



Marshall & Ilsley Corporation Credit Quality Second Quarter 2010



Forward-looking statements

This presentation contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, without limitation, statements regarding expected financial and operating activities and results that are preceded by, followed by, or that include words such as "may," "expects," "anticipates," "estimates" or "believes." Such statements are subject to important factors that could cause M&I's actual results to differ materially from those anticipated by the forward-looking statements. These factors include (i) general business and economic conditions, including credit risk and interest rate risk, (ii) M&I's exposure to increased credit risks associated with its real estate loans, (iii) various factors, including changes in economic conditions affecting borrowers, new information regarding existing loans and identification of additional problem loans, which could require an increase in M&I's allowance for loan and lease losses, (iv) federal and state agency regulation and enforcement actions, which could limit M&I's activities, increase its cost structures or have other negative effects on M&I, (v) M&I's ability to maintain required levels of capital, (vi) the impact of recent and future legislative initiatives on the financial markets or on M&I, (vii) M&I's exposure to the actions and potential failure of other financial institutions, (viii) volatility in M&I's stock price and in the capital and credit markets in general, and (ix) those factors referenced in Item 1A. Risk Factors in M&I's Annual Report on Form 10-K for the year ended December 31, 2009 and as may be described from time to time in M&I's subsequent SEC filings, which factors are incorporated herein by reference. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect only M&I's belief as of the date of this presentation. Except as required by federal securities law, M&I undertakes no obligation to update these forward-looking statements or reflect events or circumstances after the date of this presentation.



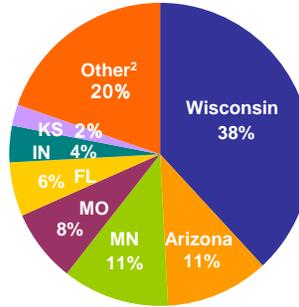
Diversified loan portfolio

Total loans at June 30, 2010: \$41 billion

Loans by asset class



Loans by geography¹



¹ Geography based on property zip code.

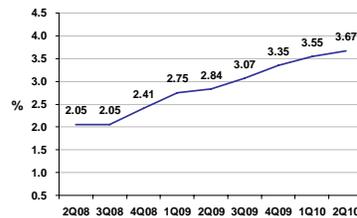
² Other geography includes Illinois (5%) and states < 2% (15%).



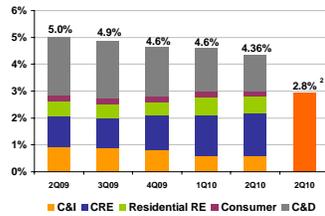
Continued credit stabilization

- Nonperforming loans \$1.8 billion
- Challenges well understood and manageable
- Proactively addressing credit
 - Identifying and writing down troubled assets
 - Selling problem loans (\$2.3 billion since 1Q08)
 - Reducing exposure to C&D loans (below 10.7% of total loans)
 - Building loan loss reserves (LLR up 179% since 1Q08)
- Continued encouraging signs credit quality is improving

Reserves / Period-end loans



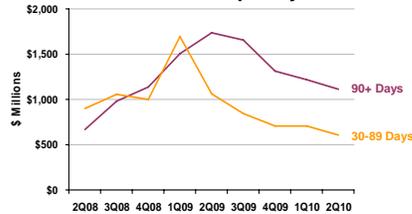
NPLs¹ / Period-end loans



¹ NPLs exclude renegotiated loans.

² Excludes NPLs < 90 days past due.

Total loans delinquency trend





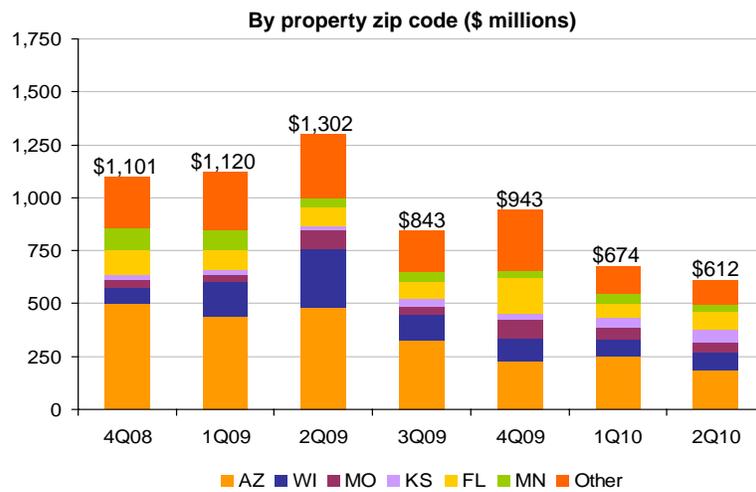
Stabilizing inflows of nonperforming loans

(\$mil)	2008				2009				2010	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Beginning	\$687	\$774	\$1,007	\$1,261	\$1,527	\$2,075	\$2,416	\$2,250	\$2,045	\$1,954
Increases	455	749	636	1,101	1,120	1,302	843	943 ¹	674	612
Decreases:										
Charge-offs	104	229	109	438	202	474	383	486	372	343
ORE / Sold	158	132	168	182	188	208	325	344	195	212
Accrual / TDR	22	71	37	105	72	91	124	120	58	63
Paydowns / Other	84	84	68	110	110	188	177	198	140	147
Total Decreases	368	516	382	835	572	961	1,009	1,148	765	765
Ending	\$774	\$1,007	\$1,261	\$1,527	\$2,075	\$2,416	\$2,250	\$2,045	\$1,954	\$1,801

¹ Includes \$170 million transfer of related renegotiated commercial real estate loans discussed in 4Q09 earnings release conference call.



Nonperforming loan inflows

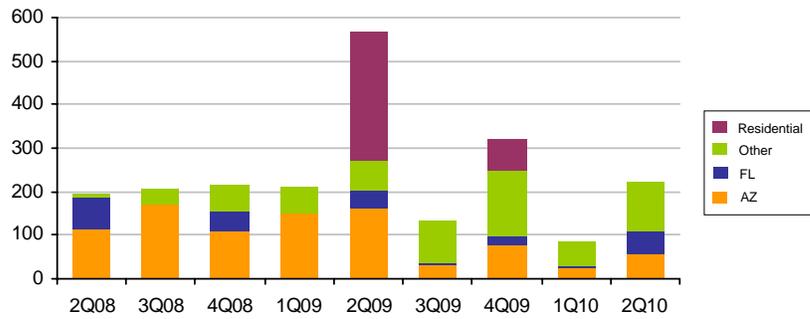




Aggressively selling problem assets

- Disposition strategy initially focused on Florida and then Arizona
 - Limited inventory remains for additional large loan sales in those geographies

Loan sale history by quarter (\$ Millions)¹



¹ Based on unpaid principal balance.



Strong reserve coverage

As of June 30, 2010
(\$ millions)

Total nonperforming loans ¹	
– Unpaid principal balance	\$2,539
– Lifetime charge-offs	<u>738</u>
– Ledger balance	\$1,801
Total reserve for loan & lease losses	\$1,517
Loan loss reserve coverage ratio	88% ²

Nonperforming loans subject to specific impairment analysis (FAS 114)

Total nonperforming loans	
– Unpaid principal balance	\$1,779
– Lifetime charge-offs	<u>544</u>
– Ledger balance	\$1,235
Reserves based on specific impairment analysis	\$234
Lifetime charge-offs result in 31% haircut	

Note: Nonperforming loans > \$1 million are analyzed for impairment on a quarterly basis and written down to net realizable value.

