other programs of interest to our customers and the greater community. It's just another way we build strong relationships that keep getting stronger.

#### Community Development

Partnership and innovation were the key words to our progress in Community Development in 2000. While it is every bank's responsibility to reinvest in the communities they serve, we believe community development is an integral part of our business and core to our strategy for long-term profitable growth. Under the leadership of Tommy FitzGibbon, President of Manufacturers Community Development Corporation, we exceeded our \$5 million investment objective by \$7 million.

Our involvement has been the catalyst for projects such as the 60-unit Westside Village; the final phase of the redevelopment of Homan Square in the Lawndale Community. Partnering with the Federal Home Loan Bank of Chicago, we provided funds for the development of Deborah's Place, a transitional home for battered women.

Our community development staff has the collective expertise and knowledge to make good things happen in our communities. Going beyond what is required and

right to do, their community development efforts extend to such important relationships as the one we enjoy with Neighborhood Housing Services of Chicago, Inc. (NHS), which celebrated its 25th anniversary in 2000 and has created more than \$1 billion of reinvestment and revitalization of communities.

Our relationship with NHS will expand in 2001 when the organization moves its total banking relationship to us to benefit from our cash management services. Our advanced technology and systems will help NHS improve their fund efficiencies, save staff time and process loan payments more effectively.

In another area, we've taken the lead role with 14 other banks to provide capital and leadership in NORMAL, an innovative \$10 million NHS pilot program designed to help victims of predatory lenders. The program has subsequently been adopted in five other major cities around the nation.

Our responsibility to the community extends to a personal involvement, too. During last year's Neighborhood Works Day, more than 40 bank employees teamed up to build a much-needed community garden in West Humboldt Park. This was the 5th year that employees participated in the annual one day event.

MB FINANCIAL, INC. & SUBSIDIARIES CONSOLIDATED BALANCE SHEETS  
(Amounts in Thousands)

31 December	2000	1999
<b>ASSETS</b>		
Cash and due from banks	\$ 31,989	\$ 29,420
Other interest bearing deposits	2,300	1,487
Investment securities available for sale	233,063	271,313
Stock in Federal Home Loan Bank	7,290	6,290
Loans (net of allowance for loan losses of \$13,837 at December 31, 2000 and \$12,197 at December 31, 1999)	1,043,326	890,929
Lease investments, net	45,344	38,034
Premises and equipment, net	15,465	15,304
Cash surrender value of life insurance	31,703	-
Interest only receivables	10,538	13,821
Intangibles, net	14,466	16,265
Other assets	22,764	26,563
<b>Total assets</b>	<b>\$ 1,458,248</b>	<b>\$ 1,309,426</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Liabilities</b>		
Deposits:		
Noninterest bearing	\$ 157,237	\$ 145,059
Interest bearing	912,027	791,016
Total deposits	1,069,264	936,075
Short-term borrowings	249,614	244,569
Long-term borrowings	31,596	32,698
Other liabilities	16,033	16,706
<b>Total liabilities</b>	<b>1,366,507</b>	<b>1,230,048</b>
<b>Stockholders' Equity</b>		
Common stock (\$.01 par value; authorized 20,000,000 shares; issued 7,064,515 shares)	71	71
Additional paid-in capital	50,656	50,656
Retained earnings	43,791	32,186
Accumulated comprehensive loss	(2,777)	(3,535)
<b>Total stockholders' equity</b>	<b>91,741</b>	<b>79,378</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 1,458,248</b>	<b>\$ 1,309,426</b>

MB FINANCIAL, INC. & SUBSIDIARIES CONSOLIDATED STATEMENTS OF INCOME  
(Amounts in Thousands Except Common Share Data)

