MARSHALL & ILSLEY CORP/WI/
Form 424B5
July 27, 2004
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Prospectus Supplement to Prospectus dated June 25, 2004.

Filed Pursuant to Rule 424(b)(5)

Reg. No. 333-116138

14,600,000 Units

Marshall & Ilsley Corporation

M&I Capital Trust B

6.50% Common SPACES[SM]*

This is an offering of Common SPACES of Marshall & Ilsley Corporation. Each Common SPACES will have a stated amount of $25 and will consist of (i) a stock purchase contract under which you agree to purchase, and we agree to sell, for $25, shares of our common stock on the stock purchase date and (ii) a $^{1}/40$, or 2.5%, undivided beneficial interest in a preferred security, also referred to as the STACKS[SM]*, of M&I Capital Trust B with an initial liquidation amount of $1,000. We will guarantee payments on the STACKS as described in this prospectus supplement. The stock purchase date is expected to be August 15, 2007, but could be deferred for quarterly periods until August 15, 2008.

The ownership interest in the STACKS initially will be pledged to secure your obligation to purchase our common stock under the related stock purchase contract. You may separate the STACKS from the stock purchase contract by substituting pledged treasury securities for the STACKS.

We will make quarterly contract payments to you under your stock purchase contract at the annual rate of 2.60% of the stated amount of $25 per stock purchase contract. We may defer any of these quarterly payments as described in this prospectus supplement.

Until the stock purchase date, the trust will make quarterly distributions on the STACKS at the annual rate of 3.90%, subject to the deferral provisions described in this prospectus supplement.

The STACKS will be remarketed for settlement on the stock purchase date as described in this prospectus supplement in what we refer to as a remarketing. Following a successful remarketing, the distribution rate on the STACKS will be reset.

We may elect, in connection with the remarketing, that the STACKS will be redeemable at our option at any time on or after the second anniversary of the stock purchase date.

Our common stock is listed on the New York Stock Exchange under the symbol MI. The last reported sale price of our common stock on July 26, 2004 was $37.32 per share. We have applied to list the Common SPACES on the New York Stock Exchange under the symbol MI PR B.

See Risk Factors beginning on page S-14 of this prospectus supplement to read about important factors you should consider before buying the Common SPACES.

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

	Per Common SPACES	Total
Initial public offering price	$ 25.0000	$ 365,000,000
Underwriting discount(1)	$ 0.6875	$ 10,037,500
Proceeds, before expenses, to Marshall & Ilsley Corporation	$ 24.3125	$ 354,962,500

(1) The underwriters have agreed to reimburse certain of our expenses. See Underwriting.

The initial public offering price set forth above does not include accrued contract payments or accrued distributions, if any. Contract payments on the stock purchase contracts and distributions attributable to the applicable ownership interests in the STACKS will accrue from July 29, 2004.

To the extent that the underwriters sell more than 14,600,000 Common SPACES, the underwriters have the option to purchase, not later than 13 days after the initial issuance of the Common SPACES, up to an additional 1,400,000 Common SPACES from us at the initial public offering price less the underwriting discount.

The underwriters expect to deliver the Common SPACES in book-entry form only through the facilities of The Depository Trust Company against payment in New York, New York on July 29, 2004.

Joint Book-Running Lead Managers

Goldman, Sachs & Co. **JPMorgan**

Co-Managers

Citigroup **Credit Suisse First Boston**

Prospectus Supplement dated July 26, 2004.

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ABOUT THIS PROSPECTUS SUPPLEMENT

You should read this prospectus supplement along with the accompanying prospectus carefully before you invest. Both documents contain important information you should consider before making your investment decision. This prospectus supplement and the accompanying prospectus contain information about:

- Common SPACES, including both Normal Common SPACES and Stripped Common SPACES,
- the STACKS,
- our guarantee in respect of the STACKS,
- shares of our common stock, also referred to as Common Stock, issuable upon settlement of the stock purchase contracts and in respect of deferred contract payments, and
- our notes issuable in respect of deferred contract payments.

The accompanying prospectus contains information about our securities generally, some of which does not apply to the securities covered by this prospectus supplement. This prospectus supplement may add, update or change information in the accompanying prospectus. 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 or any document incorporated by reference in the accompanying prospectus, on the other hand, the information contained in this prospectus supplement shall control.

In this prospectus supplement, we, our, us and M&I refer to Marshall & Ilsley Corporation and trust refers to M&I Capital Trust B unless the context otherwise requires.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights information contained elsewhere, or incorporated by reference, in this prospectus supplement and the accompanying prospectus. As a result, it does not contain all of the information that you should consider before investing in the Common SPACES or the underlying STACKS. You should read this entire prospectus supplement, including the Risk Factors section, the accompanying prospectus and the documents incorporated by reference, which are described under Where You Can Find More Information in the accompanying prospectus.

Marshall & Ilsley Corporation

Marshall & Ilsley Corporation, incorporated in Wisconsin in 1959, is a registered bank holding company under the Bank Holding Company Act of 1956, as amended, and is certified as a financial holding company under the Gramm-Leach-Bliley Act of 1999. As of June 30, 2004, we had consolidated total assets of approximately $37.1 billion and consolidated total deposits of approximately $25.2 billion, making us the largest bank holding company headquartered in Wisconsin. Our executive offices are located at 770 North Water Street, Milwaukee, Wisconsin 53202 (telephone number 414-765-7801).

Our principal assets are the stock of our bank and nonbank subsidiaries, which, as of June 30, 2004, included our data services subsidiary, Metavante Corporation, five bank and trust subsidiaries and a number of companies engaged in businesses that the Board of Governors of the Federal Reserve System has determined to be closely-related or incidental to the business of banking. We provide our subsidiaries with financial and managerial assistance in such areas as budgeting, tax planning, auditing, compliance assistance, asset and liability management, investment administration and portfolio planning, business development, advertising and human resources management.

Generally, we organize our business segments based on legal entities. Each entity offers a variety of products and services to meet the needs of its customers and the particular market served. Based on the way we organize our business, we have two reportable segments: Banking and Data Services (or Metavante). Banking consists of accepting deposits, making loans and providing other services such as cash management, foreign exchange and correspondent banking to a variety of commercial and retail customers. Data Services consists of providing data processing services, developing and selling software and providing consulting services to financial services companies, including our affiliates, as well as providing credit card merchant services. Our primary other business segments include Trust Services, Mortgage Banking (residential and commercial), Capital Markets Group, Brokerage and Insurance Services, and Commercial Leasing.

Recent Developments

On May 17, 2004, we announced that our Metavante subsidiary had entered into an agreement to acquire NYCE Corporation for approximately $610 million in cash. NYCE Corporation owns and operates one of the largest electronic funds transfer network in the United States and provides debit card authorization processing services for ATM, on-line and off-line signature-based debit card transactions.

On July 13, 2004, we reported 2004 second quarter net income of $151.7 million, or $0.67 per diluted share, as compared to $134.7 million, or $0.59 per diluted share, in the second quarter of 2003. Second quarter net income per share increased 13.6% over the same period in 2003.

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Net income for the six months ended June 30, 2004 was $297.8 million, or $1.32 per diluted share, compared to $262.7 million, or $1.15 per diluted share, in the first half of 2003. Earnings for the first half of 2003 include $1.5 million (after tax), or $0.01 per diluted share, of Metavante s acquisition-related transition expenses.

We reported the following balance sheet data as of June 30, 2004: cash and due from banks of $824 million; total investment securities of $5,915 million; net loans and leases of $26,837 million; total assets of $37,072 million; long-term borrowings of $3,701 million; and shareholders equity of $3,434 million.

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Summary Consolidated Financial Information

The table below presents summary consolidated financial information of M&I and its subsidiaries for the five years ended December 31, 2003, which is derived from M&I s previously filed audited consolidated financial statements for those years, and unaudited summary consolidated financial information for the six months ended June 30, 2004 and June 30, 2003.

You should read the following table together with the consolidated financial information that M&I has presented in its prior SEC filings, which are incorporated by reference into the prospectus accompanying this prospectus supplement. See Where You Can Find More Information on page 1 of the accompanying prospectus.

	For the Six Months Ended June 30, (Unaudited)		For the 12 Months Ended December 31,				
	2004	2003	2003	2002	2001	2000	1999
			(in thousands, except per share data)				
Income Statement Data:							
Interest Income	$ 787,102	$ 779,068	$ 1,529,920	$ 1,567,336	$ 1,709,107	$ 1,747,982	$ 1,496,584
Interest Expense	224,458	250,640	472,634	561,038	866,328	1,074,976	791,303
Net Interest Income	562,644	528,428	1,057,286	1,006,298	842,779	673,006	705,281
Provision for Loan and Lease Losses	18,254	45,334	62,993	74,416	54,115	30,352	25,419
Net Interest Income after Provision for Loan and Lease Losses	544,390	483,094	994,293	931,882	788,664	642,654	679,862
Other Income	643,414	585,171	1,215,801	1,082,688	1,001,250	931,594	883,076
Other Expense	737,006	671,263	1,451,707	1,295,978	1,288,869	1,103,898	1,034,999
Provision for Income Taxes	152,980	134,320	214,282	238,265	163,124	152,948	173,428
Cumulative Effect of Changes in Accounting Principle, Net of Income Taxes					(436)	(2,279)	
Net Income	$ 297,818	$ 262,682	$ 544,105	$ 480,327	$ 337,485	$ 315,123	$ 354,511
Net Income Per Common Share:*							
Basic:							
Income before Cumulative Effect of Changes in Accounting Principle	$ 1.34	$ 1.16	$ 2.41	$ 2.24	$ 1.60	$ 1.51	$ 1.66
Cumulative Effect of Changes in Accounting Principle, Net of Income Taxes						(0.01)	
Net Income	$ 1.34	$ 1.16	$ 2.41	$ 2.24	$ 1.60	$ 1.50	$ 1.66

Diluted:							
Income before Cumulative Effect of Changes in Accounting Principle	$ 1.32	$ 1.15	$ 2.38	$ 2.16	$ 1.55	$ 1.46	$ 1.57
Cumulative Effect of Changes in Accounting Principle, Net of Income Taxes						(0.01)	
Net Income	$ 1.32	$ 1.15	$ 2.38	$ 2.16	$ 1.55	$ 1.45	$ 1.57
Average Balance Sheet Data:							
Cash and Due from Banks	$ 786,580	$ 755,183	$ 752,215	$ 708,256	$ 651,367	$ 615,015	$ 638,399
Total Investment Securities	5,972,340	5,441,231	5,499,316	5,282,681	5,721,053	5,687,345	5,649,727
Net Loans and Leases	25,609,706	23,805,809	24,044,753	20,725,780	17,948,053	16,884,443	14,680,725
Total Assets	35,507,797	32,968,432	33,268,021	29,202,650	26,370,309	25,041,777	22,700,963
Total Deposits	23,011,900	21,647,129	21,985,878	18,642,987	17,190,591	17,497,783	16,156,902
Long-term Borrowings	4,473,229	3,698,908	3,798,851	2,693,447	1,962,801	1,178,805	1,009,132
Shareholders Equity	3,389,953	3,150,466	3,240,654	2,766,690	2,429,559	2,148,074	2,172,117

* Restated for 2-for-1 stock split effective June 17, 2002.

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The Offering

This summary includes questions and answers that highlight selected information from this prospectus supplement to help you understand the Common SPACES and the STACKS. This summary does not contain all of the information that may be important to you. You should carefully read this prospectus supplement, especially the Description of the Common SPACES section, to fully understand the terms of the Common SPACES and the STACKS, as well as the tax and other considerations that should be important to you in making a decision about whether to invest in the securities offered hereby. You should pay special attention to the Risk Factors section to determine whether an investment in the securities offered hereby is appropriate for you.

What are the Common SPACES?

Each Common SPACES will have a stated amount of $25 and initially will consist of:

- a stock purchase contract under which you agree to purchase, and we agree to sell, for $25, shares of Common Stock on the stock purchase date. The stock purchase date is expected to be August 15, 2007, but could be deferred for quarterly periods until August 15, 2008, and

- a 1/40, or 2.5%, undivided beneficial ownership interest in a preferred security, also referred to as the STACKS, of M&I Capital Trust B, also referred to as the trust, with an initial liquidation amount of $1,000.

Your ownership interest in the STACKS initially will be pledged to the collateral agent for our benefit to secure your obligations under the stock purchase contract. We refer to the stock purchase contracts, together with the pledged STACKS, as the Normal Common SPACES. At your option, you may elect to create Stripped Common SPACES by substituting pledged treasury securities for the pledged ownership interests in the STACKS. Unless indicated otherwise, Common SPACES will include both Normal Common SPACES and Stripped Common SPACES.

What are the stock purchase contracts?

The stock purchase contract underlying a Common SPACES obligates you to purchase, and us to sell, for $25, on the stock purchase date, a number of newly issued or treasury shares of Common Stock equal to the settlement rate described below.

We will pay you quarterly contract payments on the stock purchase contracts through the stock purchase date at the annual rate of 2.60% of the stated amount of $25 per stock purchase contract. We may defer the contract payments until no later than the stock purchase date. If we defer any of these payments, we will accrue interest on the deferred amounts at the annual rate of 6.50% until paid.