Nonperforming loans NOT subject to specific impairment analysis

Total nonperforming loans	
– Unpaid principal balance	\$760
– Lifetime charge-offs	<u>194</u>
– Ledger balance	\$566
Reserves net of specific allocation	\$1,150 ³
Loan loss reserve coverage ratio of loans not subject to specific impairment analysis	203%

¹ Includes \$79 million of nonperforming loans held for sale.

² Loan loss coverage ratio excludes nonperforming loans held for sale.

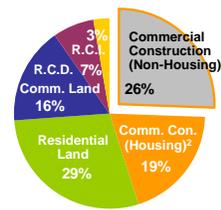
³ Excludes \$133 million of loan loss reserve assigned to renegotiated loans.



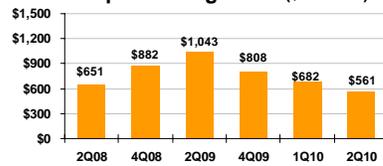
Shrinking stressed C&D portfolio

- C&D loans of \$4 billion (10.7% of total loans)
- C&D nonperforming loans of \$561 million (31% of total NPLs)
 - Non-housing commercial construction portfolio performing well
- Aggressively shrinking C&D portfolio
 - Proactively restructuring, charging off, and selling loans
 - Currently less than 11% of total loans vs. 23% in 3Q07
 - C&D loans have decreased \$5.9 billion or 57% vs. 1Q08
 - Targeting no more than 10% of total loans

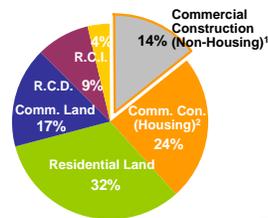
Loans: \$4 billion



Nonperforming loans (\$ Millions)



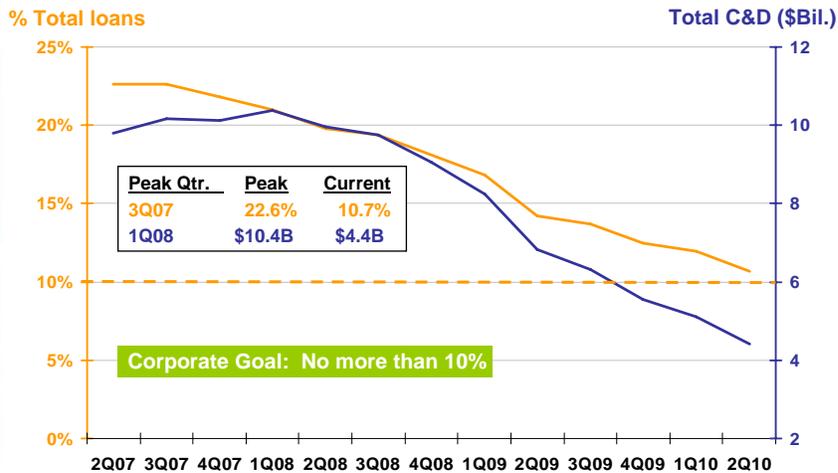
Nonperforming: \$561 million or 12.7% loans



¹ Includes commercial & industrial and agricultural real estate C&D loans.
² Includes land and residential property loans.
 Some time periods excluded for illustrative purposes.



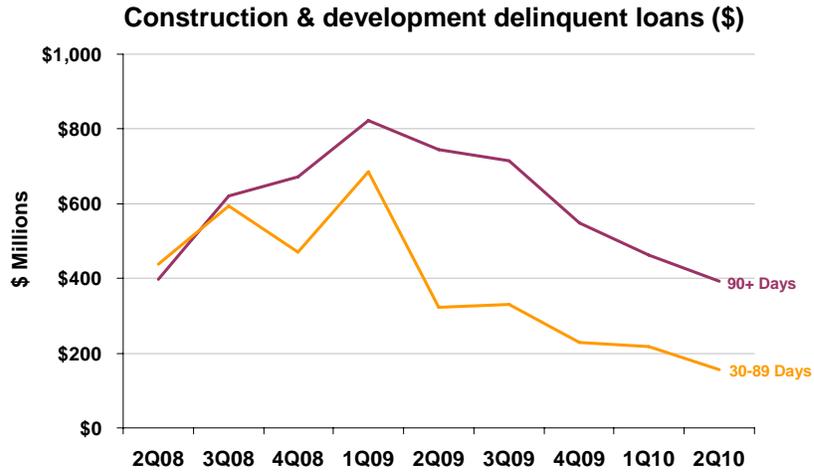
Reducing exposure to C&D loans



Note: C&D are construction and development loans; figures based on period-end balances.

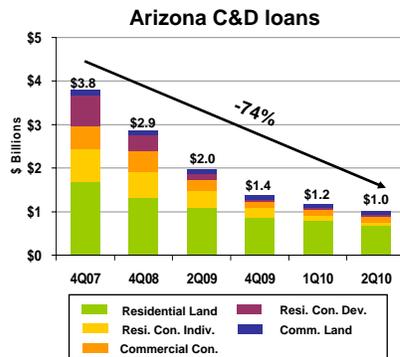


C&D delinquency trends

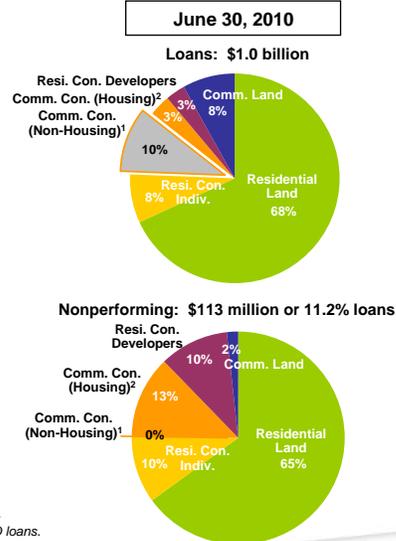


Arizona total C&D loans down 74%

- Aggressively shrinking Arizona portfolio
 - Total C&D loans have decreased by \$2.8 billion or 74% since 4Q07



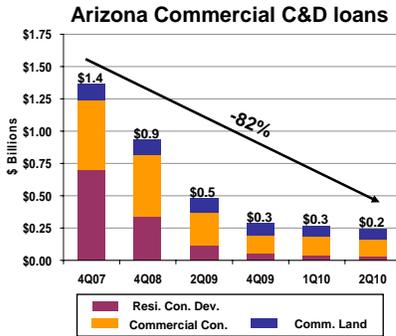
Note: Geography based on property zip code. Some time periods excluded for illustrative purposes.
¹ Includes commercial & industrial and agricultural real estate C&D loans.
² Includes land and residential property loans.





Arizona commercial C&D loans down 82%

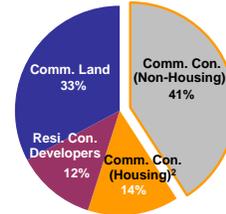
- Aggressively shrinking Arizona portfolio
 - Commercial C&D loans have decreased by \$1.1 billion or 82% since 4Q07



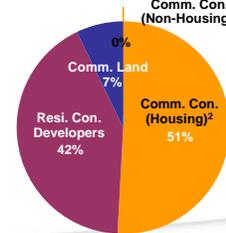
Note: Geography based on property zip code.
Some time periods excluded for illustrative purposes.
¹ Includes commercial & industrial and agricultural real estate C&D loans.
² Includes land and residential property loans.

