

MB FINANCIAL INC /MD  
Form 11-K  
July 16, 2007

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**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 11-K**

Annual Report Pursuant to Section 15(d) of the  
Securities Exchange Act of 1934

(Mark One)

Annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934 (No Fee  
Required)

For the fiscal year ended December 31, 2006

OR

Transition report pursuant to Section 15(d) of the Securities Exchange Act of 1934 (No Fee  
Required)

For the transition period from \_\_\_ to \_\_\_

Commission file number 000-24566-01

A. Full title of the plan and the address of the plan, if different from that of the issuer named  
below:

**MB Financial, Inc. 401(k) Profit Sharing Plan**

B. Name of issuer of the securities held pursuant to the plan and the address of its principal  
executive office :

MB Financial, Inc.  
800 West Madison Street  
Chicago, Illinois 60607

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**MB FINANCIAL, INC. 401(k) PROFIT SHARING PLAN**

Required Information

The MB Financial, Inc. 401(k) Profit Sharing Plan (the “Plan”) is subject to the provisions of the Employee Retirement Security Act of 1974, as amended (“ERISA”), and for purposes of satisfying the requirements of Form 11-K has included for filing herewith the Plan financial statements and schedules prepared in accordance with the financial reporting requirements of ERISA. Attached to this report as Exhibit 23 is the consent of McGladrey & Pullen LLP.

**MB Financial, Inc.**  
**401(k) Profit Sharing Plan**

Financial Report  
December 31, 2006

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**Report of Independent Registered  
Public Accounting Firm**

To the Plan Administrator  
MB Financial, Inc.  
401(k) Profit Sharing Plan  
Chicago, Illinois

We have audited the accompanying statements of net assets available for benefits of MB Financial, Inc. 401(k) Profit Sharing Plan (the "Plan") as of December 31, 2006 and 2005, and the related statement of changes in net assets available for benefits for the year ended December 31, 2006. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the plan management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the MB Financial, Inc. 401(k) Profit Sharing Plan as of December 31, 2006 and 2005, and the changes in net assets available for benefits for the year ended December 31, 2006 in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2, the Plan adopted Financial Accounting Standards Board Staff Position AAG INV-1 and SOP 94-4-1, Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined Contribution Health and Welfare and Pension Plans, as of December 31, 2006.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of Assets (Held at End of Year) as of December 31, 2006 is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ McGladrey & Pullen, LLP  
Chicago, Illinois  
July 11, 2007



**MB Financial, Inc**  
**401(k) Profit Sharing Plan**

**Statements of Net Assets Available for Benefits**  
**December 31, 2006 and 2005**

	2006	2005
Assets		
Investments at fair value:		
Shares of registered investment companies	\$ 45,050,898	\$ 40,669,199
Common collective trust	13,241,312	13,872,327
Common stock of MB Financial, Inc.	10,708,545	9,922,832
Participant loans	1,059,049	993,089
	70,059,804	65,457,447
Receivables:		
Employer contributions	3,190,718	3,036,043
Participant contributions	8,140	12,579
	3,198,858	3,048,622
Cash	453,974	483,041
Total assets	73,712,636	68,989,110
Liabilities, excess contributions	90,716	90,874
Net Assets available for benefits at fair value	73,621,920	68,898,236
Adjustment from fair value to contract value for interest in common collective fund relating to fully benefit-responsive investment contracts (Note 2)	214,897	201,501
Net Assets available for benefits	\$ 73,836,817	\$ 69,099,737

See Notes to Financial Statements.

**MB Financial, Inc.**  
**401(k) Profit Sharing Plan**

**Statement of Changes in Net Assets Available for Benefits**  
**Year Ended December 31, 2006**

Investment income:		
Net appreciation in fair value of investments	\$	4,140,735
Interest and dividends		2,655,929
		6,796,664
Contributions:		
Participants		2,893,050
Employer		3,190,718
Rollovers		286,329
		6,370,097
<b>Total additions</b>		13,166,761
Deductions:		
Benefits paid		8,412,984
Administrative expenses		16,697
<b>Total deductions</b>		8,429,681
<b>Net increase</b>		4,737,080
Net assets available for benefits:		
Beginning of year		69,099,737
End of year	\$	73,836,817

See Notes to Financial Statements.