What are the STACKS?

The STACKS, and the common securities issued concurrently to us, represent undivided beneficial ownership interests in the assets of the trust. The property trustee of the trust will hold legal title to the assets. The trust s assets consist solely of subordinated debt securities issued by us to the trust. Because each holder has an undivided beneficial interest in the trust s assets, the holder has a proportional interest in the collective assets of the trust, rather than in any specific subordinated debt security.

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The subordinated debt securities will have terms that are substantially similar to the terms of the STACKS, thus providing the trust with the payment streams required to fund the distributions on the STACKS.

We will pay you quarterly cumulative cash distributions through the stock purchase date fixed initially at an annual rate of 3.90% of the liquidation amount of $1,000 per STACKS, subject to our right to defer these distributions. From and after the stock purchase date, we will not be required to make cash distributions on the STACKS unless we elect to do so in connection with the remarketing. Instead, the liquidation amount of the STACKS will accrete as described below.

Upon payment of the subordinated debt securities issued by us to the trust on their maturity date, the trust will use the cash proceeds from the repayment to redeem the STACKS at their aggregate accreted liquidation amount plus any accrued and unpaid distributions, payable in cash only.

What are Stripped Common SPACES and how can I create Stripped Common SPACES from Normal Common SPACES?

You may consider it beneficial to either hold the STACKS directly or to realize income from their sale. These investment choices are facilitated by creating Stripped Common SPACES. At your option, you may elect to create Stripped Common SPACES by substituting, as pledged securities, the treasury securities described under Description of the Common SPACES Creating Stripped Common SPACES for the ownership interest in the STACKS pledged to secure your obligations under the stock purchase contracts. The pledged STACKS will then be released from the pledge agreement and delivered to you. Because the STACKS and treasury securities are issued in integral multiples of $1,000, you may make the substitution only in integral multiples of 40 Normal Common SPACES.

Each Stripped Common SPACES will have a stated amount of $25 and will consist of:

- a stock purchase contract; and
- a 2.5% undivided beneficial ownership interest in a treasury security with a principal amount at maturity of $1,000.

If you hold Stripped Common SPACES, you will receive only the quarterly contract payments. There will be no distributions in respect of the treasury securities underlying Stripped Common SPACES. Holders of STACKS separated from the Common SPACES will receive only the quarterly cash distributions on the STACKS.

After you have created Stripped Common SPACES, you may recreate Normal Common SPACES (in integral multiples of 40) by substituting, as pledged securities, STACKS for the treasury securities underlying the Stripped Common SPACES. If you elect to create Stripped Common SPACES, or recreate Normal Common SPACES, you will be responsible for any related fees or expenses.

What is the settlement rate?

We refer to the number of newly issued or treasury shares of Common Stock that we are obligated to sell and you are obligated to purchase, for $25, upon settlement of a stock purchase contract on the stock purchase date as the settlement rate. The settlement rate for each stock purchase contract will be set on August 15, 2007 (regardless of whether the stock purchase date is deferred beyond August 15, 2007) as follows:

If the applicable market value of Common Stock is equal to or greater than the threshold appreciation price of $46.28, the settlement rate will be 0.5402 shares of Common Stock, which is equal to the stated amount divided by the threshold appreciation price. You will therefore share in the appreciation in the price of Common Stock above $46.28.

If the applicable market value of Common Stock is less than the threshold appreciation price but greater than the reference price of $37.32, the settlement rate will be a number of shares of Common Stock equal to $25 divided by the applicable market value. You will therefore not share in any appreciation between the reference price and the threshold appreciation price.

If the applicable market value of Common Stock is less than or equal to the reference price, the settlement rate will be 0.6699 shares of Common Stock, which is equal to the stated amount divided by the reference price. You will therefore bear the risk of any decline in the applicable market price below the reference price.

The applicable market value means the average of the closing price per share of Common Stock on each of the 20 consecutive trading days ending on the third trading day immediately preceding August 15, 2007, subject to adjustment as set forth in Description of the Stock Purchase Contracts Anti-Dilution Adjustments.

The reference price equals the reported last sale price of Common Stock on the New York Stock Exchange on July 26, 2004. The threshold appreciation price represents a 24% appreciation over the reference price.

What distributions or payments will be made to holders of the Normal Common SPACES, Stripped Common SPACES and STACKS?

Normal Common SPACES. If you hold Normal Common SPACES, you will receive total payments at the annual rate of 6.50% of the stated amount per year, consisting of:

quarterly contract payments on the stock purchase contracts at the annual rate of 2.60% the stated amount of $25 per stock purchase contract; and

quarterly cumulative cash distributions on the STACKS at the annual rate of 3.90% of the liquidation amount of $1,000 per STACKS.

Both of these payments are subject to the deferral provisions described below.

Stripped Common SPACES. If you hold Stripped Common SPACES, you will receive only the quarterly contract payments. There will be no distributions in respect of treasury securities underlying Stripped Common SPACES. However, you will be required for U.S. federal income tax purposes to recognize original issue discount on a constant yield basis or acquisition discount on the treasury securities when it is paid or accrues generally in accordance with your regular method of tax accounting.

STACKS. If you hold STACKS separate from the Common SPACES, you will receive only the applicable quarterly cash distributions on the STACKS.

From and after the stock purchase date, the trust will not make cash distributions on the STACKS unless, in connection with the remarketing as described below, we notify the trust that we elect to make the corresponding interest payments on the subordinated debt securities in cash. To the extent we do not elect to make cash interest payments on our underlying subordinated debt securities, the liquidation amount of the STACKS will accrete daily at the rate determined in such remarketing.

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The trust must pay distributions on the STACKS on the payment dates to the extent that it has funds available for distribution. The trust s funds available for distribution to you as a holder of the STACKS will be limited to payments received from us on the subordinated debt securities. We will guarantee the payment of distributions on the STACKS out of moneys held by the trust to the extent of available trust funds.

What are the contract payment dates and distribution dates?

Subject to the deferral provisions described below, contract payments and distributions on the STACKS will be paid quarterly in arrears on February 15, May 15, August 15 and November 15 of each year, commencing November 15, 2004 and ending on the stock purchase date. As described above, from and after the stock purchase date, the trust will not make cash distributions on the STACKS unless we elect to make the corresponding interest payments on the subordinated debt securities in cash as described above. After the stock purchase date, if we elect to pay interest payments on the subordinated debt securities and, accordingly, cash distributions on the STACKS, such payments will be made semi-annually on each February 15 and August 15, or May 15 and November 15 of each year, as applicable, with the first such semi-annual payment, if any, occurring on the payment date that is six months after the stock purchase date.

When can we defer contract payments and distributions?

Stock Purchase Contracts. We may, at our option, or at the direction of the Federal Reserve Board or the Federal Reserve Bank of Chicago (collectively referred to as Federal Reserve Board), upon prior written notice to the holders of the Common SPACES and the stock purchase contract agent, defer contract payments on the stock purchase contracts. We may elect, and will elect if so directed by the Federal Reserve Board, to defer payments on more than one occasion, but in no event may we defer payments beyond the stock purchase date. Deferred contract payments will accrue interest until paid, compounded quarterly, at the annual rate of 6.50%. If we elect to defer the payment of contract payments on the stock purchase contracts, then we will pay the deferred contract payments in either shares of Common Stock or unsecured notes, in our sole discretion.

STACKS. We may defer the interest payments due on the subordinated debt securities at any time and from time to time. We may elect to defer interest payments on more than one occasion. If we defer interest payments on the subordinated debt securities, the trust will also defer corresponding distributions on the STACKS. Deferred distributions to which you are entitled will accrue additional distributions, compounded quarterly prior to the stock purchase date and semi-annually thereafter, from the relevant payment date for distributions during any deferral period, at the rate borne by the STACKS at such time, to the extent permitted by applicable law. We may not defer interest payments that we are otherwise obligated to pay in cash for any period of time that exceeds five years with respect to any deferral period or that extends beyond the final stated maturity date of the subordinated debt securities on August 15, 2038.

Restrictions Resulting from a Deferral. Subject to certain exceptions as described in the accompanying prospectus, during any period in which we defer interest payments on the subordinated debt securities, in general we cannot:

- declare or pay any dividends or distributions on, or redeem, purchase, acquire or make a liquidation payment with respect to, any shares of our capital stock;

make any interest, principal or premium payment on, or repay, repurchase or redeem, any of our debt securities that rank equally with or junior to the subordinated debt securities; or make any payment on any guarantee that ranks equal or junior to our guarantee related to the STACKS.

During any deferral period, interest will continue to accrue and holders of subordinated debt securities, and holders of the related STACKS that are outstanding, will be required to accrue such deferred interest income for United States federal income tax purposes prior to the receipt of cash (in the form of original issue discount) attributable to such income, regardless of the method of accounting used by the holders. For more extensive U.S. federal income tax disclosure, see Certain United States Federal Income Tax Consequences.

What is a remarketing?

If you hold Normal Common SPACES, in order to provide you with the proceeds necessary to be applied in the settlement of your stock purchase contract obligations, the STACKS underlying your Normal Common SPACES will be sold in a remarketing unless you elect not to participate in the remarketing. The cash proceeds from the remarketing will be used to satisfy your obligations to purchase Common Stock on the stock purchase date and any remaining proceeds (net of any remarketing fee) will be remitted to you. If you hold STACKS separately and not as part of the Common SPACES, you may elect to participate in the remarketing as described below.

We will enter into a remarketing agreement with a nationally recognized investment banking firm. The investment banking firm will agree to use its commercially reasonable efforts as remarketing agent to sell the STACKS included in Normal Common SPACES at a price that results in proceeds, net of any remarketing fee, of at least 100% of their aggregate liquidation amount, plus accrued and unpaid distributions, if any. To obtain that price, the remarketing agent may reset the distribution rate on the STACKS, as described below. The remarketing date will be the third business day immediately preceding August 15, 2007. If the remarketing is successful, settlement will occur on August 15, 2007.

You may elect not to participate in the remarketing, and to retain the STACKS underlying your Common SPACES. To do this, you must deliver cash, in the amount of $1,000 per STACKS, to the collateral agent on or prior to 5:00 p.m., New York City time, on the fourth business day immediately preceding the stock purchase date as described in Description of the Stock Purchase Contracts Notice to Settle with Cash.

In connection with the remarketing of the STACKS, the remarketing agent may reset the rate on the STACKS. The reset rate will apply to all outstanding STACKS, whether or not you participated in the remarketing and will become effective on the settlement date of the remarketing.

Unless we have elected that the underlying subordinated debt securities will continue to bear cash interest following a successful remarketing, the STACKS will not bear cash distributions and the liquidation amount of the STACKS will accrete daily at the reset rate following a successful remarketing.

The reset rate on the STACKS will be the rate to the mandatory redemption date determined in the remarketing, whether an accretion rate or a cash payment rate, such that the proceeds from the remarketing of the STACKS, net of any remarketing fee, will be at least 100% of their liquidation amount, plus any accrued and unpaid distributions; *provided*, *however*, that in connection with any remarketing with a settlement date on or prior to May 15, 2008, the reset rate may not exceed the reset cap. For this purpose, the reset cap is the prevailing market yield, as determined by the remarketing agent, of the benchmark U.S. treasury security having a remaining maturity that most closely corresponds to the period until the mandatory redemption date, plus 3.5% per annum.

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What happens if the remarketing is not successful?

If the remarketing agent cannot remarket the STACKS for at least 100% of the aggregate liquidation amount, plus accrued and unpaid distributions, if any, then:

- the distribution rate on the STACKS will not be reset;

- the STACKS will continue to bear quarterly cash distributions at the initial annual rate of 3.90% per annum; and

- the remarketing agent will attempt to establish a reset rate meeting the requirements described above and remarket the STACKS on subsequent remarketing dates, which will be the third business day immediately preceding November 15, 2007, February 15, 2008, May 15, 2008 and August 15, 2008, each a remarketing settlement date.

Any subsequent remarketing will be subject to the conditions and procedures described above, and will settle (if successful) on the corresponding remarketing settlement date; *provided*, that if a successful remarketing has not previously occurred and, as a result, the remarketing agent attempts a remarketing for settlement on August 15, 2008, the reset rate for that remarketing will not be subject to the reset cap.

What happens if the remarketing agent cannot remarket the STACKS for settlement on or before August 15, 2008?

If the remarketing agent fails to remarket the STACKS for settlement on or before August 15, 2008, which we refer to as a failed remarketing, the rate on the STACKS will not be reset and the STACKS will continue to bear cash distributions at the initial rate of 3.90% per annum, payable semi-annually in arrears. In the event of a failed remarketing, we may shorten the stated maturity of the subordinated debt securities and, accordingly, the mandatory redemption date of the STACKS; *provided*, *however*, that if we are deferring interest on the subordinated debt securities at the time of the remarketing, any new stated maturity date and mandatory redemption date may not be earlier than five years after commencement of the deferral period.