June 30, 2010

Loans: \$246 million

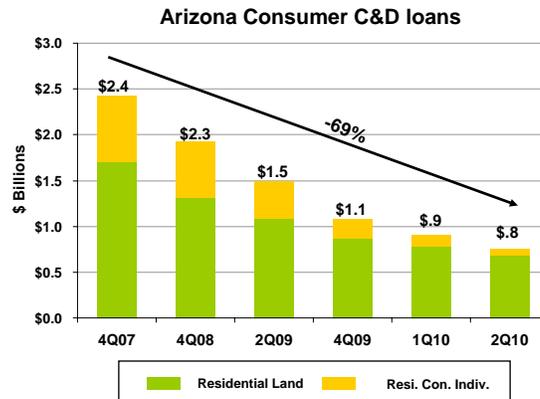


Nonperforming: \$28 million or 11.4% loans



Arizona consumer C&D loans down 69%

- Aggressively shrinking Arizona portfolio
 - Consumer C&D loans have decreased by \$1.7 billion or 69% since 4Q07
 - Nonperforming: \$85M or 11.2% loans



Note: Geography based on property zip code.



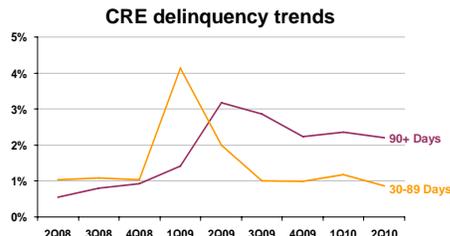
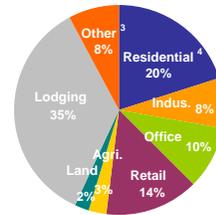
Commercial real estate¹ portfolio

- CRE loans of \$13 billion (32% of total loans)
- 36% of business real estate loans are owner occupied
- CRE nonperforming loans of \$656 million (36% of total NPLs)
 - Approx. 4.9% of total CRE loans
- 50% of NPL's are current

Loans: \$13 billion



Nonperforming: \$656 million



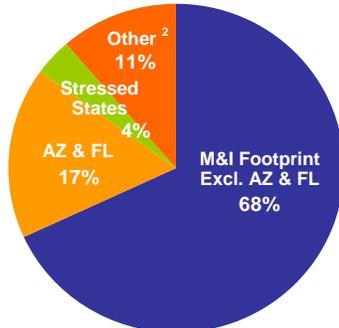
¹ CRE does not include commercial land & construction loans.
² Other category includes Lodging (6%), Medical Facilities (4%), & other < 3% (11%).
³ Other category includes other < 2% (8%).
⁴ Over 90% are multi-family loans and business purpose loans backed by a 1-4 family residence.



Business real estate loans

Loans outstanding at June 30, 2010: \$9.1 billion

By state¹



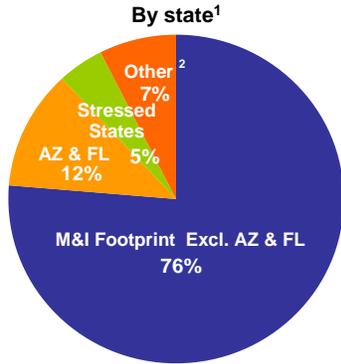
	\$ Millions		
	Total Loans	NPL's	NPL %
Wisconsin	\$3,341	\$86	2.6 %
Minnesota	1,283	13	1.0
Missouri	893	89	10.0
Kansas	302	23	7.6
Indiana	356	15	4.1
Total M&I Footprint States Excl. AZ & FL	6,175	226	3.7
Arizona	795	20	2.6
Florida	744	69	9.3
Total AZ & FL	1,539	90	5.8
Economically Stressed States³	325	63	19.5
Remaining States	1,070	130	12.1
Total Business Real Estate	\$9,109	\$508	5.6 %

¹ Geography based on property zip code.
² Other includes IL (4%) and other states <2% (7%).
³ Includes OH, MI, CA, GA, NV & NY.
 Totals may not foot due to rounding.



Multifamily loans

Loans outstanding at June 30, 2010: \$3.5 billion



	Total Loans	NPL's	NPL %
Wisconsin	\$2,032	\$48	2.4 %
Minnesota	318	8	2.4
Missouri	192	10	5.1
Kansas	49	5	10.5
Indiana	48	2	4.8
Total M&I Footprint States Excl. AZ & FL	2,640	73	2.8
Arizona	158	12	7.6
Florida	246	33	13.5
Total AZ & FL	403	45	11.2
Economically Stressed States³	159	2	1.4
Remaining States	263	8	2.9
Total Multi-Family Loans	\$3,465	\$128	3.7 %

\$ Millions

Multi-family Loans		
Total Loans	NPL's	NPL %
\$2,032	\$48	2.4 %
318	8	2.4
192	10	5.1
49	5	10.5
48	2	4.8
2,640	73	2.8
158	12	7.6
246	33	13.5
403	45	11.2
159	2	1.4
263	8	2.9
\$3,465	\$128	3.7 %

¹ Geography based on property zip code.
² Other includes IL (4%) and other states <2% (3%).
³ Includes OH, MI, CA, GA, NV & NY.
 Totals may not foot due to rounding.



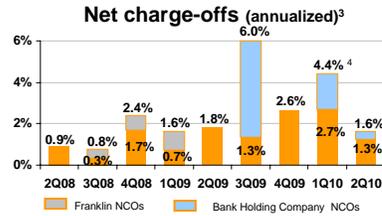
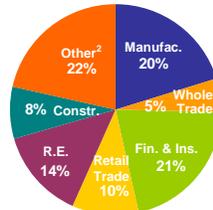
Commercial & industrial loans

- C&I loans of \$12 billion (30% of total loans)
- C&I nonperforming loans of \$246 million (14% of total NPLs)

Loans: \$12 billion



Nonperforming: \$246 million or 2.0% loans



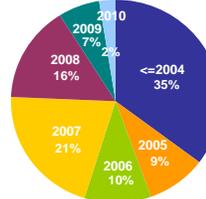
¹ Other category includes Professional (5%), Ag. Forestry Fishing Hunting (4%), Transportation & Warehousing (4%), Management Companies (3%), Health Care (3%) and other <3% (12%).
² Other category includes Professional (4%), Management Companies (4%) and other <3% (14%).
³ Based on end of period loan balance.
⁴ \$50M of 1Q10 bank holding company NCO's had been fully reserved since 1Q09.



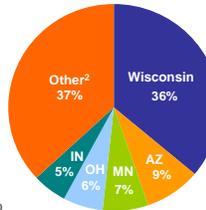
Home equity lines / loans

- Home equity lines / loans of \$4.5 billion (11% of total loans)
 - 59% lines and 41% loans
 - 45% secured by first mortgage
 - 60% HELOC drawn
- Home equity nonperforming lines / loans of \$77 million (4% of total NPLs)
- 1.7% in nonperforming status

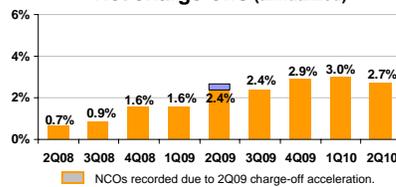
By vintage
(Sold majority of 2005 & 2006 originations)



By geography¹
(Low Arizona exposure)



Net charge-offs (annualized)³



■ NCOs recorded due to 2Q09 charge-off acceleration.

¹ Geography based on property zip code.

² Other geography includes Missouri (5%), Florida (4%), Illinois (4%), and states < 3% (24%).

