FIRST MIDWEST BANCORP INC
Form 424B5
March 21, 2006
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We will amend and complete the information in this preliminary prospectus supplement. This preliminary prospectus supplement and the prospectus are part of an effective registration statement filed with the Securities and Exchange Commission. This preliminary prospectus supplement and the prospectus are not offers to sell nor solicitations of offers to buy these securities in any jurisdiction where such offer or sale is not permitted.

Filed Pursuant to Rule 424(b)(5)
Registration No. 333-132137

Subject to Completion, dated March 21, 2006

Prospectus Supplement

(To Prospectus dated March 1, 2006)

$100,000,000

% Subordinated Notes due 2016

We will pay interest on the notes at the rate of % per year. Interest on the notes is payable on April and October of each year, beginning on October , 2006. The notes will mature on April , 2016. The notes are not subject to redemption at our option, or repayment at the option of the holders, prior to maturity. There is no sinking fund for the notes.

Payment of principal of the notes may be accelerated only in the case of our bankruptcy, insolvency or reorganization. There is no right of acceleration in the case of a default in the payment of principal of or interest on the notes. The notes will not be listed on any national securities exchange. Currently, there is no public market for the notes.

The notes will be unsecured, subordinated obligations of First Midwest Bancorp, Inc. and will rank junior in right of payment to our senior indebtedness and equally with any other subordinated indebtedness we may issue in the future. Our subsidiaries own substantially all of our assets, and the notes will be effectively subordinated to all indebtedness and other liabilities of our subsidiaries.

Investing in our subordinated notes involves risks. See Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2005 before you make your investment decision.

	Per Note	Total
Public offering price (1)	%	$
Underwriting discount	%	$
Proceeds to us, before expenses	%	$

(1) Plus accrued interest from March , 2006.

Neither the Securities and Exchange Commission nor any state securities commission or other regulatory authority has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

The notes are not savings accounts, deposits or obligations of any bank and are not insured or guaranteed by the Federal Deposit Insurance Corporation, Bank Insurance Fund, Savings Association Insurance Fund or any other governmental agency.

The underwriter expects to deliver the notes through the book-entry facilities of The Depository Trust Company on or about March , 2006.

Keefe, Bruyette & Woods

The date of this prospectus supplement is , 2006

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Prospectus Supplement

Prospectus

ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement and the accompanying prospectus are part of a registration statement that we filed with the Securities and Exchange Commission, or SEC, using a shelf registration process. Under this shelf registration process, we may offer from time to time subordinated notes and other securities. Both this prospectus supplement and the accompanying prospectus include important information about us, the offering and other information you should consider before investing. This prospectus supplement may add, update and change information contained in the accompanying prospectus. You should read both this prospectus supplement and the accompanying prospectus as well as additional information described under Incorporation of Certain Information By Reference on page 2 of the accompanying prospectus before investing in the notes. To the extent there is a conflict between the information contained in this prospectus supplement, on the one hand, and the information contained in the accompanying prospectus on the other hand, the information contained in this prospectus supplement shall control.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriter has not, authorized anyone to provide you with different information. We are not, and the underwriter is not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this prospectus supplement, the accompanying prospectus or the documents incorporated by reference is accurate as of any date other than the date of such information.

Unless the context otherwise requires, the terms First Midwest, the Company, we, us, and our, refer to First Midwest Bancorp, Inc. and its subsidiaries.

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INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC s rules allow us to incorporate by reference information into this prospectus supplement. This means that we can disclose important information to you by referring you to another document. Any information referred to in this way is considered part of this prospectus supplement from the date we file that document. Any reports filed by us with the SEC after the date of this prospectus supplement and before the date that the offering of the securities by means of this prospectus supplement is terminated will automatically update and, where applicable, supersede any information contained in this prospectus supplement or incorporated by reference in this prospectus supplement.

We incorporate by reference into this prospectus supplement the following documents or information filed with the SEC (other than, in each case, documents or information deemed to have been furnished and not filed in accordance with SEC rules):

- Our Annual Report on Form 10-K for the year ended December 31, 2005;

- Our Current Reports on Form 8-K dated March 9, 2006 and March 14, 2006 (other than information furnished under Item 7.01 of any Current Report on Form 8-K); and

- All documents filed by the Company under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act) on or after the date of this prospectus supplement and before the termination of this offering.