STACKS held in Normal Common SPACES. If you are a holder of Normal Common SPACES, we will exercise our rights as a secured party and, subject to applicable law, retain your STACKS pledged as collateral under the pledge agreement or sell them in one or more private sales. The STACKS provide that we may apply the liquidation amount of the STACKS against your obligations under the stock purchase contract. In either case, your obligations under the related stock purchase contracts would be satisfied in full. We will issue a note, payable on August 15, 2009 and bearing interest at the rate of 3.90% per year, in an amount equal to any accrued and unpaid distributions on those STACKS as of August 15, 2008, to the stock purchase contract agent for delivery to you.

STACKS not held in Normal Common SPACES. If you hold separate STACKS, you will have the right, at your option, to require the trust to redeem all or a portion of your STACKS in exchange for the initial liquidation amount plus a note, payable on August 15, 2009 and bearing interest at the rate of 3.90% per year, in an amount equal to any accrued and unpaid distributions as of August 15, 2008.

If I hold my STACKS separately from the Common SPACES, may I still participate in a remarketing of my STACKS?

Holders of STACKS that are not part of Normal Common SPACES may elect to have their STACKS included in a remarketing and remarketed in the same manner and at the same price as STACKS underlying Normal Common SPACES. See Description of the STACKS Optional Remarketing of the STACKS not Included in Normal Common SPACES.

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If I do not participate in a remarketing, how can I satisfy my obligations under the stock purchase contract?

You may also satisfy your obligations under the stock purchase contract as follows:

- if you hold Stripped Common SPACES, the cash payments on the treasury securities automatically will be applied to satisfy in full your obligation to purchase Common Stock under the stock purchase contracts and you will not be required to deliver any additional cash to satisfy your obligation;

- if you hold Normal Common SPACES and have elected not to participate in a remarketing, by delivering cash, in the amount of $1,000 per STACKS in increments of 40 Normal Common SPACES, prior to the remarketing date, as described in Description of the Stock Purchase Contracts Notice to Settle with Cash;

- if we are involved in a merger in which at least 30% of the consideration for Common Stock consists of cash or cash equivalents, through an early settlement of the stock purchase contract as described in Description of the Stock Purchase Contracts Early Settlement upon Cash Merger; and

- you may settle the stock purchase contracts early, at your option, as described in Description of the Stock Purchase Contracts Early Settlement.

What happens to the stock purchase contract in the event of a bankruptcy?

The stock purchase contracts, our related rights and obligations and those of the holders of the Common SPACES under the stock purchase contracts, including the right and obligation to purchase Common Stock and the right to receive accrued contract payments, automatically will terminate, without any further action, upon the occurrence of particular events of our bankruptcy, insolvency or reorganization.

What is the maturity of the STACKS?

The STACKS have no stated maturity but must be redeemed upon the maturity of the corresponding subordinated debt securities or their earlier redemption. The subordinated debt securities will mature on August 15, 2038, or on such earlier date as we may elect in connection with the remarketing; *provided*, *however*, that if we are deferring interest on the subordinated debt securities at the time of the remarketing, we may not elect a maturity date that is earlier than five years after commencement of the deferral period. The redemption price per STACKS will equal the total accreted liquidation amount per STACKS plus accumulated and unpaid distributions to but excluding the redemption date.

Under what circumstances may the STACKS be redeemed?

We may elect, in connection with the remarketing, that the subordinated debt securities, and therefore the STACKS, will be redeemable at our option on or after a specified date not earlier than the second anniversary of the stock purchase date. The redemption price of a subordinated debt security will be the accreted principal amount, plus accrued and unpaid interest, if any, to but excluding the redemption date. We will give not less than 30 days   nor more than 60 days   notice of redemption by mail to holders of the subordinated debt securities.

We may not redeem the subordinated debt securities in part if the accreted principal amount has been accelerated and such acceleration has not been rescinded or unless all accrued and unpaid interest has been paid in full on all outstanding subordinated debt securities for all interest periods terminating on or before the redemption date.

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What is the ranking of my claims against M&I, either for payment of the quarterly contract payments under the stock purchase contracts or, through the STACKS, for interest or principal on the subordinated debt securities, if M&I were to become insolvent?

Your claims against M&I, directly for quarterly contract payments or indirectly through the STACKS for payments of principal and interest, are junior subordinated claims as described under Description of the Subordinated Debt Securities Subordination. As mentioned above, your right to receive accrued contract payments automatically will terminate upon the occurrence of particular events of M&I s bankruptcy, insolvency or reorganization.

We may elect at any time, effective on or after the stock purchase date, including in connection with a remarketing, that our obligations under the subordinated debt securities and under our guarantee of the STACKS shall be senior obligations instead of subordinated obligations.

When may we dissolve the trust?

We, as the holder of all the common securities of the trust, have the right to dissolve the trust at any time in our sole discretion.

If we dissolve the trust, you will receive, after satisfaction of liabilities of creditors of the trust, our subordinated debt securities having an accreted principal amount equal to the accreted liquidation amount of the STACKS you hold. In this case, the STACKS will no longer be deemed to be outstanding, and a Normal Common SPACES that had included STACKS would thereafter include a subordinated debt security with a $1,000 initial principal amount, which will be pledged to secure your obligations under the related stock purchase contract.

Following dissolution, the distributed subordinated debt securities would be subject to the remarketing and other provisions of the STACKS.

What is the extent of our guarantee?

We will irrevocably guarantee, on a junior subordinated basis, the payment in full of the following:

- any accumulated and unpaid distributions required to be paid on the STACKS, to the extent the trust has funds available to make the payment;
- the redemption price for any STACKS called for redemption, to the extent the trust has funds available to make the payment; and

upon a voluntary or involuntary dissolution, winding-up or liquidation of the trust, other than in connection with a distribution of the subordinated debt securities to the holders of the STACKS, the lesser of:

(1) the aggregate of the accreted liquidation amount and all accumulated and unpaid distributions on the STACKS to the date of payment, to the extent the trust has funds available to make the payment; and

(2) the amount of assets of the trust remaining available for distribution to holders of the STACKS upon liquidation of the trust.

Our obligations under the guarantee are unsecured, are subordinated to and junior in right of payment to all of our secured and senior debt, and rank on a parity with all other similar guarantees issued by us.

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The STACKS, the guarantee and the subordinated debt securities do not limit our ability or the ability of our subsidiaries to incur additional indebtedness, including indebtedness that ranks senior to or equally with the subordinated debt securities and the guarantee.

The guarantee, when taken together with our obligations under the subordinated debt securities and the indenture and our obligations under the trust agreement for the trust, including the obligations to pay costs, expenses, debts and liabilities of the trust, other than with respect to the trust securities, has the effect of providing a full and unconditional guarantee of amounts due on the STACKS.

What are the United States federal income tax consequences related to the Common SPACES and STACKS?

If you purchase Common SPACES in the offering, you will be treated for United States federal income tax purposes as having acquired an undivided interest in the STACKS and stock purchase contracts constituting those Common SPACES. You must allocate the purchase price of the Common SPACES between those STACKS and stock purchase contracts in proportion to their respective fair market values, which will establish your initial tax basis in the STACKS and the stock purchase contracts. We expect to treat the fair market value of each undivided interest in the STACKS as $25 and the fair market value of each stock purchase contract as $0. This position generally will be binding on each beneficial owner of each Common SPACES but not on the Internal Revenue Service.

Assuming full compliance with the terms of the trust agreement, the trust will be classified as a grantor trust for U.S. federal income tax purposes and will not be classified as an association or publicly traded partnership taxable as a corporation for U.S. federal income tax purposes. Accordingly, for U.S. federal income tax purposes, each U.S. holder (as defined under Certain United States Federal Income Tax Consequences U.S. Holders) of STACKS will be treated as purchasing and owning an undivided beneficial ownership interest in the subordinated debt securities and will be required to take into account its pro rata share of all items of income, gain, loss or deduction of the trust.

You will be required to include in gross income as interest payments made on the STACKS when such payments are made or accrued in accordance with your regular method of tax accounting. We intend to report contract payments on the stock purchase contracts as income to you, but you may want to consult your tax advisor concerning possible alternative characterizations.

Will the Common SPACES be listed on a stock exchange?

We have applied to list the Normal Common SPACES on the New York Stock Exchange under the symbol MI PR B.

Neither the Stripped Common SPACES nor the STACKS initially will be listed. If enough Stripped Common SPACES are created so that applicable exchange listing requirements are met, we may list the Stripped Common SPACES or the STACKS on the same exchange as the Normal Common SPACES are then listed, including, if applicable, the New York Stock Exchange, though we are under no obligation to do so.

What are your expected uses of proceeds from the offering of the Common SPACES?

We expect to receive net proceeds from this offering, assuming no exercise of the underwriters option to purchase up to 1,400,000 additional Common SPACES, of approximately $355 million.

The trust will invest substantially all of the proceeds from the sale of the STACKS underlying the Common SPACES and all of the proceeds from the sale of the common securities in the subordinated debt securities issued by us.

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We intend to use the net proceeds from this offering, along with the proceeds from the contemporaneous offering of senior notes described in Use of Proceeds, for general corporate purposes, including to provide long-term financing for two recently completed acquisitions by Metavante Corporation and to fund its pending acquisition of NYCE Corporation.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our consolidated ratio of earnings to fixed charges on a historical basis for the periods indicated. For purposes of computing the ratio of earnings to fixed charges, earnings represent income before taxes and fixed charges. Fixed charges, excluding interest on deposits, consist of interest expense and one-third of rental expense for all operating leases, which we believe to be representative of the interest portion of rent expense. Fixed charges, including interest on deposits, consist of interest expense, one third of rental expense and interest on deposits.

	Six Months Ended June 30, 2004	Years Ended December 31,				
		2003	2002	2001	2000	1999
Ratio of earnings to fixed charges:						
Excluding interest on deposits	4.67x	3.84x	3.38x	2.56x	2.46x	3.38x
Including interest on deposits	2.91x	2.53x	2.23x	1.56x	1.43x	1.65x

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RISK FACTORS

In considering whether to purchase the Common SPACES or the STACKS, you should carefully consider all the information we have included or incorporated by reference in this prospectus supplement and the accompanying prospectus. In particular, you should carefully consider the following risk factors, as well as the factors listed in Forward-Looking Statements. In addition, because each Common SPACES includes a stock purchase contract to acquire shares of Common Stock, you are also making an investment decision with regard to Common Stock. You should carefully review all the information in this prospectus supplement and the accompanying prospectus about all of these securities.

Risks Relating to the Common SPACES

and STACKS

You will bear the entire risk of a decline in the price of Common Stock.

You will have an obligation to buy Common Stock pursuant to the stock purchase contract at a fixed price. The market value of the Common Stock you will purchase on the stock purchase date may be materially lower than the price per share that the stock purchase contract requires you to pay. If on August 15, 2007, the market value of one share of Common Stock, determined in accordance with the definition of applicable market value, is less than $37.32, which we refer to as the reference price, you will be required to purchase Common Stock at a price per share and settlement rate that causes you to assume the entire risk that the market value of Common Stock may decline and that the decline could be substantial.

You will receive only a portion of any appreciation in the Common Stock price and only if the appreciation of Common Stock exceeds a certain threshold.

Your opportunity for equity appreciation afforded by investing in the Common SPACES is less than your opportunity for equity appreciation if you directly invested in Common Stock. The aggregate market value of Common Stock you will receive upon settlement of a stock purchase contract will exceed the stated amount of $25 only if the applicable market value exceeds $46.28, which we refer to as the threshold appreciation price. The threshold appreciation price represents an appreciation of 24% over the reference price. If the applicable market value exceeds the reference price but falls below the threshold appreciation price, you will realize no equity appreciation on the shares of Common Stock for the period during which you own the Common SPACES. Furthermore, if the applicable market value exceeds the threshold appreciation price, the value of Common Stock you will receive under the stock purchase contract will be approximately 80.6% of the value of the shares of Common Stock you could have purchased with $25 at the time of the offering. Therefore, an investment in Common SPACES affords less opportunity for equity appreciation than a direct investment in Common Stock.

The trading price of Common Stock and the general level of interest rates and our credit quality will directly affect the trading prices for the Common SPACES and the STACKS.

The trading prices of the Common SPACES and the STACKS will be directly affected by, among other things, the trading price of Common Stock, interest rates generally and our credit quality. It is impossible to predict whether the price of Common Stock or interest rates will rise or fall. Our operating results and prospects and economic, financial and other factors will affect trading prices of Common Stock and the Common SPACES and the STACKS. In addition, market conditions can affect the capital markets generally, thereby affecting the price of Common Stock. These conditions may include the level of, and fluctuations in, the trading prices of stocks generally. Fluctuations in interest rates may

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give rise to arbitrage opportunities based upon changes in the relative value of the Common Stock underlying the stock purchase contracts and of the other components of the Common SPACES and the STACKS. The arbitrage could, in turn, negatively affect the trading prices of the Common SPACES, the STACKS and the Common Stock.

You may suffer dilution of Common Stock issuable upon settlement of your stock purchase contract.