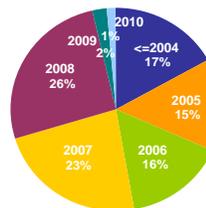
³ Based on end of period loan balance.



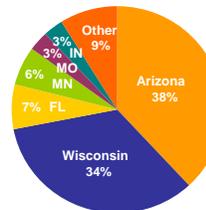
Residential real estate loans

- RRE loans of \$5 billion (11% of total loans)
 - Predominantly prime with no option ARMS or subprime
- RRE nonperforming loans of \$252 million (14% of total NPLs)
- 5.5% NPL ratio
- 3.0% NPL ratio for M&I footprint states excluding AZ & FL¹
- Arizona has realized the most deterioration
 - 8.3% in nonperforming status

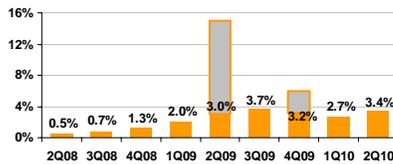
By vintage



By geography³



Net charge-offs (annualized)²



■ NCOs recorded due to 2Q09 charge-off acceleration and impact of loan sales completed on 7/31/09 and in 4Q09.

¹ Includes WI, MN, MO, IN & KS.

² Based on end of period loan balance.

³ Geography based on property zip code.

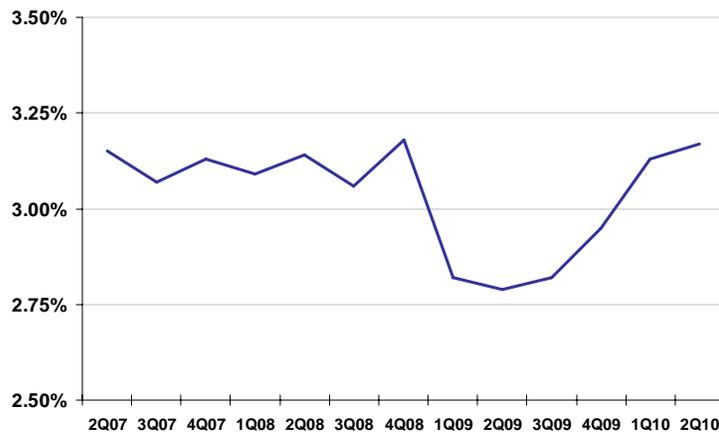


Appendix A

Business Overview



Net interest margin

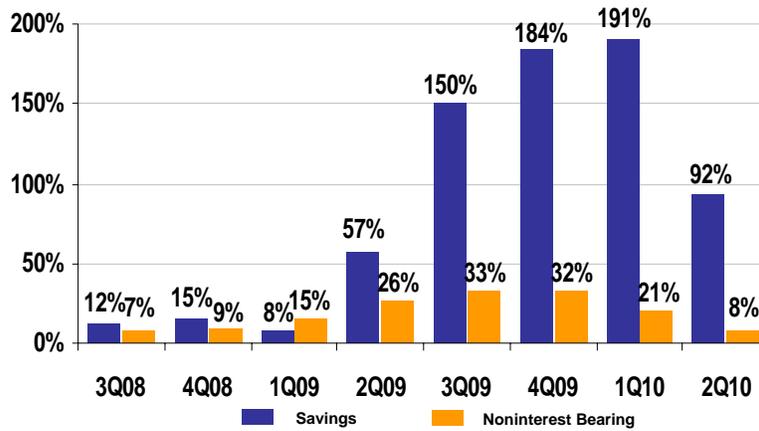


Net interest margin (FTE) / average earning assets shown.



Deposit growth

Growth versus prior year



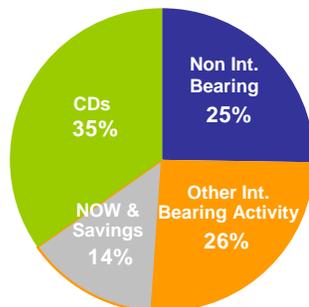
Growth based on quarter to date averages.



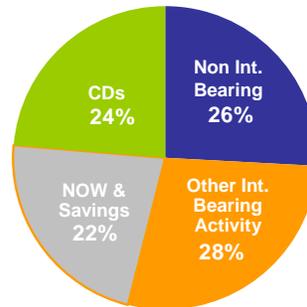
Reduced reliance on CDs

Bank-issued Deposits

2Q09: \$29.2 billion



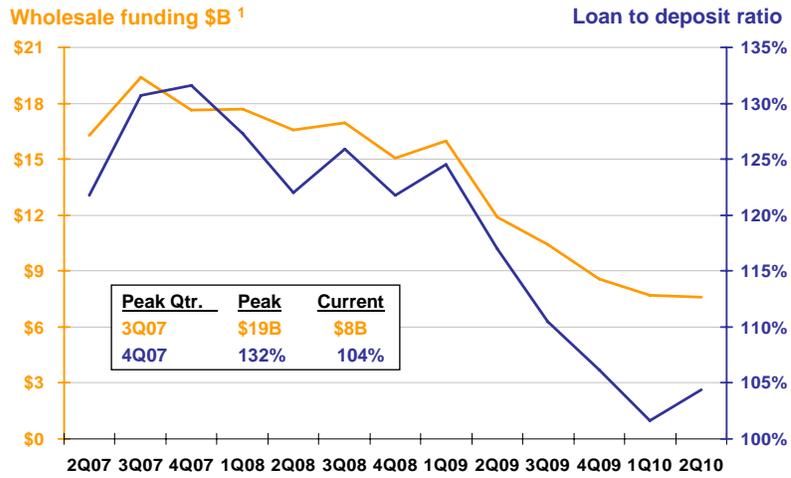
2Q10: \$30.6 billion



Note: Based on quarter to date averages.



Lower borrowings



¹Borrowings & other liabilities.
All data based on period end balances.



Appendix B

Loan portfolio summary

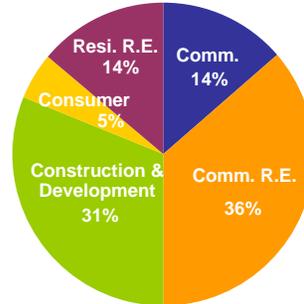
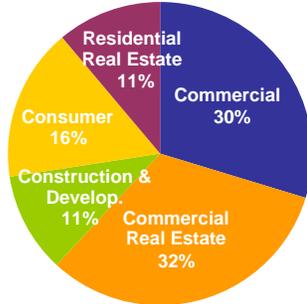


Total loans by asset class

June 30, 2010

Loans: \$41 billion

Nonperforming: \$1,801 million or 4.36% loans

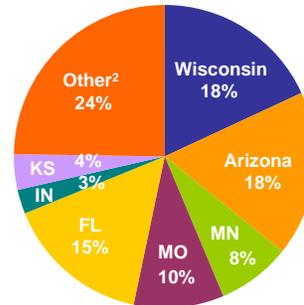
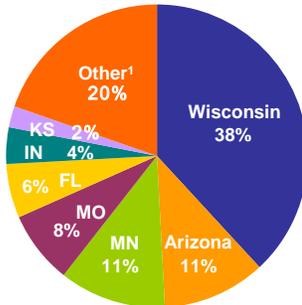


Total loans by property zip code

June 30, 2010

Loans: \$41 billion

Nonperforming: \$1,801 million or 4.36% loans



¹ Other category includes Illinois (5%) and states < 2% (15%).

² Other category includes Illinois (8%), Ohio (4%) and states < 3% (12%).