We will provide without charge to each person to whom this prospectus supplement is delivered, upon his or her written or oral request, a copy of any or all documents referred to above which have been or may be incorporated by reference into this prospectus supplement excluding exhibits to those documents unless they are specifically incorporated by reference into those documents. You can request those documents from:

First Midwest Bancorp, Inc.

One Pierce Place

Suite 1500

Itasca, Illinois 60143

Attention: Corporate Secretary

Telephone: (630) 875-7450

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PROSPECTUS SUPPLEMENT SUMMARY

This summary is not complete and does not contain all of the information that you should consider before investing in the notes and is qualified in its entirety by the more detailed information included or incorporated by reference in this prospectus supplement and the accompanying prospectus. To understand this offering fully, you should carefully read this entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein.

First Midwest Bancorp, Inc.

First Midwest Bancorp, Inc. is a bank holding company incorporated in Delaware in 1982 for the purpose of becoming a holding company registered under the Bank Holding Company Act of 1956, as amended. We are one of Illinois largest publicly traded bank holding companies with assets of $7.2 billion at year-end 2005 and are headquartered in the Chicago suburb of Itasca, Illinois. We employed 1,635 full-time equivalent employees as of December 31, 2005.

We primarily operate through our wholly owned subsidiary, First Midwest Bank (the Bank). The Company has responsibility for the overall conduct, direction, and performance of its subsidiaries. The Company provides various services, establishes Company-wide policies and procedures, and provides other resources as needed, including capital.

At December 31, 2005, the Bank had $7.2 billion in total assets, $5.2 billion in total deposits, and operated 68 banking offices located in 50 communities primarily in northeastern Illinois. The Bank is engaged in commercial and retail banking and offers a broad range of lending, depository, and related financial services, including accepting deposits; commercial and industrial, consumer, and real estate lending; collections; trust and investment management services; cash management services; safe deposit box operations; and other banking services tailored for consumer, commercial and industrial, and public or governmental customers. The Bank also provides an electronic banking center on the Internet, which enables Bank customers to perform banking transactions and provides information about Bank products and services to the general public.

Acquisition of Bank Calumet, Inc.

On December 12, 2005, we announced the execution of a definitive agreement to acquire Bank Calumet, Inc. (Bank Calumet) for $307 million in cash. Bank Calumet is a holding company headquartered in Hammond, Indiana, with $1.2 billion in assets as of December 31, 2005 and 30 branches located predominantly in Lake County, Indiana and contiguous Illinois counties of Cook and Will. The transaction has been approved by the Board of Governors of the Federal Reserve Board, the Department of Financial Institutions of the State of Indiana and by Bank Calumet s shareholders. We expect to complete the acquisition early in the second quarter of 2006, subject to customary closing conditions.

Corporate Information

Our headquarters are located at One Pierce Place, Suite 1500, Itasca, Illinois 60143, and our telephone number is (630) 875-7450. We maintain a website at http://www.firstmidwest.com. Information on the website is not incorporated by reference and is not a part of this prospectus supplement or the accompanying prospectus.

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THE OFFERING

The following summary contains basic information about this offering. Because this is only a summary, it does not contain all of the information that may be important to you. For a more complete understanding of this offering, we encourage you to read this entire prospectus supplement, including Supplemental Description of Subordinated Notes, the accompanying prospectus, including Description of Securities We May Offer Debt Securities and the documents referred to in this prospectus supplement and the accompanying prospectus.