The number of shares of Common Stock issuable upon settlement of your stock purchase contract is subject to adjustment only for stock splits and combinations, stock dividends and certain other specified transactions. See Description of the Stock Purchase Contracts Anti-Dilution Adjustments. The number of shares issuable upon settlement of each stock purchase contract is not subject to adjustment for other events, including employee and director equity grants, regular quarterly dividends not in excess of $0.21 per share, offerings of shares for cash, or in connection with acquisitions or other transactions which may adversely affect the price of the shares. The terms of the Common SPACES do not restrict our ability to offer shares in the future or to engage in other transactions that could dilute the shares. We have no obligation to consider the interests of the holders of the Common SPACES in engaging in any such offering or transaction. If we issue additional shares, that issuance may materially and adversely affect the price of our shares and, because of the relationship of the number of shares you are to receive on the stock purchase date to the price of our shares, such other events may adversely affect the trading price of the Common SPACES.

You will have no rights as common shareholders but will be subject to all changes with respect to Common Stock.

Until you acquire shares of Common Stock upon settlement of your stock purchase contract, you will have no rights with respect to Common Stock, including voting rights, rights to respond to tender offers and rights to receive any dividends or other distributions on the shares of Common Stock. The declaration and payment of future dividends by us will be at the discretion of our board of directors and will depend upon many factors, including our earnings, financial condition, business needs, capital and surplus requirements of our operating subsidiaries and contractual and regulatory restrictions. Only holders of Common Stock, not holders of Common SPACES or the STACKS, will receive such dividends. Upon settlement of your stock purchase contract you will be entitled to exercise the rights of a holder of Common Stock only as to actions for which the record date occurs after the stock purchase date and only for that number of shares you receive. For example, in the event that an amendment is proposed to our articles of incorporation requiring shareholder approval and the record date for determining the shareholders of record entitled to vote on the amendment occurs prior to delivery of the shares of Common Stock, you will not be entitled to vote on the amendment, although you will nevertheless be subject to any changes in the powers, preferences or special rights of Common Stock.

Your pledged securities will be encumbered.

Although you will hold beneficial ownership interests in the underlying pledged STACKS or treasury securities, you will pledge those securities with the collateral agent to secure your obligations under the related stock purchase contracts. Therefore, for so long as the stock purchase contracts remain in effect, you will not be allowed to withdraw your ownership interest in the pledged STACKS or treasury securities from this pledge arrangement, except upon substitution of other securities as described in this prospectus supplement.

The stock purchase contract agreement will not be qualified under the Trust Indenture Act. The obligations of the stock purchase contract agent will be limited.

The stock purchase contract agreement relating to the Common SPACES will not be qualified under the Trust Indenture Act. The stock purchase contract agent under the stock purchase contract agreement, who will act as the agent and the attorney-in-fact for the holders of the Common SPACES, will not be qualified as a trustee under the Trust Indenture Act. Accordingly, you will not have the benefits of the protections of the Trust Indenture Act other than to the extent applicable to the STACKS included in a Normal Common SPACES, such as those protections identified below or as specified in the stock purchase contract agreement. Under the terms of the stock purchase contract agreement, the stock purchase contract agent will have only limited obligations to the holders of the Common SPACES.

If a security is issued under an indenture qualified under the Trust Indenture Act, you as a holder would generally have the following additional protections: (1) the disqualification of the indenture trustee for conflicting interests defined in the Trust Indenture Act; (2) provisions that prevent an indenture trustee that is also a creditor of the issuer from improving its own credit position at the expense of you as the security holder immediately before or after an indenture default; and (3) the requirement that the indenture trustee deliver reports at least once a year with respect to the indenture trustee and the securities issued under the indenture.

The secondary market for the Common SPACES and the STACKS may be illiquid.

We are unable to predict how the Common SPACES and the STACKS will trade in the secondary market or whether that market will be liquid or illiquid. There is currently no secondary market for the Common SPACES and the STACKS. Although we have applied to list the Normal Common SPACES on the New York Stock Exchange, we have no obligation or current intention to apply for any separate listing of the Stripped Common SPACES or the STACKS on any stock exchange; however, to the extent that either of these securities are separately traded to a sufficient extent that applicable exchange listing requirements are met, we may cause those securities to be listed on the exchange on which the Normal Common SPACES are then listed, though we are under no obligation to do so. We can give you no assurance as to the liquidity of any market that may develop for the Normal Common SPACES, the Stripped Common SPACES or the STACKS, your ability to sell such securities or whether a trading market, if it develops, will continue. In addition, in the event that sufficient numbers of Normal Common SPACES are converted to Stripped Common SPACES, the liquidity of Normal Common SPACES could decrease. It is possible that the Normal Common SPACES, and the Stripped Common SPACES or the STACKS if they are ever listed, could be delisted from the New York Stock Exchange or that trading in the Normal Common SPACES, Stripped Common SPACES or the STACKS could be suspended as a result of elections to create Stripped Common SPACES or recreate Normal Common SPACES through the substitution of collateral that causes the number of these securities to fall below the applicable requirements for listing securities on the New York Stock Exchange.

Delivery of securities is subject to potential delay if we become subject to a bankruptcy proceeding.

Notwithstanding the automatic termination of the stock purchase contracts, if we become the subject of a case under the U.S. Bankruptcy Code, imposition of an automatic stay under Section 362 of the Bankruptcy Code, if applicable, or any court ordered stay may delay the delivery to you of your securities being held as collateral under the pledge arrangement, and such delay may continue until the automatic stay or other stay has been lifted. The automatic stay or other stay will not be lifted until such time as the bankruptcy judge agrees to lift it and return the collateral to you.

The contract payments and payments on any subordinated debt securities will be contractually subordinated to our senior debt and will be effectively subordinated to the obligations of our subsidiaries.

Our obligations with respect to contract payments and payments on subordinated debt securities will be subordinate and junior in right of payment to our obligations under our senior debt. At June 30, 2004, our senior debt totaled approximately $843.6 million, excluding the liabilities of our subsidiaries.

We receive substantially all of our revenue from dividends from our subsidiaries. Because we are a holding company, our right to participate in any distribution of the assets of our banking or nonbanking subsidiaries, upon a subsidiary s dissolution, winding-up, liquidation or reorganization or otherwise, and thus your ability to benefit indirectly from such distribution, is subject to the prior claims of creditors of that subsidiary, except to the extent that we may be a creditor of that subsidiary and our claims are recognized. There are legal limitations on the extent to which some of our subsidiaries may extend credit, pay dividends or otherwise supply funds to, or engage in transactions with, us or some of our other subsidiaries. Our subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay amounts due under the contracts or otherwise to make any funds available to us. Accordingly, the contract payments and payments on our subordinated debt securities, and therefore the STACKS, effectively will be subordinated to all existing and future liabilities of our subsidiaries.

A dissolution of the trust may affect the market price of the Common SPACES.

A dissolution of the trust may affect the market price of the Common SPACES. We will have the right to dissolve the trust at any time.

We cannot provide assurance as to the impact on the market price for the Common SPACES if we dissolve the trust and distribute the subordinated debt securities to holders of the STACKS in exchange for those STACKS. Because the Common SPACES would then consist of subordinated debt securities and related stock purchase contracts, you are also making an investment decision with regard to the subordinated debt securities if you purchase the Common SPACES and should carefully review all the information regarding the subordinated debt securities contained in this prospectus supplement and the accompanying prospectus.

We guarantee distributions on the STACKS only if the trust has cash available.

If you hold any of the STACKS, we will guarantee you, on an unsecured and junior subordinated basis, the payment of the following:

- any accumulated and unpaid distributions required to be paid on the STACKS, to the extent the trust has funds available to make the payment;
- the redemption price for any STACKS called for redemption, to the extent the trust has funds available to make the payment; and
- upon a voluntary or involuntary dissolution, winding-up or liquidation of the trust, other than in connection with a distribution of the subordinated debt securities to holders of STACKS, the lesser of (a) the aggregate of the stated liquidation amount and all accumulated and unpaid distributions on the STACKS to the date of payment, to the extent the trust has funds available to make the payment, and (b) the amount of assets of the trust remaining available for distribution to holders of the STACKS upon liquidation of the trust.

If we do not make a required payment on the subordinated debt securities, the trust will not have sufficient funds to make the related payment on the STACKS. The guarantee does not cover payments on the STACKS when the trust does not have sufficient funds to make these payments. If we do not pay any amounts on the subordinated debt securities when due, holders of the

STACKS will have to rely on the enforcement by the property trustee of the trustee s rights as registered holder of the subordinated debt securities, or proceed directly against us for payment of any amounts due on the subordinated debt securities.

Our obligations under the guarantee are unsecured and are subordinated to and junior in right of payment to all of our secured and senior debt, and rank on a parity with all other similar guarantees issued by us.

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We may defer contract payments and interest payments on the subordinated debt securities and this may have an adverse effect on the trading prices of the Common SPACES and the STACKS.

We may at our option, and will if directed to do so by the Federal Reserve Board, defer the payment of all or part of the contract payments on the stock purchase contracts forming a part of the Common SPACES through the stock purchase date. We also have the option to defer interest payments on the subordinated debt securities, in which case the trust would defer distributions on the STACKS. If we elect to shorten the maturity date of the subordinated debt securities in connection with a remarketing and, at the time of the remarketing, are deferring interest, we may not elect a maturity date that is earlier than five years after commencement of the deferral period. If we defer any contract payments until the stock purchase date, you will receive additional shares of Common Stock or unsecured notes, in our sole discretion, in lieu of a cash payment. If we pay deferred contract payments in shares of Common Stock, the number of shares of Common Stock that you will be entitled to receive will be equal to (a) the aggregate amount of deferred contract payments payable to you divided by (b) the greater of (i) the applicable market value (or, if the stock purchase date is deferred beyond August 15, 2007, the closing price of Common Stock on the trading day immediately preceding the stock purchase date) and (ii) $12.44, subject to anti-dilution adjustments. Because the stock price used to calculate the number of shares you are entitled to receive may be greater than the applicable market value of Common Stock (or, if the stock purchase date is deferred beyond August 15, 2007, the closing price of Common Stock on the trading day immediately preceding the stock purchase date), the market value of the shares of Common Stock you may receive in lieu of deferred contract payments may be less than the amount of those deferred contract payments. In addition, any note that we issue to you in satisfaction of deferred contract payments will bear interest at a rate no greater than 10%, which could be less than our then current market rate of interest. If deferral occurs, you will continue to recognize interest income for U.S. federal income tax purposes in advance of your receipt of any corresponding cash distributions. Furthermore, if the stock purchase contracts are terminated due to our bankruptcy, insolvency or reorganization, the right to receive contract payments and deferred contract payments, if any, will also terminate.

Holders of the STACKS have limited rights under the subordinated debt securities.

Except as described below, you, as a holder of the STACKS, will not be able to exercise directly any other rights with respect to the subordinated debt securities.

If an event of default under the trust agreement were to occur and be continuing, holders of the STACKS would rely on the enforcement by the property trustee of its rights as registered holder of the subordinated debt securities against us. In addition, the holders of a majority in stated liquidation amount of the STACKS would have the right to direct the time, method and place of conducting any proceeding for any remedy available to the property trustee or to direct the exercise of any trust or power conferred upon the property trustee under the trust agreement, including the right to direct the property trustee to exercise the remedies available to it as the holder of the subordinated debt securities.

The subordinated debt securities indenture provides that the indenture trustee must give holders notice of all defaults or events of default within 30 days after it becomes known to the trustee. However, except in the cases of a default or an event of default in payment on the subordinated debt securities, the indenture trustee will be protected in withholding the notice if its responsible officers determine that withholding of the notice is in the interest of such holders.

If the property trustee were to fail to enforce its rights under the subordinated debt securities in respect of an indenture event of default after a holder of record of the STACKS had made a written

request, that holder of record of the STACKS may, to the extent permitted by applicable law, institute a legal proceeding against us to enforce the property trustee s rights under the subordinated debt securities. In addition, if we were to fail to pay interest or principal on the subordinated debt securities on the date that interest or principal is otherwise payable, except for deferrals permitted by the trust agreement and the indenture, and this failure to pay were continuing, holders of the STACKS may directly institute a proceeding for enforcement of payment of the principal of or interest on the subordinated debt securities having a principal amount equal to the aggregate stated liquidation amount of their STACKS (a direct action) after the respective due dates specified in the subordinated debt securities. In connection with a direct action, we would have the right under the indenture to set off any payment made to that holder by us.

The property trustee, as holder of the subordinated debt securities, has only limited rights of acceleration.

The property trustee, as holder of the subordinated debt securities, may accelerate payment of the principal, accrued and unpaid interest on the subordinated debt securities only upon the occurrence and continuation of an indenture event of default. An indenture event of default is generally limited to payment defaults after giving effect to our deferral rights, and specific events of bankruptcy, insolvency and reorganization relating to us. There is no right to acceleration upon breaches by us of other covenants under the indenture default on our payment obligations under the guarantee.

Risks Related to Our Business

Our earnings are significantly affected by general business and economic conditions.