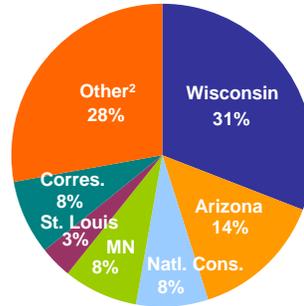
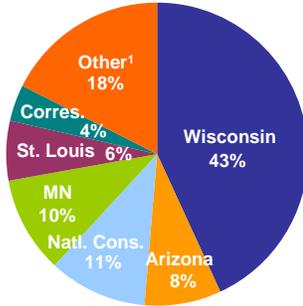


Total loans by M&I business unit

June 30, 2010

Loans: \$41 billion

Nonperforming: \$1,801 million or 4.36% loans



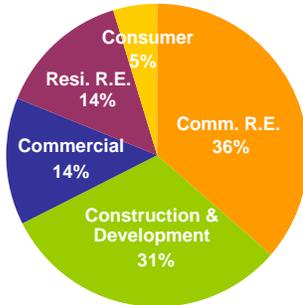
¹ Other category includes Kansas City (5%), Florida (4%), Indiana (5%), Private Banking (3%), and Other (1%).
² Other category includes Florida (12%), Kansas City (12%), Indiana (3%), and Private Banking (1%).



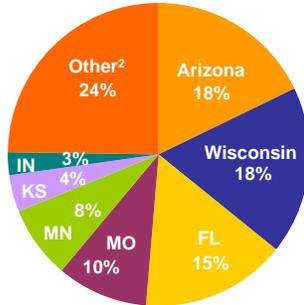
Total nonperforming loans

Nonperforming loans at June 30, 2010: \$1.8 billion

By loan category



By state¹



¹ Geography based on property zip code.

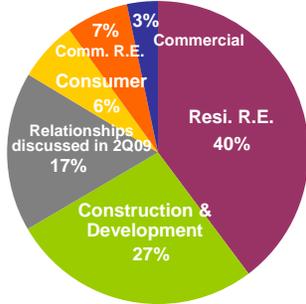
² Other category includes Illinois (8%), Ohio (4%) and states < 3% (12%).



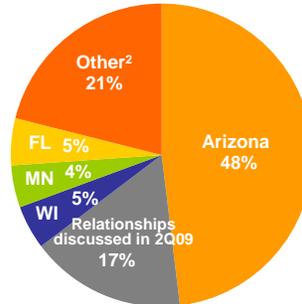
Total renegotiated loans

Renegotiated loans at June 30, 2010: \$715 million

By loan category



By state¹



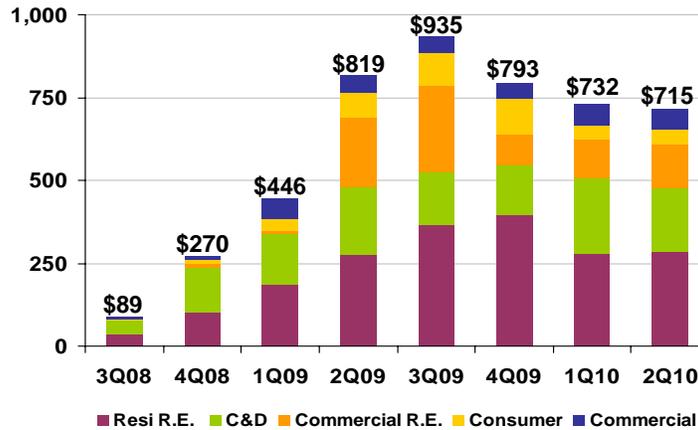
¹ Geography based on property zip code.

² Other category includes Colorado (5%), Illinois (5%) & states < 3% (11%).



Total renegotiated loans

By loan category (\$ millions)



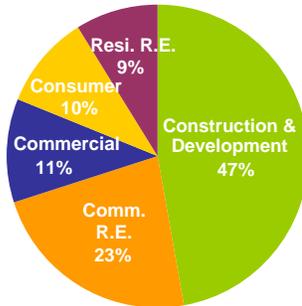
Based on period end balances.



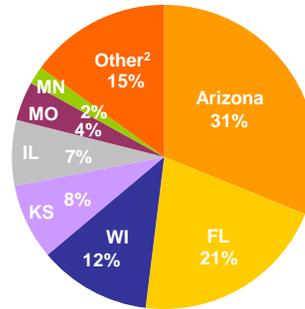
Total net charge-offs

Net charge-offs for 2010 second quarter: \$438 million

By loan category



By state¹



¹ Geography based on property zip code.

² Other category includes states < 3% (15%).



Appendix C

Construction & development loans (C&D)

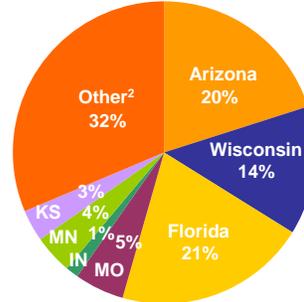
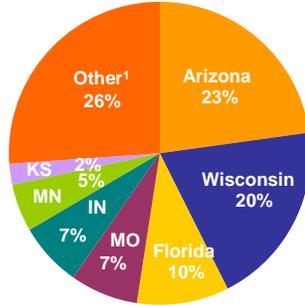


C&D loans by property zip code

June 30, 2010

Loans: \$4 billion
(peak \$10 billion 1Q08)

Nonperforming: \$561 million or 12.7% loans



¹ Other category includes Illinois (7%) and states < 4% (19%).

² Other category includes Illinois (15%), Arkansas (7%), and states < 3% (10%).

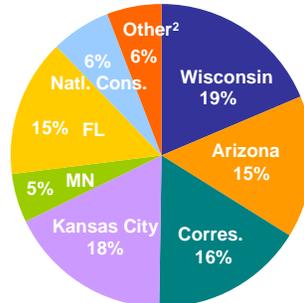
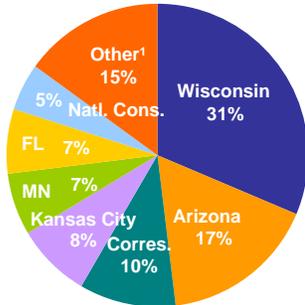


C&D loans by M&I business unit

June 30, 2010

Loans: \$4 billion
(peak \$10 billion 1Q08)

Nonperforming: \$561 million or 12.7% loans



¹ Other category includes Indiana (9%), St. Louis (5%) and Private Banking (1%).

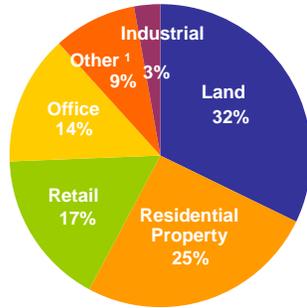
² Other category includes Indiana (3%), St. Louis (2%) and Private Banking (1%).