Issuer	First Midwest Bancorp, Inc.
Securities Offered	$100 million aggregate principal amount of % Subordinated Notes due 2016.
Offering Price	% of the principal amount, plus accrued interest, if any, from March , 2006.
Maturity Date .	April , 2016.
Interest	We will pay interest on the notes semi-annually on April and October of each year, commencing October , 2006 at a rate of % per year.
Ranking	The notes will be our unsecured obligations subordinated in right of payment to all our senior indebtedness and effectively subordinated to all existing and future debt and all other liabilities of our subsidiaries. As of December 31, 2005, we had no senior indebtedness outstanding. In addition, as of that date, the aggregate amount of all debt and other liabilities of our subsidiaries (including deposit obligations) was approximately $6.6 billion.
Redemption	The notes are not subject to redemption at our option or repayment at the option of holders prior to maturity.
Global Note; Book-Entry System	The notes will be issued only in fully registered form without interest coupons and in minimum denominations of $1,000. The notes will be evidenced by a global note deposited with the trustee for the notes, as custodian for The Depository Trust Company, or DTC. Beneficial interests in the global note will be shown on, and transfers of those beneficial interests can only be made through, records maintained by DTC and its participants.
Use of Proceeds	We intend to use the net proceeds from this offering to fund a portion of the purchase price of our pending acquisition of Bank Calumet. The remainder of the purchase price will be financed with the proceeds of our common stock offering completed March 15, 2006 and bank borrowings, cash on hand or a combination thereof.
Listing	The notes will not be listed on any national securities exchange.
Limited Rights of Acceleration	Payment of principal of the notes may be accelerated only in the event of our bankruptcy, insolvency or reorganization. There will be no right of acceleration of the payment of principal of the notes upon a default in the payment of principal of or interest on the notes.

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DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

In addition to the other information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus, you should carefully consider the risk factors disclosed in our Annual Report on Form 10-K for the year ended December 31, 2005 when evaluating an investment in the notes. This prospectus supplement and the accompanying prospectus as well as documents incorporated by reference include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are forward-looking statements for purposes of these provisions, including any projections of earnings, revenues or other financial items, any statements of the plans and objectives of management for future operations, any statements concerning proposed new products or services, any statements regarding expansions through acquisitions or otherwise, any statements regarding future economic conditions or performance, and any statement of assumptions underlying any of the foregoing. In some cases, forward-looking statements can be identified by the use of terminology such as may, will, expects, plans, anticipates, estimates, believes, predicts, projects, goals, objectives, future, potential, or continue or the r comparable terminology. There can be no assurance that such expectations or any of the forward-looking statements will prove to be correct, and our actual results could differ materially from those projected in or implied by the forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to inherent risks and uncertainties, including but not limited to the risk factors set forth above and those described elsewhere in this prospectus supplement or in the accompanying prospectus or incorporated by reference. We assume no obligation to update any such forward-looking statement. You should refer to our periodic and current reports filed with the Securities and Exchange Commission for specific information which could cause our actual results to be significantly different from those expressed or implied by these forward-looking statements. In addition, these forward-looking statements are also subject to issues that may arise from our pending acquisition of Bank Calumet, including the timing of the closing, the impact of mark-to-market adjustments required by purchase accounting, issues that may arise in connection with the integration of Bank Calumet, including the inability to achieve expected cost savings within the expected time frame, as well as market conditions that may impact the pricing of securities offered and/or bank borrowings incurred by us to finance the acquisition.

ACQUISITION OF BANK CALUMET, INC.

On December 12, 2005, we announced the execution of a definitive agreement to acquire Bank Calumet for $307 million in cash, subject to reduction in certain circumstances. Bank Calumet is a holding company headquartered in Hammond, Indiana and is the parent of Bank Calumet, N.A. As of December 31, 2005, Bank Calumet had $1.2 billion in assets and $940.8 million in deposits. Bank Calumet has 30 branches located predominantly in Lake County, Indiana and contiguous Illinois counties of Cook and Will. In addition to its core banking business, Bank Calumet s trust department had approximately $850 million in trust assets under management as of December 31, 2005. Bank Calumet had net income of $14.3 million for 2005. The transaction has been approved by the Board of Governors of the Federal Reserve Board, the Department of Financial Institutions of the State of Indiana and by Bank Calumet s shareholders. We expect to complete the acquisition early in the second quarter of 2006, subject to customary closing conditions.

We believe the acquisition of Bank Calumet allows us an opportunity to expand our banking franchise in the southeast Chicago metropolitan area. Bank Calumet is the third largest bank in Lake County, Indiana (based on deposits), the second largest county in Indiana. Bank Calumet s deposit mix consisted of approximately 75% transactional deposits as of December 31, 2005. In addition, Bank Calumet had a loan to deposit ratio of approximately 70% as of such date.