Our business and earnings are sensitive to general business and economic conditions in the United States and, in particular, the states where we have significant operations, including Wisconsin, Arizona, Minnesota, Missouri and Florida. These conditions include short-term and long-term interest rates, inflation, monetary supply, fluctuations in both debt and equity capital markets, the strength of the U.S. and local economies and consumer spending, borrowing and saving habits. For example, an economic downturn, increase in unemployment or higher interest rates could decrease the demand for loans and other products and services and/or result in a deterioration in credit quality and/or loan performance and collectability. Higher interest rates also could increase our cost to borrow funds and increase the rate we pay on deposits. In addition, an overall economic slowdown could negatively impact the purchasing and decision-making activities of Metavante s financial institution customers.

Terrorism, acts of war or international conflicts could negatively affect our business and financial condition.

Acts or threats of war or terrorism, international conflicts, including ongoing military operations in Iraq and Afghanistan, and the actions taken by the United States and other governments in response to such events could negatively impact general business and economic conditions in the United States. If terrorist activity, acts of war or other international hostilities cause an overall economic decline, our financial condition and operating results could be materially adversely affected. The potential for future terrorist attacks, the national and international responses to terrorist attacks or perceived threats to national security and other actual or potential conflicts or acts of war, including conflict in the Middle East, have created many economic and political uncertainties that could seriously harm our business and results of operations in ways that cannot presently be predicted.

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Our earnings also are significantly affected by the fiscal and monetary policies of the federal government and its agencies.

The policies of the Federal Reserve Board impact us significantly. The Federal Reserve Board regulates the supply of money and credit in the United States. Its policies directly and indirectly influence the rate of interest earned on loans and paid on borrowings and interest-bearing deposits and can also affect the value of financial instruments we hold. Those policies determine to a significant extent our cost of funds for lending and investing. Changes in those policies are beyond our control and are difficult to predict. Federal Reserve Board policies can affect our borrowers, potentially increasing the risk that they may fail to repay their loans. For example, a tightening of the money supply by the Federal Reserve Board could reduce the demand for a borrower s products and services. This could adversely affect the borrower s earnings and ability to repay its loan which could materially adversely affect us.

The banking and financial services industry is highly competitive.

We operate in a highly competitive environment in the products and services we offer and the markets in which we operate. The competition among financial services providers to attract and retain customers is intense. Customer loyalty can be easily influenced by a competitor s new products, especially offerings that provide cost savings to the customer. Some of our competitors may be better able to provide a wider range of products and services over a greater geographic area.

We believe the banking and financial services industry will become even more competitive as a result of legislative, regulatory and technological changes and the continued consolidation of the industry. Technology has lowered barriers to entry and made it possible for non-banks to offer products and services traditionally provided by banks, such as automatic funds transfer and automatic payment systems. Also, investment banks and insurance companies are competing in more banking businesses such as syndicated lending and consumer banking. Many of our competitors are subject to fewer regulatory constraints and have lower cost structures. We expect the consolidation of the banking and financial services industry to result in larger, better-capitalized companies offering a wide array of financial services and products.

We are heavily regulated by federal and state agencies.

We, our subsidiary banks and many of our non-bank subsidiaries are heavily regulated at the federal and state levels. This regulation is designed primarily to protect consumers, depositors and the banking system as a whole, not holders of our securities. Congress and state legislatures and federal and state regulatory agencies continually review banking laws, regulations and policies for possible changes. Changes to statutes, regulations or regulatory policies, including changes in interpretation or implementation of statutes, regulations or policies, could affect us in substantial and unpredictable ways, including limiting the types of financial services and products we may offer, increasing the ability of non-banks to offer competing financial services and products and/or increasing our cost structures. Also, our failure to comply with laws, regulations or policies could result in sanctions by regulatory agencies and damage to our reputation.

We are subject to examinations and challenges by tax authorities.

In the normal course of business, we and our affiliates are routinely subject to examinations and challenges from federal and state tax authorities regarding the amount of taxes due in connection with investments we have made and the businesses in which we are engaged. Recently, state taxing authorities have become increasingly aggressive in challenging tax positions taken by financial institutions. The challenges made by tax authorities may result in adjustments to the timing or amount of taxable income or deductions or the allocation of income among tax jurisdictions. If any such challenges are made and are not resolved in our favor, they could have an adverse effect on our financial condition and results of operations.

Consumers may decide not to use banks to complete their financial transactions.

Technology and other changes are allowing parties to complete financial transactions that historically have involved banks at one or both ends of the transaction. For example, consumers can now pay bills and transfer funds directly without banks. The process of eliminating banks as intermediaries, known as disintermediation, could result in the loss of fee income, as well as the loss of customer deposits and income generated from those deposits.

Maintaining or increasing our market share depends on market acceptance and regulatory approval of new products and services and other factors.

Our success depends, in part, on our ability to adapt our products and services to evolving industry standards and to control expenses. There is increasing pressure on financial services companies to provide products and services at lower prices. This can reduce our net interest margin and revenues from our fee-based products and services. In addition, our success depends in part on our ability to generate significant levels of new business in our existing markets and in identifying and penetrating markets. Growth rates for card-based payment transactions and other product markets may not continue at recent levels. Further, the widespread adoption of new technologies, including Internet-based services, could require us to make substantial expenditures to modify or adapt our existing products and services, or render our existing products obsolete. We may not successfully introduce new products and services, achieve market acceptance of our products and services, develop and maintain loyal customers and/or break into targeted markets.

We rely on dividends from our subsidiaries for most of our revenue, and our banking subsidiaries hold a significant portion of their assets indirectly.

We are a separate and distinct legal entity from our subsidiaries. We receive substantially all of our revenue from dividends from our subsidiaries. These dividends are the principal source of funds to pay dividends on Common Stock and interest on our debt. The payment of dividends by a subsidiary is subject to federal law restrictions as well as to the laws of the subsidiary s state of incorporation. Also, a parent company s right to participate in a distribution of assets upon a subsidiary s liquidation or reorganization is subject to the prior claims of the subsidiary s creditors. In addition, our bank and savings association subsidiaries hold a significant portion of their mortgage loan and investment portfolios indirectly through their ownership interests in direct and indirect subsidiaries.

We depend on the accuracy and completeness of information about customers and counterparties.

In deciding whether to extend credit or enter into other transactions with customers and counterparties, we may rely on information provided to us by customers and counterparties, including financial statements and other financial information. We may also rely on representations of customers and counterparties as to the accuracy and completeness of that information and, with respect to financial statements, on reports of independent auditors. For example, in deciding whether to extend credit to a business, we may assume that the customer s audited financial statements conform with generally accepted accounting principles and present fairly, in all material respects, the financial condition, results of operations and cash flows of the customer. We may also rely on the audit report covering those financial statements. Our financial condition and results of operations could be

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negatively impacted to the extent we rely on financial statements that do not comply with GAAP or that are materially misleading.

Our accounting policies and methods are key to how we report our financial condition and results of operations, and they may require management to make estimates about matters that are inherently uncertain.

Our accounting policies and methods are fundamental to how we record and report our financial condition and results of operations. Our management must exercise judgment in selecting and applying many of these accounting policies and methods in order to ensure that they comply with generally accepted accounting principles and reflect management s judgment as to the most appropriate manner in which to record and report our financial condition and results of operations. In some cases, management must select the accounting policy or method to apply from two or more alternatives, any of which might be reasonable under the circumstances, yet might result in our reporting materially different amounts than would have been reported under a different alternative.

We have identified four accounting policies as being critical to the presentation of our financial condition and results of operations because they require management to make particularly subjective and/or complex judgments about matters that are inherently uncertain and because of the likelihood that materially different amounts would be reported under different conditions or using different assumptions. These critical accounting policies relate to: (1) the allowance for loan and lease losses; (2) capitalized software and conversion costs; (3) financial asset sales and securitizations; and (4) income taxes. Because of the inherent uncertainty of estimates about these matters, no assurance can be given that the application of alternative policies or methods might not result in our reporting materially different amounts.

We have an active acquisition program.

We regularly explore opportunities to acquire banking institutions, financial technology providers and other financial services providers. We cannot predict the number, size or timing of future acquisitions. We typically do not publicly comment on a possible acquisition or business combination until we have signed a definitive agreement for the transaction. Once we have signed a definitive agreement, transactions of this type are generally subject to regulatory approvals and other customary conditions. There can be no assurance that we will receive such regulatory approvals without unexpected delays or conditions or that such customary conditions will be timely met to our satisfaction, if at all.

Difficulty in integrating an acquired company or business may cause us not to realize expected revenue increases, cost savings, increases in geographic or product presence, and/or other projected benefits from the acquisition. Specifically, the integration process could result in higher than expected deposit attrition (run-off), loss of customers and key employees, the disruption of our business or the business of the acquired company, or otherwise adversely affect our ability to maintain existing relationships with clients, employees and suppliers or to enter into new business relationships. We may not be able to successfully leverage our combined product offerings to the combined customer base. These factors could contribute to our not achieving the anticipated benefits of the acquisition within the desired time frames, if at all.

Future acquisitions could require us to use substantial cash or liquid assets or to incur debt. In such cases, we could become more susceptible to economic downturns and competitive pressures.

We are dependent on senior management.

Our continued success depends to a significant extent upon the continued services of our senior management. The loss of services of any of our senior executive officers could cause our business to

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suffer. In addition, our success depends in part upon senior management s ability to implement our business strategy.

Our Common Stock price can be volatile.

Our Common Stock price can fluctuate widely in response to a variety of factors, including:

- actual or anticipated variations in our quarterly results;
- new technology or services by our competitors;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving our competitors;
- changes in accounting policies or practices;
- failure to integrate our acquisitions or realize anticipated benefits from our acquisitions; or
- changes in government regulations.

General market fluctuations, industry factors and general economic and political conditions, such as economic slowdowns or recessions, interest rate changes, credit loss trends or currency fluctuations, also could cause our Common Stock price to decrease regardless of our operating results.

We may be a defendant in a variety of litigation and other actions, which may have a material adverse effect on our business, operating results and financial condition.

We and our subsidiaries may be involved from time to time in a variety of litigation arising out of our business. Our insurance may not cover all claims that may be asserted against us, and any claims asserted against us, regardless of merit or eventual outcome, may harm our reputation. Should the ultimate judgments or settlements in any litigation exceed our insurance coverage, they could have a material adverse effect on our business, operating results and financial condition. In addition, we may not be able to obtain appropriate types or levels of insurance in the future, nor may we be able to obtain adequate replacement policies with acceptable terms, if at all.

In addition to the factors discussed above, the following risk factors concerning Metavante s business may have a material adverse effect on our financial condition and results of operations.

Metavante relies on the continued functioning of its data centers and the integrity of the data it processes.

Metavante s data centers are an integral part of its business. Damage to Metavante s data centers due to acts of terrorism, fire, power loss, telecommunications failure and other disasters could have a material adverse effect on Metavante s business, operating results and financial condition. In addition, because Metavante relies on the integrity of the data it processes, if this data is incorrect or somehow tainted, client relations and confidence in Metavante s services could be impaired, which would harm Metavante s business.

Network operational difficulties or security problems could damage Metavante s reputation and business.

Metavante depends on the reliable operation of network connections from its clients and its clients end users to its systems. Any operational problems or outages in these systems would cause Metavante to be unable to process transactions for its clients and its clients end users, resulting in decreased revenues. In addition, any system delays, failures or loss of data, whatever the cause, could reduce client satisfaction with Metavante s products and services and harm Metavante s financial results.

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Metavante also depends on the security of its systems. Metavante s networks may be vulnerable to unauthorized access, computer viruses and other disruptive problems. Metavante transmits confidential financial information in providing its services. A material security problem affecting Metavante could damage its reputation, deter financial services providers from purchasing its products, deter their customers from using its products or result in liability to Metavante. Any material security problem affecting Metavante s competitors could affect the marketplace s perception of Internet banking and electronic commerce service in general and have the same effects.

Metavante may not be able to protect its intellectual property, and Metavante may be subject to infringement claims.

Metavante relies on a combination of contractual rights and copyright, trademark, patent and trade secret laws to establish and protect its proprietary technology. Despite Metavante s efforts to protect its intellectual property, third parties may infringe or misappropriate Metavante s intellectual property or may develop software or technology competitive to Metavante s. Metavante s competitors may independently develop similar technology, duplicate its products or services or design around Metavante s intellectual property rights. Metavante may have to litigate to enforce and protect its intellectual property rights, trade secrets and know-how or to determine their scope, validity or enforceability, which is expensive, and could cause a diversion of resources and may not prove successful. The loss of intellectual property protection or the inability to secure or enforce intellectual property protection could harm Metavante s business and ability to compete.

Metavante also may be subject to costly litigation in the event its products or technology infringe upon another party s proprietary rights. Third parties may have, or may eventually be issued, patents that would be infringed by Metavante s products or technology. Any of these third parties could make a claim of infringement against Metavante with respect to its products or technology. Metavante may also be subject to claims by third parties for breach of copyright, trademark or license usage rights. Any such claims and any resulting litigation could subject Metavante to significant liability for damages. An adverse determination in any litigation of this type could require Metavante to design around a third party s patent or to license alternative technology from another party. In addition, litigation is time consuming and expensive to defend and could result in the diversion of the time and attention of Metavante s management and employees. Any claims from third parties may also result in limitations on Metavante s ability to use the intellectual property subject to these claims.