Commercial land & construction loans

Loans outstanding at June 30, 2010: \$2.7 billion

By loan property type



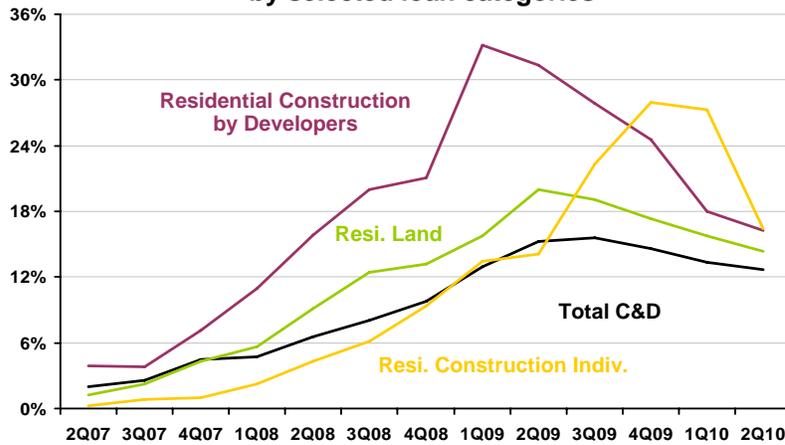
Property Type	Comm. Land & Construction Loans		
	\$ Millions	% Total	NPL %
Commercial & Industrial			
Industrial	\$79	3	3.7 %
Retail	457	17	11.3
Office	374	14	4.0
Other ¹	237	9	6.8
Total C&I	\$1,147	42	7.5
Land	873	32	15.1
Residential Property	692	25	13.2
Agricultural Real Estate	1	0	0.0
Other	2	0	N/A
Total	\$2,714	100	11.4 %

¹ Other category includes Lodging (4%), Medical (2%), and other < 2% (3%).
Totals may not foot due to rounding.



C&D nonperforming loans

Nonperforming loans / Period-end loans by selected loan categories

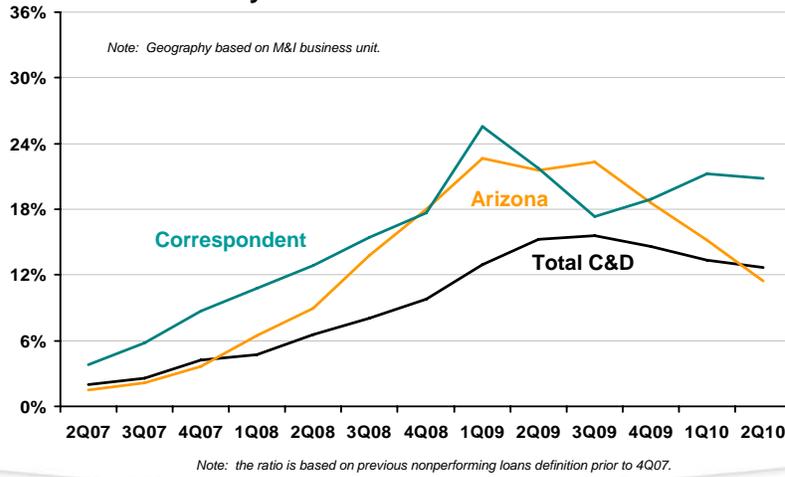


Note: the ratio is based on previous nonperforming loans definition prior to 4Q07.



C&D nonperforming loans

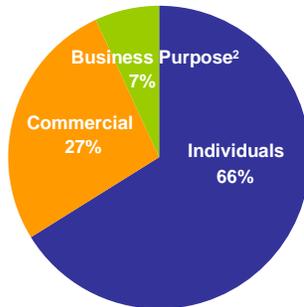
Nonperforming loans / Period-end loans by selected M&I business unit



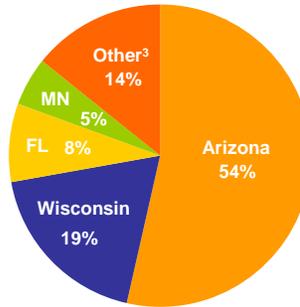
Total residential land loans

Loans outstanding at June 30, 2010: \$1.3 billion

By customer type



By state¹



¹ Geography based on property zip code.

² Loans to mid-sized local and regional builders to acquire and develop land for 1-4 family homes.

³ Other category includes Missouri (2%), Kansas (2%) & other states (10%).

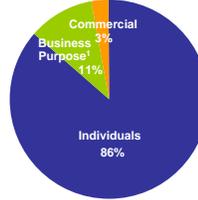


Arizona residential land loans

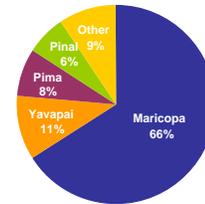
Key Statistics at June 30, 2010

- Total loans outstanding: \$682 million
- Total nonperforming loans: \$73 million or 10.7%
- Loans to individuals
 - Loans outstanding: \$590 million
 - Updated FICO on performing loans: 723
 - Average loan size: \$163 thousand
 - Nonperforming loans: \$59 million or 10.0%
- Loans to individuals (Maricopa County)
 - Loans outstanding: \$381 million
 - Average loan size: \$202 thousand
 - Nonperforming loans: \$43 million or 11.4%

By customer type



By county²



Some time periods excluded for illustrative purposes.

¹ Loans to mid-sized local and regional builders to acquire and develop land for 1-4 family homes.

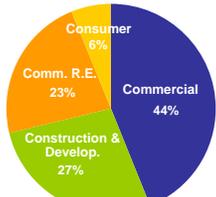
² Geography based on property zip code.



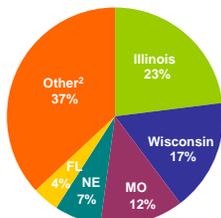
Correspondent banking loans

Total loans: \$1.6 billion

By loan category



By state¹



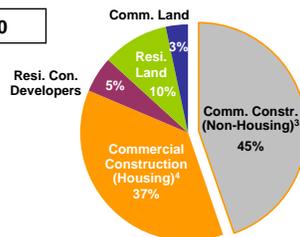
¹ Geography based on property zip code.

² Other category includes Texas (5%), Utah (4%) and states < 3% (28%).

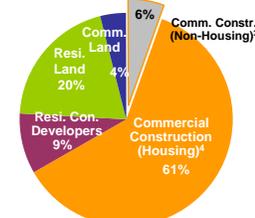
³ Includes commercial & industrial and agricultural real estate C&D loans.

⁴ Includes land and residential property loans.

C&D loans: \$442 million



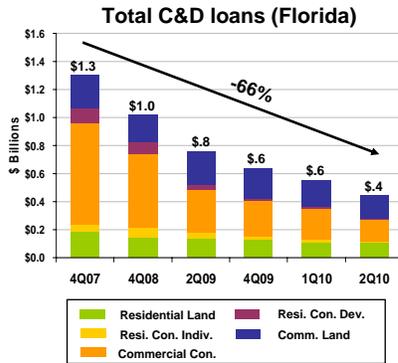
C&D nonperforming: \$92 million or 20.9% loans





Florida C&D loans down 66%

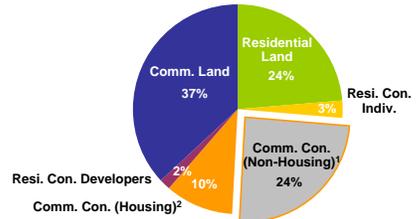
- Aggressively shrinking Florida portfolio
 - Total C&D loans have decreased by \$0.9 billion or 66% since 4Q07



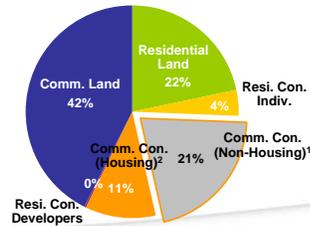
Note: Geography based on property zip code.
Some time periods excluded for illustrative purposes.
¹ Includes commercial & industrial and agricultural real estate C&D loans.
² Includes land and residential property loans.