We intend to finance the acquisition of Bank Calumet with the net proceeds of the notes offered hereby, together with the net proceeds in the amount of approximately $143.0 million from the issuance of our common stock in March 2006. We intend to finance the remainder of the purchase price with either a draw under our revolving credit facility or cash on hand. Our final determination as to the mix of financing sources will depend upon market conditions and our cash position at the time of closing of the transaction.

The net proceeds from our sale of the notes and the common stock issued will be used to pay a portion of the proposed purchase price in the acquisition. We cannot give any assurance that we will be able to consummate the Bank Calumet acquisition during the time frame currently contemplated or at all. In such event, the notes and such common stock will already have been issued without the benefit of having acquired Bank Calumet.

In addition, integration of Bank Calumet with First Midwest may require a significant amount of our management s time. Issues arising in connection with the integration of Bank Calumet and the diversion of our management s attention from our business in order to complete such integration may have a negative impact on us. In addition, although we conducted a due diligence investigation into the business and operations of Bank Calumet, no assurance can be given that Bank Calumet does not have undisclosed financial or other obligations related to its operation prior to the date of the acquisition. The information regarding Bank Calumet contained in this prospectus supplement is unaudited and has been obtained from Bank Calumet.

USE OF PROCEEDS

The net proceeds to us from the sale of the notes will be approximately $ million (after deducting the underwriting discount and estimated offering expenses).

We intend to use the net proceeds of this offering to pay a portion of the purchase price of our pending acquisition of Bank Calumet. Pending completion of the acquisition, the proceeds will be either invested in highly liquid short-term investments or used to reduce short term borrowings.

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CAPITALIZATION

The following table sets forth our consolidated long-term indebtedness and capitalization at December 31, 2005, on an actual basis and as adjusted to give effect to (i) the sale of 4,398,750 shares of common stock in March 2006, (ii) the issuance of the $100 million of subordinated notes offered hereby and (iii) the closing of the Bank Calumet acquisition assuming it had occurred on December 31, 2005 (including assumption of approximately $1.369 million of Bank Calumet FHLB borrowings as of December 31, 2005). No other change in our consolidated capitalization since December 31, 2005 is reflected in the table. This table should be read together with our consolidated financial statements and related notes incorporated by reference into this prospectus supplement and the accompanying prospectus.

	Actual December 31, 2005	As Adjusted
	(Dollars in thousands)	
Long-term debt:		
Junior subordinated debentures	$ 130,092	$ 130,092
Subordinated debt		100,000
FHLB borrowings	13,519	14,888
Total long-term debt	$ 143,611	$ 244,980
Stockholders Equity:		
Common stock, $.01 par value; 100,000,000 shares authorized; 45,386,776 outstanding at December 31, 2005 and 49,785,526 outstanding as adjusted	$ 569	$ 613
Additional paid-in capital	60,760	203,728
Retained earnings	762,575	762,575
Accumulated other comprehensive (loss) income	(8,284)	(8,284)
Treasury stock, at cost: 11,540,540 shares	(271,552)	(271,552)
Total stockholders equity	$ 544,068	$ 687,080

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RATIO OF EARNINGS TO FIXED CHARGES

Set forth below are our consolidated ratios of earnings to fixed charges for each of the periods indicated:

	Years Ended December 31,				
	2005	2004	2003	2002	2001
Ratio of earnings to fixed charges:[1]					
Excluding interest on deposits	4.02	5.44	5.81	5.09	3.32
Including interest on deposits	2.03	2.51	2.51	2.10	1.60

[1] For the purpose of computing the ratios of earnings to fixed charges, earnings represent net income plus fixed charges and the provision for income taxes. Fixed charges consist of interest on outstanding debt plus one-third (the proportion deemed representative of the interest factor) of operating lease expense plus interest on deposits with respect to the ratio including interest on deposits.

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SELECTED CONSOLIDATED FINANCIAL INFORMATION

The table below presents selected consolidated income statement and balance sheet data of the Company. We derived this information from our audited financial statements for the years ended December 31, 2003 through December 31, 2005. This information is only a summary. You should read it in connection with our historical financial statements and related notes and the Management s Discussion and Analysis of Financial Condition and Results of Operations, which are incorporated by reference in this prospectus supplement. See Where You Can Find More Information on page 1 of the accompanying prospectus.