Metavante s business could suffer if it fails to attract and retain key technical people.

Metavante s success depends in large part upon Metavante s ability to attract and retain highly skilled technical, management and sales and marketing personnel. Because the development of Metavante s products and services requires knowledge of computer hardware, operating system software, system management software and application software, key technical personnel must be proficient in a number of disciplines. Competition for the best people in particular individuals with technology experience is intense. Metavante may not be able to hire key people or pay them enough to keep them.

FORWARD-LOOKING STATEMENTS

Statements included or incorporated by reference in this prospectus supplement and the accompanying prospectus which are not historical are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The forward-looking statements include: (1) statements made in our annual report on Form 10-K for the year ended December 31, 2003 under Item 1, Business, and Item 7, Management s Discussion and Analysis of Financial Condition and Results of

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Operations, including, without limitation, statements with respect to internal growth plans, projected revenues, margin improvement, future acquisitions, capital expenditures and adequacy of capital resources; (2) statements included or incorporated by reference in our future filings with the SEC; and (3) information contained in written material, releases and oral statements issued by, or on behalf of, us including, without limitation, statements with respect to projected revenues, costs, earnings and earnings per share. Forward-looking statements also include statements regarding the intent, belief or current expectation of M&I and its officers. Forward-looking statements include statements preceded by, followed by or that include forward-looking terminology such as may, will, should, believes, expects, anticipates, estimates, continues or similar expressions.

All forward-looking statements included or incorporated by reference in this prospectus supplement and the accompanying prospectus are based on information available to us as of the date of this prospectus supplement or the accompanying prospectus. We do not undertake to update any forward-looking statements that may be made by or on behalf of us in this prospectus supplement, the accompanying prospectus or otherwise. Our actual results may differ materially from those contained in the forward-looking statements identified above. Factors which may cause such a material difference to occur include, but are not limited to, the factors set forth under the heading Risk Factors beginning on page S-14 of this prospectus supplement, the factors listed under the heading Forward-Looking Statements in Item 1, Business, of our annual report on Form 10-K for the year ended December 31, 2003, and the factors listed at the end of Exhibit 99.1 of our current report on Form 8-K dated May 17, 2004.

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USE OF PROCEEDS

We expect to receive net proceeds from this offering, assuming no exercise of the underwriters option to purchase up to 1,400,000 additional Common SPACES, of approximately $355 million, after expenses and underwriting discounts. The trust will invest substantially all of the proceeds from the sale of the STACKS comprising part of the Common SPACES and all of the proceeds from the sale of the trust s common securities in the subordinated debt securities issued by us.

We intend to use the net proceeds from this offering, along with the proceeds from a contemporaneous offering of senior notes, for general corporate purposes, including to provide long-term financing for two recently completed acquisitions by Metavante Corporation and to fund its pending acquisition of NYCE Corporation, described in Prospectus Supplement Summary Recent Developments.

We expect to receive net proceeds from the contemporaneous offering of our senior notes of approximately $597.6 million, after expenses and underwriting discounts. Neither this offering nor the senior notes offering is contingent on the other.

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ACCOUNTING TREATMENT; REGULATORY CAPITAL

General

The proceeds from the sale of the Common SPACES will be allocated between the stock purchase contracts and the STACKS in proportion to the fair market value of each at the date of the offering.

We will recognize the present value of the quarterly contract payments as a liability with an offsetting reduction in shareholders equity. This liability increases over three years by interest charges to the statement of earnings based on a constant rate calculation. Contract payments paid on the stock purchase contracts will reduce this liability.

The stock purchase contracts are forward transactions in Common Stock. Upon settlement of a stock purchase contract, we will receive $25 on that stock purchase contract and will issue the requisite number of shares of Common Stock. The $25 we receive will be credited to shareholders equity and allocated between Common Stock and additional paid-in capital accounts.

The trust will not be consolidated on our balance sheet as a result of recent accounting changes reflected in FASB Interpretation No. 46, *Consolidation of Variable Interest Entities*, as revised in December 2003. Accordingly, we will recognize the aggregate principal amount of the subordinated debt securities we issued to the trust, net of our common interest in the trust, as a liability on our balance sheet in accordance with FASB 150, *Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity*. The interest paid on the subordinated debt securities will be recorded as interest expense on our income statement.

Fees and expenses incurred in connection with this offering will be allocated between the STACKS and the stock purchase contracts. The amount allocated to the STACKS will be amortized and recognized as interest expense over the term of the STACKS. The amount allocated to the stock purchase contracts will be charged to shareholders equity.

Earnings Per Share

Before the issuance of Common Stock upon settlement of the stock purchase contracts, the stock purchase contracts will be reflected in our diluted earnings per share calculations using the treasury stock method. Under this method, the number of shares of Common Stock used in calculating diluted earnings per share (based on the settlement formula applied at the end of the reporting period) is deemed to be increased by the excess, if any, of the number of shares that would be issued upon settlement of the stock purchase contracts less the number of shares that could be purchased by us in the market (at the average market price during the period) using the proceeds receivable upon settlement. Consequently, we anticipate that there will be some dilutive effect on our earnings per share for periods when the average market price of Common Stock for the reporting period is above $46.28 but no dilutive effect on our earnings per share for periods when the average market price is equal to or below $46.28.

Other Matters

Both the Financial Accounting Standards Board and its Emerging Issues Task Force continue to study the accounting for financial instruments and derivative instruments, including instruments such as the Common SPACES and the STACKS. It is possible that our accounting for the stock purchase contracts and the STACKS could be affected by any new accounting rules that might be issued by these groups.

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Regulatory Capital Treatment

We expect that the Federal Reserve Board will treat the Common SPACES as tier 1 capital in an amount equal to the total initial net proceeds of this offering for purposes of its capital guidelines applicable to bank holding companies such as M&I.

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PRICE RANGE OF COMMON STOCK AND DIVIDENDS

Our Common Stock is publicly traded on the New York Stock Exchange under the symbol MI. The table below sets forth for the periods indicated the quarterly high and low closing sales prices for Common Stock on the New York Stock Exchange and the amount of per share dividends declared on Common Stock. The amounts for all periods prior to June 17, 2002 have been restated to reflect a 2-for-1 stock split effected on that date.

	High	Low	Dividends
2002			
First Quarter	$ 31.68	$ 28.90	$ 0.145
Second Quarter	31.96	29.52	0.160
Third Quarter	30.97	25.69	0.160
Fourth Quarter	29.20	23.25	0.160
2003			
First Quarter	29.15	25.07	0.160
Second Quarter	31.75	25.79	0.180
Third Quarter	32.74	30.13	0.180
Fourth Quarter	38.40	32.53	0.180
2004			
First Quarter	40.39	36.18	0.180
Second Quarter	41.15	36.60	0.210
Third Quarter (through July 26, 2004)	40.01	37.32	

On July 26, 2004, the closing sale price of Common Stock on the New York Stock Exchange was $37.32 per share. As of June 30, 2004, there were approximately 19,780 shareholders of record of Common Stock.

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CAPITALIZATION

The following table sets forth our consolidated cash and cash equivalents and actual capitalization as of June 30, 2004 and our cash and cash equivalents and capitalization as adjusted to give effect to the sale of the securities offered hereby, assuming no exercise of the underwriters option to purchase up to 1,400,000 additional Common SPACES, the contemporaneous offering of senior notes and the application of the net proceeds of this offering and the offering of senior notes, as if these events had occurred on June 30, 2004. See Use of Proceeds.

	As of June 30, 2004 (in thousands)	
	Actual	**As Adjusted**
Cash and cash equivalents	$ 1,135,898	$ 1,135,898
Shareholders Equity:		
Series A convertible preferred stock, $1.00 par value, 2,000,000 shares authorized		
Common stock, $1.00 par value, 700,000,000 shares authorized; 240,832,522 shares issued	240,833	240,833
Additional paid-in capital	549,579	509,921
Retained earnings	3,272,646	3,272,646
Accumulated other comprehensive income, net of related taxes	(51,912)	(51,912)
Less: treasury stock, at cost, 18,056,286 shares	(547,469)	(547,469)
deferred compensation	(29,514)	(29,514)
Total shareholders equity	3,434,163	3,394,505
Total long-term debt, excluding current maturities	3,700,674	4,665,674
Total Capitalization	$ 7,134,837	$ 8,060,179

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DESCRIPTION OF THE COMMON SPACES

The following is a summary of the terms of the Common SPACES. This summary, together with the summary of some of the provisions of the related documents described below, contains a description of all of the material terms of the Common SPACES but is not necessarily complete. We refer you to the copies of those documents which have been or will be filed and incorporated by reference in the registration statement of which this prospectus supplement forms a part. See Where You Can Find More Information in the accompanying prospectus. In addition, to the extent that the following description is not consistent with the descriptions contained in the accompanying prospectus, you should rely on the following description.

We will issue the Common SPACES under the stock purchase contract agreement between us and BNY Midwest Trust Company, which we refer to as the stock purchase contract agent. The Common SPACES may be either Normal Common SPACES or Stripped Common SPACES. Unless indicated otherwise, Common SPACES will include both Normal Common SPACES and Stripped Common SPACES. The Common SPACES initially will consist of 14,600,000 Normal Common SPACES (or 16,000,000 Normal Common SPACES if the underwriters exercise their over-allotment option in full), each with a stated amount of $25.

Normal Common SPACES

Each Normal Common SPACES will consist of a unit comprising:

(a) a stock purchase contract under which

(1) you will agree to purchase from us, and we will agree to sell to you, on the stock purchase date, for $25 in cash, a number of newly issued or treasury shares of Common Stock equal to the settlement rate described below under Description of the Stock Purchase Contracts Purchase of Common Stock, subject to anti-dilution adjustments. The stock purchase date is expected to be August 15, 2007, but could be deferred for quarterly periods until August 15, 2008; and

(2) we will pay you quarterly contract payments at the rate of 2.60% per year on the stated amount of $25, subject to our right to defer these payments; and

(b) a 1/40, or 2.5%, undivided beneficial ownership interest in a preferred security, also referred to as the STACKS, of M&I Capital Trust B, also referred to as the trust, with an initial liquidation amount of $1,000. Each STACKS represents an undivided beneficial ownership interest in the assets of the trust. The property trustee of the trust will hold legal title to the assets. The trust s assets consist solely of junior subordinated debt securities, series 2004-1, which we refer to as the subordinated debt securities. Until the stock purchase date, we will make quarterly interest payments on the subordinated debt securities at the annual rate of 3.90%, and the trust will pass through such interest payments when received as distributions on the STACKS. After the stock purchase date, interest on the subordinated debt securities and distributions on the STACKS will accrete or accrue at a reset rate as described below and, unless we elect to make such payments in cash on the subordinated debt securities, will accrete and be payable only upon maturity or redemption.

The purchase price of each Normal Common SPACES will be allocated between the related stock purchase contract and the related ownership interest in the STACKS in proportion to their respective fair market values at the time of issuance. We expect that, at the time of issuance, the fair market value of each ownership interest in the STACKS will be $25 and the fair market value of each stock purchase contract will be $0. This position generally will be binding on each beneficial owner of each Common SPACES but not on the Internal Revenue Service.

As long as a Common SPACES is in the form of a Normal Common SPACES, your applicable ownership interest in the STACKS forming a part of the Normal Common SPACES will be pledged to us through the collateral agent to secure your obligation to purchase Common Stock under the related stock purchase contract.

Creating Stripped Common SPACES

You will have the right, at any time on or prior to the seventh business day immediately preceding the applicable remarketing settlement date, to substitute for the related STACKS held by the collateral agent zero coupon treasury securities (as described below) that mature on the applicable remarketing settlement date, in a total principal amount at maturity equal to the aggregate liquidation amount of the STACKS for which substitution is being made.

Applicable Remarketing Settlement Date	CUSIP No.
August 15, 2007	912833CS7
November 15, 2007	912833GB0
February 15, 2008	912833CT5
May 15, 2008	912833GC8
August 15, 2008	912833CU2

The applicable remarketing settlement date is the first date that occurs after the date of substitution among August 15, 2007, November 15, 2007, February 15, 2008, May 15, 2008, and August 15, 2008.

Because treasury securities and the STACKS are issued in integral multiples of $1,000, you may make this substitution only in integral multiples of 40 Normal Common SPACES.

Each of these substitutions will create Stripped Common SPACES, and the ownership interest in the STACKS will be released to you and be separately tradable from the Stripped Common SPACES. Each Stripped Common SPACES will consist of a unit with a stated amount of $25 comprising:

(a) a stock purchase contract under which:

(1) you will agree to purchase from us, and we will agree to sell to you, not later than the stock purchase date, for $25 in cash, a number of newly issued or treasury shares of Common Stock equal to the settlement rate, subject to anti-dilution adjustments, and

(2) we will pay you quarterly contract payments at the rate of 2.60% per year on the stated amount of $25, subject to our right to defer these payments, and

(b) a 2.5% undivided beneficial ownership interest in a treasury security with a principal amount of $1,000.