June 30, 2010

Loans: \$446 million



Nonperforming: \$117 million or 26.2% loans



C&D loans – definitions

- Commercial construction – Loans primarily to mid-sized local and regional companies to construct a variety of commercial projects, including farmland, industrial, multi-family, office, retail, single-family and condominiums.
- Commercial land – Loans primarily to mid-sized local and regional companies to acquire and develop land for a variety of commercial projects, including farmland, industrial, multi-family, office, retail, single-family, and condominiums.
- Residential construction by individuals – Loans to individuals to construct 1-4 family homes.
- Residential land – Loans primarily to individuals and mid-sized local and regional builders to acquire and develop land for 1-4 family homes.
- Residential construction by developers – Loans primarily to mid-sized local and regional builders to construct 1-4 family homes in residential subdivisions.



Appendix D

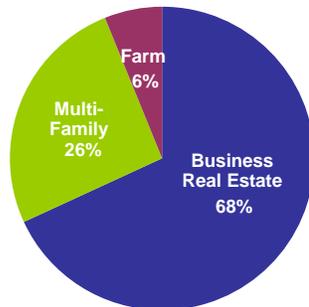
Commercial real estate loans (CRE)



Total commercial real estate loans

Loans outstanding at June 30, 2010: \$13.3 billion

By loan category



Property Type	Total Commercial Real Estate Loans		
	\$ Millions	% Total	NPL %
Commercial & Industrial			
Industrial	\$2,189	17	2.4
Retail	1,872	14	5.0
Office	1,920	15	3.3
Other ¹	2,799	21	10.0
Total C&I²	\$8,780	66	5.6
Land	163	1	8.7
Residential Property	3,499	26	3.7
Agricultural Real Estate	837	6	2.2
Other	32	0	N/A
Total	\$13,310	100	4.9

¹ Other category includes Lodging (6%), Medical (4%), and other < 3% (11%).

² Geographic distribution is Wisconsin (37%), Minnesota (14%), Missouri (10%), Arizona (9%), Florida (8%), Illinois (4%), Indiana (4%) Kansas (3%), and other states <2% (11%).

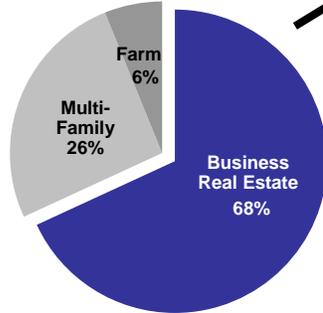
Totals may not foot due to rounding.



Business real estate loans

Loans outstanding at June 30, 2010: \$9.1 billion

By loan category



Property Type	Business Real Estate Loans		
	\$ Millions	% Total	NPL %
Commercial & Industrial			
Industrial	\$2,186	24	2.4 %
Retail	1,871	21	5.1
Office	1,909	21	3.3
Other ¹	2,779	31	10.1
Total C&I	\$8,744	96	5.6
Land	141	2	7.7
Residential Property	95	1	6.7
Agricultural Real Estate	109	1	0.1
Other	20	0	N/A
Total	\$9,109	100	5.6 %

¹ Other category includes Lodging (9%), Medical (6%), Vehicle Dealership (4%), Gas Station (3%), Restaurant (3%), and other < 2% (6%). Totals may not foot due to rounding.



Appendix E

Supplemental financial information



Loan portfolio statistics

Total Loans	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10
Period-end loans (\$ millions)	50,232.5	50,417.2	49,984.5	49,244.7	48,183.1	46,106.3	44,217.6	42,648.8	41,317.5
% Total loans	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
30-89 day delinquency (\$ millions)	901.5	1,058.0	999.6	1,695.8	1,060.5	842.9	708.5	704.4	609.4
30-89 day delinquency %	1.79%	2.10%	2.00%	3.44%	2.20%	1.83%	1.60%	1.65%	1.47%
Nonaccrual loans (\$ millions)	1,006.8	1,260.6	1,527.0	2,074.6	2,416.1	2,250.1	2,044.8	1,953.8	1,801.4
Nonaccrual loans %	2.00%	2.50%	3.05%	4.21%	5.01%	4.88%	4.62%	4.58%	4.36%
Net charge-offs (\$ millions)	400.7	152.3	679.8	328.0	603.3	532.7	572.3	423.4	438.3
Net charge-offs % (qtr annualized)	3.23%	1.21%	5.38%	2.67%	4.95%	4.48%	5.01%	3.94%	4.17%

Commercial Loans & Leases	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10
Period-end loans (\$ millions)	15,842.0	15,710.9	15,441.7	15,107.8	14,792.4	13,532.9	12,949.9	12,315.5	12,246.9
% Total loans	31.5%	31.2%	30.9%	30.7%	30.7%	29.4%	29.3%	28.9%	29.6%
30-89 day delinquency (\$ millions)	114.7	65.3	56.1	114.7	150.8	78.4	56.9	71.7	63.6
30-89 day delinquency %	0.72%	0.42%	0.36%	0.76%	1.02%	0.58%	0.44%	0.58%	0.52%
Nonaccrual loans (\$ millions)	77.7	110.9	168.5	336.4	431.7	411.1	350.5	252.7	246.0
Nonaccrual loans %	0.49%	0.71%	1.09%	2.23%	2.92%	3.04%	2.71%	2.05%	2.01%
Net charge-offs (\$ millions)	35.4	29.7	93.9	60.7	66.8	205.5	86.0	134.1	49.3
Net charge-offs % (qtr annualized) ¹	0.90%	0.75%	2.42%	1.63%	1.81%	6.02%	2.64%	4.42%	1.61%

¹ Ratio based on period-end loans.



Loan portfolio statistics

Total Commercial Real Estate Loans ¹	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10
Period-end loans (\$ millions)	11,891.1	12,114.1	12,541.5	12,998.9	13,938.3	13,884.3	13,645.9	13,532.0	13,310.5
% Total loans	23.7%	24.0%	25.1%	26.4%	28.9%	30.1%	30.9%	31.7%	32.2%
30-89 day delinquency (\$ millions)	123.7	131.1	129.7	537.9	277.1	138.9	135.0	159.2	114.2
30-89 day delinquency %	1.04%	1.08%	1.03%	4.14%	1.99%	1.00%	0.99%	1.18%	0.86%
Nonaccrual loans (\$ millions)	109.1	144.9	178.3	286.6	559.2	509.6	584.9	657.1	655.7
Nonaccrual loans %	0.92%	1.20%	1.42%	2.20%	4.01%	3.67%	4.29%	4.86%	4.93%
Net charge-offs (\$ millions)	13.1	7.1	72.1	34.0	55.3	69.6	78.4	53.4	98.8
Net charge-offs % (qtr annualized) ³	0.44%	0.23%	2.29%	1.06%	1.59%	1.99%	2.28%	1.60%	2.98%

Residential Real Estate Loans ²	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10
Period-end loans (\$ millions)	5,631.5	5,674.5	5,733.9	5,711.0	5,464.6	5,135.2	4,968.9	4,823.8	4,625.0
% Total loans	11.2%	11.3%	11.5%	11.6%	11.3%	11.1%	11.2%	11.3%	11.2%
30-89 day delinquency (\$ millions)	142.5	165.8	235.4	256.5	207.9	186.3	193.2	170.8	176.4
30-89 day delinquency %	2.53%	2.92%	4.11%	4.49%	3.80%	3.63%	3.89%	3.54%	3.81%
Nonaccrual loans (\$ millions)	114.1	159.1	221.8	291.9	285.7	236.8	206.1	269.6	252.3
Nonaccrual loans %	2.03%	2.80%	3.87%	5.11%	5.23%	4.61%	4.15%	5.59%	5.45%
Net charge-offs (\$ millions)	6.4	10.0	18.9	27.8	204.5	47.2	75.3	32.4	39.0
Net charge-offs % (qtr annualized) ³	0.46%	0.70%	1.31%	1.97%	15.01%	3.65%	6.01%	2.73%	3.38%

¹ Does not include commercial land & construction loans.