	Years ended December 31,		
	2005	2004	2003
Operating Results (Amounts in thousands)			
Interest income	$ 366,700	$ 315,342	$ 291,067
Interest expense	130,850	86,478	81,313
Net interest income	235,850	228,864	209,754
Provision for loan losses	8,930	12,923	10,805
Noninterest income	74,612	79,381	74,170
Noninterest expense	165,703	163,338	149,452
Income tax expense	34,452	32,848	30,889
Net income	$ 101,377	$ 99,136	$ 92,778
Per Share Data			
Basic earnings per share	$ 2.22	$ 2.13	$ 1.99
Diluted earnings per share	2.21	2.12	1.97
Cash dividends declared	1.015	0.900	0.790
Book value at year end	11.99	11.55	11.22
Performance Ratios			
Return on average equity	18.83%	18.68%	18.28%
Return on average assets	1.44%	1.45%	1.50%
Net interest margin tax equivalent	3.87%	3.91%	3.99%
Dividend payout ratio	45.93%	42.45%	40.10%
Average equity to average asset ratio	7.65%	7.74%	8.19%
Tier 1 leverage ratio	8.16%	8.16%	8.49%
Risk-based tier 1 capital ratio	10.72%	10.45%	10.29%
Risk-based total capital ratio	11.76%	11.52%	11.41%
Balance Sheet Highlights (Amounts in thousands)			
Total assets	$ 7,210,151	$ 6,863,381	$ 6,906,658
Loans	4,306,191	4,135,278	4,059,782
Deposits	5,147,832	4,905,378	4,815,108
Stockholders equity	544,068	532,038	522,540

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SUPPLEMENTAL DESCRIPTION OF SUBORDINATED NOTES

The following description of the particular terms of the % Subordinated Notes due 2016 offered hereby supplements, and to the extent inconsistent therewith replaces, the description of the general terms and provisions of the debt securities and the specific terms and conditions of the subordinated debt securities set forth in the accompanying prospectus, to which reference is hereby made.

The notes will be limited to $100 million aggregate principal amount (except as provided below under Further Issues of Notes), will be direct, unsecured, subordinated debt obligations of First Midwest and will mature on April , 2016. The notes are not subject to redemption at the option of First Midwest, or repayment at the option of the holders, prior to maturity and do not provide for any sinking fund. The notes constitute a single series and are to be issued under the subordinated debt indenture dated as of March 1, 2006 between us and U.S. Bank National Association, a national banking association, as trustee. See Description of Securities We May Offer Debt Securities in the accompanying prospectus.

We are a bank holding company, and we conduct substantially all of our operations through our principal subsidiary bank, First Midwest Bank. As a result, our ability to make payments on the notes will depend primarily upon the receipt of dividends and other distributions from the Bank. There are various regulatory restrictions on the ability of the Bank to pay dividends or make payments to us.

Forms and Denomination

The notes will be issued in fully registered form only, in denominations of $1,000 and multiples of $1,000. The notes will be issued as one or more global securities registered in the name of The Depository Trust Company or its nominee and will be available only in book-entry form. See Description of the Securities We May Offer Debt Securities Book-Entry, Delivery and Form and DTC in the accompanying prospectus.

Subordination

As described in the accompanying prospectus, the notes are subordinate and junior in right of payment to the prior payment in full of all or our existing and future Senior Indebtedness, as defined in the subordinated indenture. As of December 31, 2005, we had no senior indebtedness outstanding.

In addition, because we are a bank holding company, the notes are effectively subordinated to all existing and future liabilities of our subsidiaries, including those to depositors.

The subordinated indenture does not limit or prohibit us from incurring additional senior or subordinated indebtedness.

Events of Default

The events of default with respect to the notes are limited to the following events:

- the entry of a decree or order for relief in respect of First Midwest by a court having jurisdiction in the premises in an involuntary case or proceeding under the federal bankruptcy laws or any other applicable federal or state bankruptcy, insolvency, reorganization or other similar law, and the continuance of any such decree or order unstayed and in effect for a period of 60 consecutive days; or

- the commencement by First Midwest of a voluntary case or proceeding under the federal bankruptcy laws or any other applicable federal or state bankruptcy, insolvency or similar law, or the filing by First Midwest of a petition or answer or consent seeking reorganization or relief under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency, reorganization or other similar law.

