FIRST MIDWEST BANCORP INC
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FOR IMMEDIATE RELEASE

FIRST MIDWEST BANCORP, INC. ANNOUNCES 2016 THIRD QUARTER RESULTS

ITASCA, IL, October 18, 2016 - First Midwest Bancorp, Inc. (the "Company" or "First Midwest") (NASDAQ NGS: FMBI), the holding company of First Midwest Bank (the "Bank"), today reported results of operations and financial condition for the third quarter of 2016. Net income for the third quarter of 2016 was $28.4 million, or $0.35 per share. This compares to $25.3 million, or $0.31 per share, for the second quarter of 2016, and $23.3 million, or $0.30 per share, for the third quarter of 2015. Performance for the third and second quarters of 2016 was impacted by acquisition and integration related pre-tax expenses of $1.2 million and $618,000, respectively. In addition, a pre-tax gain of $5.5 million was recorded in the third quarter of 2016 as a result of the completion of the Company's sale-leaseback transaction announced during the quarter. Excluding these transactions, earnings per share was $0.32 for the third quarter of 2016, consistent with the second quarter of 2016.

SELECT THIRD QUARTER HIGHLIGHTS

- Increased earnings per share to $0.35, up 13% from the second quarter of 2016 and 17% from third quarter of 2015.
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- Grew fee-based revenues to $38 million, an increase of 7% from the second quarter of 2016 and 16% from the third quarter of 2015.
- Improved efficiency ratio [1] to 61%, consistent with the second quarter of 2016 and down from 63% for the third quarter of 2015.
- Expanded total loans to $8 billion, up 10% annualized from June 30, 2016 and 18% from September 30, 2015.
- Grew average core deposits to $8 billion, up 2% from the second quarter of 2016 and 12% from the third quarter of 2015.
- Completed the Company's previously announced sale-leaseback transaction, which resulted in proceeds of $150 million and a pre-tax gain of $5.5 million in the third quarter of 2016.
- Enhanced total capital to risk-weighted assets to 12.3%, which benefited from the issuance of $150 million of 5.875% subordinated notes.

"Performance for the quarter was once again strong," said Michael L. Scudder, President and Chief Executive Officer of First Midwest Bancorp, Inc. "Operating performance for the quarter reflected robust production across our sales platforms and continued focus on improving our efficiency. Measured expansion of our lending capabilities continues to provide diversified portfolio growth. Additionally, we moved to strengthen our capital foundation, enhancing our future capacity for growth."

Mr. Scudder continued, "As we look to close the year, our underlying business momentum is building and aided by the strength of our balance sheet. Our pending acquisition of Standard Bank and Trust Company remains on track and will further position us as the premier market leader in metro Chicago. As always, we remain centered on those actions which help our clients to achieve financial success, enhance the value of our franchise, and inure to the long-term benefit of our shareholders."

(1) The efficiency ratio is a Non-GAAP financial measure. For details on the calculation, see the sections titled "Non-GAAP Financial Information" and "Non-GAAP Reconciliations" presented later in this release.

SIGNIFICANT THIRD QUARTER EVENTS

Sale-Leaseback Transaction

On September 27, 2016, the Bank completed a sale-leaseback transaction, whereby the Bank sold to Oak Street Real Estate Capital, LLC ("Oak Street"), for an aggregate cash purchase price of $150.3 million, 55 properties owned and operated by the Bank as branches. Upon the sale of the branches to Oak Street, the Bank concurrently entered into triple net lease agreements with certain affiliates of Oak Street for each of the branches sold. Subject to the right of the Bank to terminate certain of the lease agreements at the end of the eleventh year, the lease agreements have initial terms of 14 years. Each lease agreement provides the Bank with five consecutive renewal options of five years each. The sale-leaseback transaction resulted in a pre-tax gain of $88.0 million, net of transaction related expenses, of which $5.5 million was immediately recognized in earnings with the remaining $82.5 million to be accreted into income on a straight-line basis over the initial terms of the leases. The Company expects the investment of proceeds and the gain from the sale of the branches, net of occupancy expenses associated with the branches, will be modestly accretive to the Company's earnings over the initial term of the lease agreements.

Issuance of Subordinated Notes

On September 29, 2016, the Company completed the issuance and sale of $150.0 million aggregate principal amount of its 5.875% subordinated notes due 2026. Interest on the notes is payable semiannually beginning on March 29, 2017. The Company received proceeds of $146.5 million, net of underwriting discounts and commissions and issuance costs. The Company expects to use the net proceeds to repay at maturity the entire $115.0 million aggregate principal amount outstanding of its 5.875% senior notes due November 22, 2016, plus accrued interest, and for other general corporate purposes.

ACQUISITION

Standard Bancshares, Inc.

On June 28, 2016, the Company entered into a definitive agreement to acquire Standard Bancshares, Inc. ("Standard"), the holding company for Standard Bank and Trust Company. With the acquisition, the Company would acquire 35 banking offices primarily in the southwest Chicago suburbs and adjacent markets in northwest Indiana. As of June 30, 2016, Standard had total assets of approximately $2.5 billion with $2.2 billion in deposits, of which over 90% were core deposits, and $1.8 billion in loans, of which 80% were commercial-related. If the merger is completed, the merger consideration to Standard shareholders will be Company common stock, with an overall transaction value of approximately $365 million as of the date of announcement. The acquisition is expected to close in late 2016 or early 2017, subject to customary regulatory approvals and closing conditions, as well as Company and Standard shareholder approval.

OPERATING PERFORMANCE
Net Interest Income and Margin Analysis
(Dollar amounts in thousands)

	Quarters Ended September 30, 2016			June 30, 2016			September 30, 2015		
	Average Balance	Interest Earned/ Paid	Yield/ Rate (%)	Average Balance	Interest Earned/ Paid	Yield/ Rate (%)	Average Balance	Interest Earned/ Paid	Yield/ Rate (%)
Assets:									
Other interest-earning assets	$282,101	$ 472	0.67	$300,945	$ 426	0.57	$820,318	$ 645	0.31
Securities [1]	1,896,195	10,752	2.27	1,721,781	10,636	2.47	1,194,711	9,559	3.20
Federal Home Loan Bank ("FHLB") and Federal Reserve Bank ("FRB") stock	51,451	261	2.03	42,561	200	1.88	38,748	369	3.81
Loans [1][2]	8,067,900	88,500	4.36	7,883,806	87,481	4.46	6,887,611	76,328	4.40
Total interest-earning assets [1]	10,297,647	99,985	3.87	9,949,093	98,743	3.99	8,941,388	86,901	3.86
Cash and due from banks	150,467			154,693			132,504		
Allowance for loan losses	(84,088)			(80,561)			(73,928)		
Other assets	958,299			945,291			875,668		
Total assets	$11,322,325			$10,968,516			$9,875,632		
Liabilities and Stockholders' Equity:									
Interest-bearing core deposits [3]	$5,090,820	1,086	0.08	$4,941,779	991	0.08	$4,465,956	931	0.08
Time deposits	1,248,425	1,434	0.46	1,277,694	1,491	0.47	1,173,127	1,398	0.47
Borrowed funds	605,177	1,782	1.17	461,363	1,499	1.31	168,807	928	2.18
Senior and subordinated debt	166,101	2,632	6.30	162,836	2,588	6.39	201,083	3,133	6.18
Total interest-bearing liabilities	7,110,523	6,934	0.39	6,843,672	6,569	0.39	6,008,973		