**MB Financial, Inc.**  
**401(k) Plan Profit Sharing Plan**

**Notes to Financial Statements**

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**Note 1. Plan Description**

The following description of the MB Financial, Inc. 401(k) Profit Sharing Plan (the "Plan"), provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

**General:**

The Plan is a defined contribution plan covering all full-time and part-time employees of MB Financial, Inc. (the "Company" or "Trustee"). Employees scheduled to work at least twenty hours per week are eligible upon completion of three months of service and enter the Plan effective as of the first day of the month following meeting eligibility. Employees scheduled to work less than twenty hours per week are eligible upon completion of 1,000 hours of service in a 12-month period beginning on their date of hire and enter the Plan on the January 1, or July 1 after meeting the eligibility requirements. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

**Participant accounts:**

Each participant's account is credited with the participant's contributions, the Company's matching contributions, and an allocation of (a) Plan earnings, and (b) the Company's profit sharing contributions, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

**Contributions:**

The Company contributes to the Plan from current or accumulated profits. In 2006, the Company contributed on behalf of each participant a matching contribution equal to 100% of each participant's deferral contribution up to the first 2% of the participant's compensation and 50% of each participant's deferral contribution for the next 2% of the participant's compensation along with a profit sharing contribution of approximately 3.5% of total compensation in 2006. Each participant may make tax deferred contributions up to 15% of his or her compensation, as defined in the Plan. Participants may make rollover contributions to the Plan from prior employer plans. Contributions are subject to certain limitations.

**Vesting:**

Participants are immediately vested in their contributions and Company matching contributions plus actual earnings thereon. Vesting in the Company's profit sharing contribution portion of their accounts plus actual earnings thereon, if any, is based on years of service, as defined. A participant is 100% vested after 7 years of credited service.

**Investment options:**

Upon enrollment in the Plan, participants may direct their contributions, the Company's matching contributions, and the Company's profit sharing contributions in a variety of investment options as more fully described in the Plan's literature. Participants may change their investment options at any time.

**MB Financial, Inc.  
401(k) Plan Profit Sharing Plan**

**Notes to Financial Statements**

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**Note 1. Plan Description (continued)**

**Participant loans:**

Participants may borrow from their accounts up to a maximum equal to the lesser of \$50,000 reduced by the excess, if any, of the participant's highest outstanding balance of loans from the Plan during the one year period prior to the date of the loan over the participant's current outstanding balance of loans or 50% of their vested account balances. Loan terms range from 1-5 years or up to 15 years for the purchase of a primary residence. The loans are collateralized by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined quarterly by the plan administrator. Current interest rates on outstanding loans range from 3.5% to 10.0%. Principal and interest payments are required to be paid not less than quarterly.

**Payment of benefits:**

Upon retirement, a participant may elect to receive either a lump-sum amount equal to the value of his or her account, or installment payments. The balance in this account may be used to purchase a single premium annuity contract. Upon termination, a participant may elect to receive a lump-sum amount or direct rollover into another plan equal to the vested value of his or her account, or if his or her vested value is greater than \$5,000 he or she may elect equal installment payments commencing within sixty days after the close of the plan year in which employment is terminated.

Benefits are recorded when paid.

**Forfeitures:**

At each anniversary date, defined as December 31, any forfeitures since the prior anniversary date shall be made available to reinstate previously forfeited account balances for former participants. The remaining forfeitures, if any, shall be used to reduce the contribution of the Company in the year in which such forfeitures occur. For the year ended December 31, 2006, Company contributions were reduced by approximately \$95,000 from forfeited non-vested accounts. No forfeited amounts remain as of December 31, 2006.

**Note 2. Significant Accounting Policies**

**Basis of accounting:**

The financial statements of the Plan are prepared under the accrual method of accounting.