³ Ratio based on period-end loans.

² Does not include residential land & residential construction loans.



Loan portfolio statistics

Total Construction and Development Loans ¹	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10
Period-end loans (\$ millions)	9,968.9	9,759.7	9,043.3	8,251.4	6,829.3	6,314.2	5,538.9	5,105.6	4,418.5
% Total loans	19.8%	19.4%	18.1%	16.8%	14.2%	13.7%	12.5%	12.0%	10.7%
30-89 day delinquency (\$ millions)	438.7	593.2	470.6	685.0	322.9	330.8	228.1	218.0	155.4
30-89 day delinquency %	4.40%	6.08%	5.20%	8.30%	4.73%	5.24%	4.12%	4.27%	3.52%
Nonaccrual loans (\$ millions)	650.6	782.8	882.0	1,070.6	1,043.4	984.5	807.5	681.5	561.0
Nonaccrual loans %	6.53%	8.02%	9.75%	12.97%	15.28%	15.59%	14.58%	13.35%	12.70%
Net charge-offs (\$ millions)	330.8	89.1	461.7	176.4	235.3	171.5	270.3	159.7	207.5
Net charge-offs % (qtr annualized) ²	13.34%	3.63%	20.31%	8.67%	13.82%	10.77%	19.36%	12.68%	18.84%

Home Equity Loans & Lines	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10
Period-end loans (\$ millions)	4,991.5	5,053.1	5,082.0	5,025.1	4,911.5	4,812.6	4,714.6	4,590.1	4,487.4
% Total loans	9.9%	10.0%	10.2%	10.2%	10.2%	10.4%	10.7%	10.8%	10.9%
30-89 day delinquency (\$ millions)	72.9	84.7	96.7	85.9	92.4	92.1	75.5	71.8	88.7
30-89 day delinquency %	1.46%	1.68%	1.90%	1.71%	1.88%	1.91%	1.60%	1.56%	1.98%
Nonaccrual loans (\$ millions)	51.2	59.3	67.3	83.5	86.4	94.5	84.9	80.0	77.0
Nonaccrual loans %	1.03%	1.17%	1.32%	1.66%	1.76%	1.96%	1.80%	1.74%	1.72%
Net charge-offs (\$ millions)	8.0	10.8	20.4	19.4	33.4	29.2	34.6	34.1	30.3
Net charge-offs % (qtr annualized) ²	0.65%	0.85%	1.59%	1.56%	2.73%	2.40%	2.91%	3.02%	2.71%

¹ Includes commercial land & construction loans.

² Ratio based on period-end loans.



Adjusted reserve coverage calculation

Reconciliation of Actual Loan Loss Reserve Coverage Ratio of Nonperforming Loans & Leases To Adjusted Loan Loss Reserve Coverage Ratio of Nonperforming Loans & Leases

Reconciliation - Period End Balances Millions \$												
Coverage Ratio Components	2010				2009							
	2nd Qtr	% Total	1st Qtr	% Total	4th Qtr	% Total	3rd Qtr	% Total	2nd Qtr	% Total	1st Qtr	% Total
Reserve for Loans & Lease Losses	\$1,517	100%	\$1,515	100%	\$1,461	100%	\$1,414	100%	\$1,366	100%	\$1,352	100%
Less Reserve for Specifically Analyzed Nonperforming Loans ⁽¹⁾	234	15%	228	15%	262	18%	245	17%	215	16%	159	12%
Less Reserve for Renegotiated Loans	133	9%	132	9%	121	8%	124	9%	109	8%	64	5%
Adjusted Reserve for Loans & Lease Losses	\$1,150	76%	\$1,155	76%	\$1,078	74%	\$1,045	74%	\$1,044	76%	\$1,129	84%
Total Nonperforming Loans & Leases	\$1,801	100%	\$1,954	100%	\$2,045	100%	\$2,250	100%	\$2,416	100%	\$2,075	100%
Less Specifically Analyzed Nonperforming Loans	1,235	69%	1,321	68%	1,417	69%	1,550	69%	1,724	71%	1,240	60%
Adjusted Total Nonperforming Loans & Leases	\$666	31%	\$633	32%	\$628	31%	\$700	31%	\$692	29%	\$835	40%
Coverage Ratio												
Reserve for Loans & Lease Losses / Total Nonperforming Loans & Leases (Excluding Held for Sale)	88%		80%		75%		67%		62%		69%	
Adjusted Reserve for Loans & Lease Losses / Adjusted Total Nonperforming Loans & Leases (Including Held for Sale)	203%		182%		175%		149%		151%		135%	

(1) In addition, partial charge-offs have been taken against the specifically analyzed loans. Totals may not foot due to rounding.



Adjusted earnings calculation

Marshall & Ilsley Corporation
Reconciliation of Adjusted Pre-Tax Pre-Provision Income from Continuing Operations to
Net Income (Loss) Available to Common Shareholders

Reconciliation - Millions \$	3 Months	Full Year									
	Ended 06/30/10	Ended 03/31/10	Ended 12/31/09	Ended 09/30/09	Ended 06/30/09	Ended 03/31/09	2009	2008	2007	2006	2005
Adjusted Pre-Tax Pre-Provision Income from Continuing Operations	\$187.9	\$259.1	\$234.7	\$207.2	\$243.9	\$232.9	\$918.8	\$1,069.8	\$1,030.4	\$1,005.7	\$909.6
Goodwill Impairment	-	-	-	-	-	-	-	(1,535.1)	-	-	-
Pre-Tax Provision for Loan & Lease Losses	(439.9)	(458.1)	(639.0)	(578.7)	(619.0)	(477.9)	(2,314.6)	(2,037.7)	(319.8)	(50.6)	(44.8)
Total Adjustments	(439.9)	(458.1)	(639.0)	(578.7)	(619.0)	(477.9)	(2,314.6)	(3,572.8)	(319.8)	(50.6)	(44.8)
Pre-Tax Income (Loss)	(252.0)	(199.0)	(404.3)	(371.5)	(375.1)	(245.0)	(1,395.8)	(2,503.0)	710.6	955.1	864.8
Provision (Benefit) for Income Taxes	(103.4)	(83.6)	(170.0)	(148.1)	(166.1)	(153.0)	(637.2)	(459.5)	213.7	307.4	278.4
Income (Loss) from Continuing Operations	(148.6)	(115.4)	(234.3)	(223.4)	(209.0)	(92.0)	(758.6)	(2,043.3)	-496.9	647.7	586.7
Discontinued Operations, net of tax:									(25.3)	-	-
Separation Transaction Costs	-	-	-	-	-	-	-	-	525.6	-	-
Gain on Sale of Metvante	-	-	-	-	-	-	-	-	-	153.7	119.5
Metvante Net Income	(148.6)	(115.4)	(234.3)	(223.4)	(209.0)	(92.0)	(758.6)	(2,043.3)	1,150.9	807.8	706.2
Net Income (Loss) Attributable to M&I	(25.2)	(25.1)	(25.2)	(25.0)	(25.0)	(24.9)	(100.2)	(12.7)	-	-	-
Preferred Dividends	(173.8)	(140.5)	(259.5)	(248.4)	(234.0)	(116.9)	(858.8)	(2,056.2)	\$1,150.9	\$807.8	\$706.2
Net Income (Loss) Avail. to Common Shareholders											