Years Ended 31 December	2000	1999	1998
<b>Interest income:</b>			
Loans, including fees	\$ 86,017	\$ 63,887	\$ 44,929
Investment securities:			
Taxable	17,677	17,228	11,787
Nontaxable	309	320	305
Federal funds sold	3	796	611
Other interest bearing deposits	84	60	-
<b>Total interest income</b>	<b>104,090</b>	<b>82,291</b>	<b>57,632</b>
<b>Interest expense:</b>			
Deposits	39,698	31,059	22,319
Short-term borrowings	17,091	5,381	5,118
Long-term borrowings	2,652	5,327	2,389
<b>Total interest expense</b>	<b>59,441</b>	<b>41,767</b>	<b>29,826</b>
<b>Net interest income</b>	<b>44,649</b>	<b>40,524</b>	<b>27,806</b>
Provision for loan losses	3,090	1,260	750
<b>Net interest income after provision for loan losses</b>	<b>41,559</b>	<b>39,264</b>	<b>27,056</b>
<b>Other income:</b>			
Loan service fees	1,445	3,532	374
Deposit service fees	3,397	3,304	3,174
Lease financing, net	1,926	724	1,418
Increase in cash surrender value of life insurance	1,703	-	-
Net gains on sale of securities available for sale	-	1	167
Gain on sale of Coal City National Bank	-	-	4,099
Other operating income	2,251	1,501	708
	10,722	9,062	9,940
<b>Other expenses:</b>			
Salaries and employee benefits	18,396	17,214	12,954
Occupancy and equipment expense	6,783	6,085	4,402
Intangibles amortization expense	1,955	2,472	3,254
Advertising and marketing expense	1,745	910	730
Other operating expenses	6,866	6,879	5,796
	35,745	33,560	27,136
<b>Income before income taxes</b>	<b>16,536</b>	<b>14,766</b>	<b>9,860</b>
Income taxes	4,931	4,812	3,605
<b>Net income</b>	<b>11,605</b>	<b>9,954</b>	<b>6,255</b>
Preferred stock dividend	-	-	1,085
<b>Net income available to common stockholders</b>	<b>\$ 11,605</b>	<b>\$ 9,954</b>	<b>\$ 5,170</b>
<b>Basic earnings per common share</b>	<b>\$ 1.64</b>	<b>\$ 1.51</b>	<b>\$ 1.26</b>
<b>Diluted earnings per common share</b>	<b>\$ 1.64</b>	<b>\$ 1.51</b>	<b>\$ 1.25</b>
<b>Weighted average common shares outstanding</b>	<b>7,064,515</b>	<b>6,586,596</b>	<b>4,093,254</b>
<b>Weighted average common shares outstanding including dilutive shares</b>	<b>7,072,134</b>	<b>6,598,058</b>	<b>4,130,996</b>

## OFFICERS AND DIRECTORS

### 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  
Burton J. Field, President, Manufacturers Bank  
Thomas D. Panos, Executive Vice President  
and Senior Lending Officer, Manufacturers Bank  
Jill E. York, Vice President and CFO, MB Financial;  
Senior Vice President and CFO 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  
Arthur L. Knight, Jr.  
Clarence Mann  
James Mann  
Charles Oh  
Thomas D. Panos  
Hipolito Roldan  
Mark Rubert  
George Wallach  
Jill E. York

#### Regional Presidents

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

#### Senior Vice Presidents

Richard A. Beutel, Commercial Banking  
Thomas P. FitzGibbon, Jr., Retail Banking  
Judy Hill, Cash Management  
James G. Houston, Commercial Banking  
Jeffrey L. 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

### Manufacturers Bank

#### Vice Presidents

Donna Adam, Accounting  
Sandra L. Biske, Commercial Banking  
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 Mazzone, Retail Banking  
Mitchell A. Morgenstern, Commercial Banking  
Thomas Munoz, Community Lending  
David J. Mroz, Auditing  
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  
Marilynn Williams, Commercial Real Estate  
Edward J. Wisniewski, Sr., Purchasing

#### Assistant Vice Presidents

Susan Augustine, Retail Banking  
Bernard T. Bartilad, Commercial Banking  
William Ber, Commercial Banking  
Patrice Busleta, Retail Banking  
Stephen D. Conroy, Community Lending  
Marianne Fonsino, Retail Banking  
Azalia Gomez, Retail Banking  
Patricia Handzel, Item Processing  
Cynthia Juranich, Retail Banking  
Elizabeth Kiss, Human Resources  
Susan Leary, Retail Banking  
Tami Lubke, Retail Banking  
Dora M. Messina, Business Systems  
Denise Molick, Accounting  
Joy Park, Korean Banking  
Robert Pierson, Commercial Banking  
Mia Rhee, Retail Banking  
John Sassaris, Commercial Banking  
Carla Stewart, Retail Banking  
Ekaterini Vellios, Retail Banking  
Kyla Wilson, Retail Banking

#### Officers

David J. Burmania, Loan Documentation  
Stephen S. Cornelius, Marketing  
Christina Frank, Commercial Real Estate  
Doria L. Koros, Executive Office  
Patti Krajewski, Community Lending  
Michael Macikanycz, Information Services  
Marcela Melendez, Commercial Banking  
Ronald Meyer, Loan Servicing  
Darrin O'Brien, Human Resources  
Denise Plankis, Human Resources  
Steven Postregna, Loan Servicing  
Gary Raczek, Cash Management  
Nora P. Reyes, Compliance  
David Vingren, Commercial Banking  
Kenneth Worm, Accounting

#### 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 AM, on Tuesday, April 24, 2001, 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, at 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 December 31, 2000, as filed with the Securities and Exchange Commission, may do so by writing Jill E. York, Vice President and Chief Financial Officer, at 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:

Jill E. York  
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 December 31. Quarterly results are announced within 45 days after the end of each quarter, and audited results are announced within 90 days after yearend.

### 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 December 31, 2000, 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 December 31, 2000, the following securities firms indicated they were maintaining an inventory of MB Financial, Inc. common stock and acting as market makers:

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

### Price Summary

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

2000	High	Low	Ending
First	\$ 12.75	\$ 9.50	\$ 9.94
Second	12.63	8.97	12.25
Third	14.13	11.75	13.56
Fourth	13.75	10.50	13.38

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

### Independent Public Accountants

McGladrey & Pullen, LLP  
Schaumburg, 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)



**Manufacturers**  
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