**Use of estimates:**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

**MB Financial, Inc.**  
**401(k) Plan Profit Sharing Plan**

**Notes to Financial Statements**

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**Note 2. Significant Accounting Policies (continued)**

**New Accounting Standards:**

As of December 31, 2006, the Plan adopted Financial Accounting Standards Board Staff Position, FSP AAG INV-1 and SOP 94-4-1, *Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare Pension Plans* (the FSP). The FSP requires investment contracts held by a defined-contribution plan to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in investment contracts through a collective trust. As required by the FSP, the Statement of Net Assets Available for Benefits presents the fair value of the investment in the collective trust as well as adjustment of the investment in the collective trust from fair value to contract value relating to the investment contracts. The statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis. The FSP has been retrospectively applied to the prior period presented on the Statement of Net Assets Available for Benefits as of December 31, 2005.

In September 2006, the FASB issued Statement on Financial Accounting Standards No. 157 (SFAS 157), *Fair Value Measurements*. SFAS 157 establishes a single authoritative definition of fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurement. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007. The Company does not believe the adoption of SFAS 157 will have a material impact on the financial statements.

**Investment valuation and income recognition:**

Plan investments are stated at fair value. Shares of registered investment companies are valued at quoted net assets values which approximate the fair value of shares held by the Plan at year-end. Shares of MB Financial, Inc. common stock are valued at quoted market prices. Shares held in common/collective trust funds are reported at fair value based on the unit prices quoted by the fund, representing the fair value of the underlying investments. The investments in the fully benefit-responsive investment contracts are stated at contract value which is equal to principal balance plus accrued interest. As provided in the FSP, an investment contract is generally valued at contract value, rather than fair value, to the extent it is fully benefit-responsive. The fair value of fully benefit-responsive investment contracts is calculated using a discounted cash flow model which considers recent fee bids as determined by recognized dealers, discount rate and the duration of the underlying portfolio securities. The Participant loans are valued at cost which approximates fair value.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Participant loans are valued at face value, which approximates fair value.

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the value of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statements of net assets available for benefits.

**MB Financial, Inc.**  
**401(k) Plan Profit Sharing Plan**

**Notes to Financial Statements**

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**Note 3. Investments**

The following represents the Plan's investments at December 31, 2006 and 2005. Investments representing 5% or more of the Plan's net assets are separately stated.

	2006	2005
Shares of registered investment companies:		
Mass Investors Growth Stock Fund	\$ 4,703,429	\$ 4,756,000
MFS Value Fund	11,986,645	6,198,763
Calvert Income Fund A	5,787,569	10,538,730
Other	22,573,255	19,175,706
Common stock:		
MB Financial, Inc.	10,708,545	9,922,832
Common/collective trusts:		
MFS Institutional Fixed Fund	13,241,312	13,872,327
Participant loans	1,059,049	993,089
	\$ 70,059,804	\$ 65,457,447

The Plan's investments, including investments bought, sold, and held during the year ended December 31, 2006 appreciated (depreciated) in value as follows:

Shares of registered investment companies	\$ 3,334,751
Common stock	806,557
Common collective fund	(573)
	\$ 4,140,735

**Note 4. Related Party Transactions**

The Company provides certain administrative services to the Plan and is not reimbursed. Certain other administrative expenses are paid by the Company. These expenses are not material to the financial statements.

The Plan held 284,726 shares of MB Financial, Inc. common stock with a cost of \$7,049,373 and a fair value of \$10,708,545 at December 31, 2006. The Plan purchased approximately 29,124 shares of MB Financial, Inc. common stock at a cost of \$1,056,143 and sold approximately 24,704 shares for \$892,036 during the year ended December 31, 2006. The Plan held 280,306 shares of MB Financial, Inc. common stock with a cost of \$6,590,749 and a fair value of \$9,922,832 at December 31, 2005.

The Plan invests in certain registered investment companies managed by MFS. MFS is the custodian of the Plan's assets and therefore these transactions qualify as party-in-interest transactions.

**MB Financial, Inc.**  
**401(k) Plan Profit Sharing Plan**

**Notes to Financial Statements**

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**Note 5. Plan Termination**

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become fully vested in their accounts.