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As described in the accompanying prospectus, payment of the principal of the notes may be accelerated only in the case of an event of default under the notes and the subordinated indenture. There is no right of acceleration by reason of the bankruptcy, insolvency or reorganization of the Bank or any other subsidiary of First Midwest or in the case of a default by First Midwest in the performance of any covenant or agreement in the notes or the subordinated indenture, including the failure to pay principal of or interest on the notes when due. See Description of Securities We May Offer Provisions Applicable Solely to Subordinated Debt Securities Events of Default in the accompanying prospectus.

Interest Payments

The notes will mature on April , 2016. Interest at the annual rate set forth on the cover page of this prospectus supplement will accrue from the date the notes are issued. Interest on the notes is payable semi-annually on April and October , commencing October , 2006, to the persons in whose names the notes are registered at the close of business on the fifteenth calendar day (whether or not a business day) immediately preceding the applicable interest payment date. Interest payable at the maturity of a note will be payable to the registered holder of the note to whom principal is payable. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

If any interest payment date or the maturity date of the notes falls on a day that is not a business day, the related payment of interest or principal will be made on the next day that is a business day (with the same force and effect as if made on the date such payment was due), and no interest will accrue on the amount payable for the period from and after such interest payment date or maturity date, as the case may be. When we refer to a business day we mean any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions are authorized or required by law or regulation to close in the City of New York or the City of Chicago.

Interest payments for the notes will include accrued interest from the date of issue or from the last date in respect of which interest has been paid, as the case may be, to, but excluding, the interest payment date or the maturity date, as the case may be.

Redemption

The notes are not subject to redemption at the option of the Company, or repayment at the option of the holders of the notes, prior to maturity.

Further Issues of Notes

We may from time to time, without notice to or the consent of the holders of the notes, create and issue further notes ranking *pari passu* with the notes in all respects (or in all respects except for the payment of interest accruing prior to the issue date of such further notes or except for the first payment of interest following the issue date of such further notes) and so that such further notes may be consolidated and form a single series with the notes and have the same terms as the notes.

Notices

So long as DTC is the depository for the notes, any notices required to be given to the holders of the notes will be given to DTC.

Governing Law

The subordinated indenture and the notes are governed by and will be construed in accordance with New York law.

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MANAGEMENT

The following table presents information concerning our executive management team as of March 1, 2006.

Name	Age	Position	Years With First Midwest
John M. O Meara	60	President and Chief Executive Officer	36
Kent S. Belasco	54	Executive Vice President and Chief Information Officer, First Midwest Bank	19
Robert P. Diedrich	42	Group President, Trust Division, First Midwest Bank	24
Mark M. Dietrich	58	Group Executive Vice President and Chief Operations Officer, First Midwest Bank	32
Michael J. Kozak	54	Executive Vice President and Chief Credit Officer, First Midwest Bank	10
Thomas J. Schwartz	56	Group President, Commercial Banking, First Midwest Bank	34
Michael L. Scudder	45	Executive Vice President and Chief Financial Officer	20
Janet M. Viano	50	Group President, Retail Banking, First Midwest Bank	22
Stephanie R. Wise	38	Executive Vice President, Business and Institutional Services, First Midwest Bank	15

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UNDERWRITING

Subject to the terms and conditions of an underwriting agreement, Keefe, Bruyette & Woods, Inc., as underwriter, has agreed to purchase, and we have agreed to sell to the underwriter, the notes at a purchase price equal to the offering price set forth on the front cover of this prospectus supplement, less a discount of % of the principal amount of the notes.

The underwriting agreement provides that the obligations of the underwriter to purchase the notes are subject to approval of legal matters by counsel and to other conditions. The underwriter must purchase all of the notes if it purchases any of the notes.