To create 40 Stripped Common SPACES, you must:

deposit with the collateral agent a treasury security that has a principal amount payable on the applicable remarketing settlement date of $1,000 which must be purchased on the open market at your expense (unless otherwise owned by you), and

transfer 40 Normal Common SPACES to the stock purchase contract agent accompanied by a notice stating that you have deposited a treasury security with the collateral agent and requesting the release to you of the STACKS relating to the 40 Normal Common SPACES.

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Upon the deposit and receipt of an instruction from the stock purchase contract agent, the collateral agent will release the related STACKS from the pledge under the pledge agreement, free and clear of our security interest, to the stock purchase contract agent. The stock purchase contract agent then will:

- cancel the 40 Normal Common SPACES,
- transfer the related STACKS to you, and
- deliver 40 Stripped Common SPACES to you.

The treasury security will be substituted for the STACKS and will be pledged to us through the collateral agent to secure your obligation to purchase Common Stock under the related stock purchase contracts. The related STACKS released to you thereafter will trade separately from the resulting Stripped Common SPACES.

Recreating Normal Common SPACES

If you hold Stripped Common SPACES you will have the right at any time on or prior to the seventh business day immediately preceding the applicable remarketing settlement date to substitute for the related treasury securities held by the collateral agent STACKS having a liquidation amount equal to the aggregate principal amount at stated maturity of the treasury securities for which substitution is being made.

Because treasury securities and the STACKS are issued in integral multiples of $1,000, you may make these substitutions only in integral multiples of 40 Stripped Common SPACES.

Each of these substitutions will recreate Normal Common SPACES, and the applicable treasury securities will be released to the holder and be separately tradable from the Normal Common SPACES.

To create 40 Normal Common SPACES, you must:

- deposit with the collateral agent STACKS with a $1,000 liquidation amount, which must be purchased in the open market at your expense unless otherwise owned by you; and
- transfer 40 Stripped Common SPACES certificates to the stock purchase contract agent accompanied by a notice stating that the Stripped Common SPACES holder has deposited STACKS with a $1,000 liquidation amount with the collateral agent and requesting the release to you of the pledged treasury security relating to the Stripped Common SPACES.

Upon the deposit and receipt of an instruction from the stock purchase contract agent, the collateral agent will release the related treasury securities from the pledge under the pledge agreement, free and clear of our security interest, to the stock purchase contract agent. The stock purchase contract agent will then:

- cancel the 40 Stripped Common SPACES,

- transfer the related treasury security to you, and

- deliver the resulting Normal Common SPACES to you.

The substituted applicable ownership interest in the STACKS will be pledged to us through the collateral agent to secure your obligation to purchase Common Stock under the related stock purchase contracts.

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If you elect to substitute pledged securities, thereby creating Stripped Common SPACES or recreating Normal Common SPACES, you will be responsible for any fees or expenses payable in connection with the substitution.

Current Payments

Holders of Normal Common SPACES will be entitled to receive quarterly cash distributions consisting of distributions calculated at the rate of 3.90% per year on the STACKS and contract payments payable by us at the rate of 2.60% per year on the stated amount of $25 per Normal Common SPACES until the earliest of the stock purchase date, the early settlement date (in the case of a cash merger early settlement, as described in Description of the Stock Purchase Contracts Early Settlement upon Cash Merger) and the most recent quarterly payment date on or before any other early settlement of the related stock purchase contracts (in the case of an early settlement other than upon a cash merger as described in Description of the Stock Purchase Contracts Early Settlement).

Holders of Stripped Common SPACES will be entitled to receive only quarterly contract payments payable by us at the rate of 2.60% per year on the stated amount of $25 per Stripped Common SPACES until the earliest of the stock purchase date, the early settlement date (in the case of a cash merger early settlement, as described in Description of the Stock Purchase Contracts Early Settlement upon Cash Merger) and the most recent quarterly payment date on or before any other early settlement of the related stock purchase contracts (in the case of an early settlement other than upon a cash merger as described in Description of the Stock Purchase Contracts Early Settlement). There will be no distributions in respect of the treasury securities that are a component of the Stripped Common SPACES, but the holders of the Stripped Common SPACES will continue to receive the scheduled quarterly distribution on the STACKS that were released to them when the Stripped Common SPACES were created, subject to our right to defer those distributions, for as long as they hold the STACKS.

We may defer the contract payments until no later than the stock purchase date as described below under Description of the Stock Purchase Contracts Option to Defer Contract Payments. If we defer any of these payments, we will accrue interest on the deferred amounts at the annual rate of 6.50% until paid. We may also defer cash payments of interest on the subordinated debt securities that are owned by the trust, resulting in a corresponding deferral of cash distributions on the STACKS, in which case we will accrue additional interest or, as applicable, distributions on the deferred amounts at the applicable rate then borne by the STACKS. During any period that we are deferring contract payments or interest on the subordinated debt securities (and, accordingly, distributions on the STACKS) that are otherwise payable in cash, we will be restricted from making certain payments, including declaring or paying any dividends or making any distributions on, or redeeming, purchasing, acquiring or making a liquidation payment with respect to, shares of our capital stock as described in the accompanying prospectus under Description of M&I Junior Subordinated Debt Securities Restrictions on Certain Payments, Including on Deferral of Interest.

Our obligation to pay contract payments will be subordinate and junior in right of payment to all our senior debt, to the same extent as our obligations under our junior subordinated debt securities, as described in the accompanying prospectus under Description of M&I Junior Subordinated Debt Securities and in this prospectus supplement under Description of the Subordinated Debt Securities Subordination. The ability of the trust to make the distributions on the STACKS is dependent solely upon the receipt of corresponding payments from us on the subordinated debt securities. Our obligations under the subordinated debt securities are similarly subordinate and junior in right of payment to all our senior debt.

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Absence of Voting and Certain Other Rights

Holders of stock purchase contracts forming part of the Normal Common Spaces or Stripped Common SPACES, in their capacities as holders of those securities, will have no voting or other rights in respect of Common Stock.

Listing of the Securities

We have applied to list the Normal Common SPACES on the New York Stock Exchange under the symbol MI PR B. Unless and until substitution has been made as described in Creating Stripped Common SPACES or Recreating Normal Common SPACES, the STACKS will not trade separately from the Normal Common SPACES. The STACKS will trade as a unit with the stock purchase contract component of the Normal Common SPACES. If the Stripped Common SPACES or the STACKS are separately traded to a sufficient extent that applicable exchange listing requirements are met, we may list the Stripped Common SPACES or the STACKS on the same exchange as the Normal Common SPACES are then listed, including, if applicable, the New York Stock Exchange, though we are under no obligation to do so.

Miscellaneous

We or our affiliates may from time to time purchase any of the securities offered by this prospectus supplement which are then outstanding by tender, in the open market or by private agreement.

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DESCRIPTION OF THE STOCK PURCHASE CONTRACTS

This section summarizes some of the terms of the stock purchase contract agreement, the stock purchase contracts and the pledge agreement. This summary should be read together with the stock purchase contract agreement, the stock purchase contracts and the pledge agreement, forms of which have been or will be filed and incorporated by reference as exhibits to the registration statement of which the accompanying prospectus forms a part. See Where You Can Find More Information in the accompanying prospectus.

Purchase of Common Stock

Each stock purchase contract underlying a Common SPACES will obligate you to purchase, and us to sell, on the stock purchase date, for an amount in cash equal to the $25 stated amount of the Common SPACES, a number of newly issued or treasury shares of Common Stock equal to the settlement rate.

The settlement rate for each stock purchase contract will be set on August 15, 2007 (regardless of whether the stock purchase date is deferred beyond August 15, 2007). The settlement rate will be calculated, subject to adjustment under the circumstances described in Anti-Dilution Adjustments, as follows:

If the applicable market value of Common Stock is equal to or greater than the threshold appreciation price of $46.28, the settlement rate will be 0.5402 shares of Common Stock (the minimum settlement rate), which is equal to the stated amount divided by the threshold appreciation price.

Accordingly, if the market value for Common Stock increases between the date of this prospectus supplement and the period during which the applicable market value is measured and the applicable market value is greater than the threshold appreciation price, the aggregate market value of the shares of Common Stock issued upon settlement of each stock purchase contract will be higher than the stated amount, assuming that the market price of Common Stock on the stock purchase date is the same as the applicable market value of Common Stock. If the applicable market value is the same as the threshold appreciation price, the aggregate market value of the shares issued upon settlement will be equal to the stated amount, assuming that the market price of Common Stock on the stock purchase date is the same as the applicable market value of Common Stock.

If the applicable market value of Common Stock is less than the threshold appreciation price but greater than the reference price of $37.32, the settlement rate will be a number of shares of Common Stock equal to $25 divided by the applicable market value.

Accordingly, if the market value for Common Stock increases between the date of this prospectus supplement and the period during which the applicable market value is measured, but the applicable market value is less than the threshold appreciation price, the aggregate market value of the shares of Common Stock issued upon settlement of each stock purchase contract will be equal to the stated amount, assuming that the market price of Common Stock on the stock purchase date is the same as the applicable market value of Common Stock.

- If the applicable market value of Common Stock is less than or equal to the reference price, the settlement rate will be 0.6699 shares of Common Stock (the maximum settlement rate), which is equal to the stated amount divided by the reference price.

Accordingly, if the market value for Common Stock decreases between the date of this prospectus supplement and the period during which the applicable market value is measured

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and the applicable market value is less than the reference price, the aggregate market value of the shares of Common Stock issued upon settlement of each stock purchase contract will be less than the stated amount, assuming that the market price of Common Stock on the stock purchase date is the same as the applicable market value of Common Stock. If the applicable market value is the same as the reference price, the aggregate market value of the shares will be equal to the stated amount, assuming that the market price of Common Stock on the stock purchase date is the same as the applicable market value of Common Stock.

We refer to the minimum settlement rate and the maximum settlement rate as the fixed settlement rates. The applicable market value means the average of the closing price per share of Common Stock on each of the 20 consecutive trading days ending on the third trading day immediately preceding August 15, 2007, subject to adjustment as set forth in Anti-Dilution Adjustments. The reference price equals the reported last sale price of Common Stock on the New York Stock Exchange on July 26, 2004. The threshold appreciation price represents a 24% appreciation over the reference price.

The closing price of Common Stock on any date of determination means the closing sale price (or, if no closing price is reported, the last reported sale price) of Common Stock on the New York Stock Exchange on that date or, if Common Stock is not listed for trading on the New York Stock Exchange on that date, as reported in the composite transactions for the principal U.S. national or regional securities exchange on which Common Stock is so listed. If Common Stock is not so listed on a U.S. national or regional securities exchange, the closing price means the last closing sale price of Common Stock as reported by the Nasdaq National Market, or, if Common Stock is not so reported, the last quoted bid price for Common Stock in the over-the-counter market as reported by the National Quotation Bureau or similar organization. If the bid price is not available, the closing price means the market value of Common Stock on the date of determination as determined by a nationally recognized independent investment banking firm retained by us for this purpose.

A trading day means a day on which Common Stock:

- is not suspended from trading on any national or regional securities exchange or association or in the over-the-counter market at the close of business, and
- has traded at least once on the national or regional securities exchange or association or in the over-the-counter market that is the primary market for the trading of Common Stock.

We will not issue any fractional shares of Common Stock pursuant to the stock purchase contracts. In lieu of fractional shares otherwise issuable (calculated on an aggregate basis) in respect of stock purchase contracts you are settling, you will be entitled to receive an amount of cash equal to the fraction of a share times the applicable market value, or, if the stock purchase date is deferred beyond August 15, 2007, the closing price of Common Stock on the trading day immediately preceding the stock purchase date.

On the stock purchase date, unless:

- you have settled the stock purchase contracts prior to the stock purchase date through the early delivery of cash to the stock purchase contract agent in the manner described under Early Settlement or Early Settlement upon Cash Merger, or an event described under Termination has occurred,

then the settlement of the stock purchase contracts will occur as follows:

- if you hold Normal Common SPACES and there has been a successful remarketing, a portion of the proceeds from the remarketing equal to your pro rata share of the initial liquidation amount of the STACKS remarketed automatically will be applied to satisfy in full your obligation to purchase Common Stock under the stock purchase contracts;

if you hold Normal Common SPACES and you elected not to participate in the remarketing, as described below, the cash you deposited will be applied to satisfy in full your obligation to purchase Common Stock under the stock purchase contracts;

if you hold Stripped Common SPACES, the cash proceeds, when paid at maturity, of your ownership interest in the treasury securities automatically will be applied to satisfy in full your obligation to purchase Common Stock under the stock purchase contracts; and

if you hold Normal Common SPACES in which the related STACKS remain a part of the Normal Common SPACES because of a failed remarketing, we will exercise our rights as a secured party in accordance with applicable law, including without limitation disposition of the STACKS or applying the STACKS against your obligation to purchase Common Stock under the stock purchase contracts.

In any event, Common Stock will then be issued and delivered to you or your designee, upon presentation and surrender of the certificate evidencing the Common SPACES and payment by you of any transfer or similar taxes payable in connection with the issuance of Common Stock to any person other than you.