**Note 6. Income Tax Status**

The Internal Revenue Service has determined and informed the Company by a letter dated March 10, 2003, that the Plan is qualified and the trust established under the Plan is exempt under the appropriate sections of the Internal Revenue Code ("IRC"). The Plan administrator believes that the Plan is designed and is currently being operated in compliance with applicable provisions of the IRC.

**Note Reconciliation of Differences Between these Financial Statements and the Financial Information  
 7. Required on Form 5500**

The following is a reconciliation of the differences between these financial statements and the financial information shown on Form 5500:

	2006	2005
Net assets available for benefits per the financial statements	\$ 73,836,817	\$ 69,099,737
Fair value of fully benefit-responsive contracts	(214,897)	(201,501)
Plus: Adjustment from fair value to contract value for fully benefit-responsive investment contracts	214,897	201,501
Excess contributions	90,716	90,874
Net assets available for benefits per the Form 5500	\$ 73,927,533	\$ 69,190,611
Changes in net assets available for benefits per the financial statements	\$ 4,737,080	\$ 6,657,219
Excess contributions	(158)	8,374
Changes in net assets available for benefits per the Form 5500	\$ 4,736,922	\$ 6,665,593

**Note 8. Plan Merger and Subsequent Event**

In December 2006, the Plan Sponsor approved the merger of the First Oak Brook Bancshares, Inc. (FOBB) Employees' Stock Bonus Plan and the FOBB 401(K) Savings Plan into the Plan. The net assets of approximately \$16.4 million were transferred into the Plan in January 2007.

**MB Financial, Inc.**  
**401(k) Profit Sharing Plan**

**Schedule H, Line 4i - Assets Held at End of Year**  
**December 31, 2006**

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d)	(e) Current
			Cost	Value
	Massachusetts Investors Trust	Registered Investment Company	N/A	\$ 1,873,775
	Mass Investors Growth Stock Fund	Registered Investment Company	N/A	4,703,429
*	MFS Total Return Fund	Registered Investment Company	N/A	2,206,948
*	MFS High Income Fund	Registered Investment Company	N/A	556,607
*	MFS Institutional Fixed Fund	Registered Investment Company	N/A	13,241,312
*	MFS Value Fund	Registered Investment Company	N/A	11,986,645
*	MFS Technology Fund	Registered Investment Company	N/A	528,273
*	MFS Research International Fund	Registered Investment Company	N/A	3,058,888
*	MFS Conservative Allocation Fund	Registered Investment Company	N/A	2,391,408
*	MFS Moderate Allocation Fund	Registered Investment Company	N/A	1,809,019
*	MFS Growth Allocation Fund	Registered Investment Company	N/A	3,022,904
*	MFS Aggressive Growth Allocation Fund	Registered Investment Company	N/A	903,207
*	MFS Money Market Fund	Registered Investment Company	N/A	108,938
	Dreyfus Basic S&P 500 Index Fund	Registered Investment Company	N/A	2,966,089
	Victory Special Value A	Registered Investment Company	N/A	416,487
	Columbia Acorn Fund A	Registered Investment Company	N/A	2,035,948
	Calvert Income Fund A	Registered Investment Company	N/A	5,787,569

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	Lord Abbot Small Cap Blend A	Registered Investment Company	N/A	694,764
*	MB Financial, Inc. Stock	Common Stock	N/A	10,708,545
*	Participant Loans	Interest Rates Range from 3.50% to 10.00% Maturing through 6/1/2018	N/A	1,059,049
				\$ 70,059,804

\* Party-in-interest - refer to Note 4.

N/A - Investments are participant directed; therefore, cost is not applicable.

**Signatures**

**The Plan.** Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

**MB FINANCIAL, INC. 401(k) PROFIT  
SHARING PLAN**

By: MB Financial Bank, N.A., as Plan Trustee

Date: July 16, 2007

/s/ Jill E. York

**Jill E. York**

Executive Vice President and Chief Financial  
Officer

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