The underwriter has advised us that it proposes initially to offer the notes to the public at the public offering price set forth on the cover page of this prospectus supplement. It also may offer the notes to dealers at the applicable public offering price less a concession not in excess of %. The underwriter may allow, and the dealers may reallow, a concession not in excess of % of the principal amount of the notes, on sales to other dealers. After the initial offering of the notes to the public is completed, the underwriter may change the offering price and the concessions.

The notes will constitute a new issue of securities with no established trading market. We have been advised by the underwriter that it intends to make a market in the notes but that the underwriter is not obligated to do so and may discontinue market making at any time and without notice. No assurance can be given as to the liquidity of the trading market for the notes.

In connection with the offering, Keefe, Bruyette & Woods, Inc. may purchase and sell notes in the open market. These transactions may include over-allotment, covering transactions and stabilizing transactions. Over-allotment involves sales of notes in excess of the principal amount of notes to be purchased by the underwriter in the offering, which creates a short position. Covering transactions involve purchase of the notes in the open market after the distribution has been completed in order to cover short positions. Stabilizing transactions consist of certain bids or purchases of notes made for the purpose of preventing or retarding a decline in the market price of the notes while the offering is in progress. Any of these activities may have the effect of preventing or retarding a decline in the market price of the notes. They may also cause the price of the notes to be higher than the price that otherwise would exist in the open market in the absence of these transactions. The underwriter may conduct these transactions in the over-the-counter market or otherwise. There is no assurance that the underwriter will conduct any of these transactions and if the underwriter commences any of these transactions, it may discontinue them at any time.

It is expected that delivery of the notes will be made against payment therefor on March , 2006, which will be the fifth business day following the date of this prospectus supplement. Pursuant to Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, the purchasers who wish to trade the notes on or prior to March , 2006 will be required to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the notes who wish to trade the notes on or prior to March , 2006 should consult their own advisor.

Neither we nor the underwriter make any representation or prediction as to the direction or magnitude of any effect that the transactions contemplated in the preceding paragraph may have on the price of the notes.

The expenses associated with the offer and the sale of the notes are estimated to be approximately $ and will be paid by us.

We have agreed to indemnify the underwriter against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriter may be required to make because of any of those liabilities.

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The underwriter has in the past provided, and may in the future provide, financial advisory and investment banking services to us and our affiliates in the ordinary course of business. The underwriter has served as our financial advisor in connection with our planned acquisition of Bank Calumet.

EXPERTS

The consolidated financial statements of First Midwest Bancorp, Inc. appearing in First Midwest Bancorp, Inc. s Annual Report (Form 10-K) for the year ended December 31, 2005, and First Midwest Bancorp, Inc. management s assessment of the effectiveness of internal control over financial reporting as of December 31, 2005 included therein, have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their reports thereon, included therein, and incorporated herein by reference. Such financial statements and management s assessment are incorporated herein by reference. Such financial statements and management s assessment are incorporated by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

LEGAL MATTERS

The validity of the notes offered hereby is being passed upon for us by Chapman and Cutler LLP, Chicago, Illinois. Attorneys in the firm of Chapman and Cutler LLP own less than one percent of the outstanding common stock of the Company. Certain legal matters in connection with this offering will be passed upon for the underwriter by Schiff Hardin LLP, Chicago, Illinois.

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PROSPECTUS

Senior Debt Securities

Subordinated Debt Securities

Preferred Stock

Common Stock

We may offer and sell from time to time in one or more offerings any combination of the securities listed above. Offers and sales of these securities may be to or through one or more underwriters, dealers and agents, or directly to purchasers, on a continuous or delayed basis. We will provide the specific terms for securities to be offered in one or more supplements to this prospectus. The prospectus supplement may also add, update or change information contained in this prospectus. You should read this prospectus and any prospectus supplement carefully before you invest. This prospectus may not be used to sell securities unless accompanied by a prospectus supplement.

If appropriate, discussion of certain risks that you should consider in connection with an investment in the securities will be included in a supplement to this prospectus.

Our common stock is traded on the Nasdaq National Market and quoted under the symbol FMBI.

These securities are unsecured and are not savings accounts, deposits or other obligations of any of our bank or non-bank subsidiaries, and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency. These securities involve investment risks, including possible loss of principal.

This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Neither the Securities and Exchange Commission nor any state securities commission or any other regulatory authority has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

Prospectus dated March 1, 2006.

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