By acceptance of the Common SPACES, you will be deemed to have:

irrevocably agreed to be bound by the terms and provisions of the related stock purchase contracts and the pledge agreement and to have agreed to perform its obligations thereunder for so long as you remain a holder of the Common SPACES, and

duly appointed the stock purchase contract agent as your attorney-in-fact to enter into and perform the related stock purchase contracts and pledge agreement on your behalf and in your name.

In addition, as a beneficial owner of the Common SPACES, by acceptance of the beneficial interest therein, you will be deemed to have agreed to treat for all U.S. federal income tax purposes:

yourself as the owner of the stock purchase contracts and the related ownership interest in the STACKS or the treasury securities, as the case may be, and

the subordinated debt securities as our indebtedness for all U.S. federal income tax purposes.

Remarketing

The STACKS underlying the Normal Common SPACES will be remarketed in the remarketing unless you elect not to participate in the remarketing by following the procedures described below under Notice to Settle with Cash. In the event of a successful remarketing, the cash proceeds from that remarketing will be used to satisfy your obligation to purchase Common Stock on the stock purchase date and any remaining proceeds, net of any remarketing fee, will be remitted to you.

The remarketing date will be the third business day immediately preceding August 15, 2007. If the remarketing is successful, settlement will occur on August 15, 2007.

The remarketing agent will use its commercially reasonable efforts to obtain a price for the STACKS to be remarketed which results in proceeds, net of any remarketing fee, of at least 100% of their aggregate liquidation amount, plus accrued and unpaid distributions.

To obtain that price, the remarketing agent may reset the distribution rate on the STACKS, as described below and under Description of the STACKS Remarketing. The reset rate will apply to all

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outstanding STACKS, whether or not you participated in the remarketing, and will become effective on the settlement date of the remarketing. The interest rate on the underlying subordinated debt securities automatically will be reset to equal the distribution rate on the STACKS as and when the distribution rate on the STACKS is reset. In addition, the interest payment dates on the subordinated debt securities may be changed, and the maturity of the subordinated debt securities may be shortened, in connection with the remarketing, in which case the distribution payment dates and final redemption date of the STACKS will automatically change as well. Any such changes will be announced as described below prior to the remarketing attempt. If we elect to shorten the maturity date of the subordinated debt securities in connection with a remarketing and, at the time of the remarketing, are deferring interest, we may not elect a maturity date that is earlier than five years after commencement of the deferral period.

If the remarketing agent cannot remarket the STACKS on the remarketing date at a price that results in proceeds, net of any remarketing fee, equal to at least 100% of the aggregate liquidation amount, plus accrued and unpaid distributions, if any, on the STACKS to be remarketed, then:

- the stock purchase date will be deferred until the next remarketing settlement date;

- the proceeds received upon maturity of the treasury securities pledged as collateral for any Stripped Common SPACES will be reinvested in treasury securities maturing on the next remarketing settlement date (as described under Description of the Common SPACES Creating Stripped Common SPACES), and any remaining cash proceeds will be remitted to the holders of the Stripped Common SPACES;

- the distribution rate on the STACKS will not be reset; and

- the remarketing agent will thereafter attempt to establish a new reset rate meeting the requirements described above and remarket the STACKS on subsequent remarketing dates, which will be the third business day immediately preceding November 15, 2007, February 15, 2008, May 15, 2008 and August 15, 2008, each a remarketing settlement date.

Any subsequent remarketing of the STACKS will settle (if successful) on the corresponding remarketing settlement date. Such remarketings will be subject to the conditions and procedures described above and under Description of the STACKS Remarketing, and you will have the right to elect not to participate in any subsequent remarketings.

If the remarketing agent is unable to remarket the STACKS for settlement on or before August 15, 2008, a failed remarketing will be deemed to have occurred. In that case:

- The distribution rate on the STACKS will not be reset and the STACKS will continue to bear cash distributions at the initial rate of 3.90% per annum, payable semi-annually in arrears.

- If you hold Normal Common SPACES, we will exercise our rights as a secured party and, subject to applicable law, retain your STACKS pledged as collateral under the pledge agreement and apply them against your obligation to us under the stock purchase contract or sell them in one or more private sales. In either case, your obligations under the related stock purchase contracts would be satisfied in full. We will issue a note, payable on August 15, 2009 or, if we are deferring interest on the subordinated debt securities, on the date that is five years after commencement of the deferral period (whichever is later) and bearing interest at the rate of 3.90% per year, in the amount of any accrued and unpaid distributions on those STACKS as of August 15, 2008, to the stock purchase contract agent for delivery to you.

If you hold STACKS that are not a part of Normal Common SPACES, your STACKS will be returned to you, and you will have the right, at your option, to require the trust to purchase all or a portion of your STACKS in exchange for the initial liquidation amount of $1,000 per STACKS in cash, plus a note, payable on August 15, 2009 or, if we are deferring interest on the subordinated debt securities, on the date that is five years after commencement of the deferral period (whichever is later) and bearing interest at the rate of 3.90% per year, in an amount equal to any distributions that are accrued and unpaid as of August 15, 2008.

We will cause notice of any unsuccessful remarketings and of a failed remarketing to be published in a press release and on Bloomberg Business News.

We will appoint a nationally recognized investment banking firm as remarketing agent and enter into a remarketing agreement with that firm at least 30 calendar days prior to any remarketing date. We will covenant in the stock purchase contract agreement to use our commercially reasonable efforts to effect the remarketing of the STACKS as described in this prospectus supplement. If in the judgment of our counsel or counsel to the remarketing agent a registration statement is required to effect the remarketing of the STACKS, we will use our commercially reasonable efforts to ensure that a registration statement covering the full accreted liquidation amount of the STACKS to be remarketed will be effective in a form that will enable the remarketing agent to rely on it in connection with the remarketing process or we will effect such remarketing pursuant to Rule 144A under the Securities Act or any other available exemption from applicable registration requirements under the Securities Act. The registration statement of which the accompanying prospectus forms a part may be used for this remarketing.

For additional terms and conditions of the remarketing, see Description of the STACKS Remarketing.

Early Settlement

Subject to the conditions described below, you may settle your stock purchase contracts in cash at any time on or prior to the fifth business day immediately preceding the stock purchase date by presenting and surrendering the related Common SPACES certificate, if in certificated form, at the offices of the stock purchase contract agent with the form of Election to Settle Early on the reverse side of the certificate completed and executed as indicated, accompanied by payment to us in immediately available funds of an amount equal to:

- the stated amount times the number of stock purchase contracts being settled, plus
- if the delivery is made with respect to any stock purchase contract during the period from the close of business on any record date next preceding any payment date to the opening of business on such payment date, an amount equal to the contract payments payable on the payment date with respect to the stock purchase contract.

You may settle early only in integral multiples of 40 Common SPACES.

So long as the Common SPACES are evidenced by one or more global security certificates deposited with the depositary, procedures for early settlement will also be governed by standing arrangements between the depositary and the stock purchase contract agent. The early settlement right is also subject to the condition that, if required under the U.S. federal securities laws, we have a registration statement under the Securities Act of 1933 in effect covering the shares of Common Stock and other securities, if any, deliverable upon settlement of a stock purchase contract. We have agreed that, if required under the U.S. federal securities laws, we will use commercially reasonable efforts to (1) have a registration statement in effect covering those shares of Common Stock and other securities to be delivered in respect of the stock purchase contracts being settled and (2) provide a prospectus in connection therewith, in each case in a form that may be used in connection with the early settlement right.

Upon early settlement of the stock purchase contracts related to any Common SPACES:

- except as described below in Early Settlement upon Cash Merger, you will receive 0.5402 newly issued or treasury shares of Common Stock per Common SPACES, subject to adjustment under the circumstances described under Anti-Dilution Adjustments, accompanied by an appropriate prospectus if required by law,

- the STACKS, or the treasury securities, as the case may be, related to the Common SPACES will be transferred to you free and clear of our security interest,

- your right to receive future contract payments and any accrued and unpaid contract payments for the period since the most recent quarterly payment date will terminate, and

- no adjustment will be made to or for you on account of any accrued and unpaid contract adjustment payments referred to in the previous bullet.

If the stock purchase contract agent receives a Common SPACES certificate, if in certificated form, accompanied by the completed Election to Settle Early and required immediately available funds from you by 5:00 p.m., New York City time, on a business day and all conditions to early settlement have been satisfied, that day will be considered the settlement date.

If the stock purchase contract agent receives the above after 5:00 p.m., New York City time, on a business day or at any time on a day that is not a business day, the next business day will be considered the settlement date. Upon early settlement of stock purchase contracts in the manner described above, presentation and surrender of the certificate evidencing the related Common SPACES, if in certificated form, and payment of any transfer or similar taxes payable by you in connection with the issuance of the related Common Stock to any person other than you, we will cause the shares of Common Stock being purchased to be issued, and the related STACKS, or the treasury securities, as the case may be, securing the stock purchase contracts to be released from the pledge under the pledge agreement described in Pledged Securities and the Pledge Agreement and transferred, within three business days following the settlement date, to you or your designee.

Notice to Settle with Cash

If you hold Normal Common SPACES, you may settle the related stock purchase contract with separate cash. To do so, you must notify the stock purchase contract agent by presenting and surrendering the Normal Common SPACES certificate evidencing the Normal Common SPACES at the offices of the stock purchase contract agent with the form of Notice to Settle by Separate Cash on the reverse side of the certificate completed and executed as indicated on or prior to 5:00 p.m., New York City time, on the fifth business day immediately preceding the stock purchase date and delivering the required cash payment to the collateral agent on or prior to 5:00 p.m., New York City time, on the fourth business day immediately preceding the stock purchase date.

If you have given notice of your intention to settle the related stock purchase contract with separate cash but fail to deliver the cash to the collateral agent on the fourth business day immediately preceding the stock purchase date, the STACKS underlying your Normal Common SPACES will be included in the remarketing of the STACKS occurring on the third business day immediately preceding the stock purchase date.

If you have given notice and delivered the cash but the remarketing is unsuccessful, the collateral agent will promptly return the cash to you, and the STACKS will remain pledged to secure your obligations under the stock purchase contracts.

If a failed remarketing is deemed to have occurred, we will exercise our rights as a secured party with respect to your applicable ownership interest in the STACKS that have been pledged to secure your obligation under the stock purchase contracts, and your obligation under the stock purchase contracts will be deemed to be satisfied in full.

Early Settlement upon Cash Merger

Prior to the stock purchase date, if we are involved in a merger in which at least 30% of the consideration for Common Stock consists of cash or cash equivalents, which we refer to as a cash merger, then following the cash merger, you will have the right to accelerate and settle the stock purchase contract early at the settlement rate in effect immediately prior to the closing of the cash merger, provided that at such time, if so required under the U.S. federal securities laws, there is in effect a registration statement covering Common Stock and other securities, if any, to be delivered in respect of the stock purchase contracts being settled. We refer to this right as the merger early settlement right.

We will provide notice of the completion of a cash merger within five business days thereof. The notice will specify a date, which shall be at least 10 days after the date of the notice but no later than the earlier of 20 days after the date of such notice and five business days prior to the stock purchase date, by which your merger early settlement right must be exercised. The notice will set forth, among other things, the applicable settlement rate and the amount of the cash, securities and other consideration receivable by you upon settlement. To exercise the merger early settlement right, you must deliver to the stock purchase contract agent, three business days before the early settlement date, the certificate evidencing your Common SPACES if they are held in certificated form, and payment of the applicable purchase price in immediately available funds.

If you exercise the merger early settlement right, we will deliver to you on the early settlement date the kind and amount of securities, cash or other property that you would have been entitled to receive if you had settled the stock purchase contract immediately before the cash merger at the settlement rate in effect at such time in addition to accrued and unpaid contract payments. The settlement rate then in effect will be based on the applicable market value of such property, as described under Purchase of Common Stock above, for the 20 consecutive trading-day period ending on the third trading day immediately preceding the early settlement date. You will also receive the aggregate liquidation amount of the STACKS underlying your Normal Common SPACES, or treasury securities underlying your Stripped Common SPACES, as the case may be. If you do not elect to exercise your merger early settlement right, your Common SPACES will remain outstanding and subject to normal settlement on the settlement date. We have agreed that, if required under the U.S. federal securities laws, we will use commercially reasonable efforts to (1) have in effect a registration statement covering Common Stock and other securities, if any, to be delivered in respect of the stock purchase contracts being settled and (2) provide a prospectus in connection therewith, in each case in a form that may be used in connection with the early settlement upon a cash merger.

You may exercise the merger early settlement right only in integral multiples of 40 Common SPACES.

Contract Payments

We will make contract payments on the stock purchase contracts at an annual rate of 2.60% of the stated amount of $25 per stock purchase contract. Contract payments payable for any period will be computed on the basis of a 360-day year consisting of twelve 30-day months. Contract payments will accrue from July 29, 2004 and will be payable quarterly in arrears on February 15, May 15, August 15 and November 15 of each year, commencing on November 15, 2004.

Contract payments will be payable to the holders of stock purchase contracts as they appear on the books and records of the stock purchase contract agent at the close of business on the relevant record dates, which will be on the first day of the month in which the relevant payment date falls. These distributions will be paid through the stock purchase contract agent, who will hold amounts received in respect of the contract payments for the benefit of the holders of the Common SPACES. Subject to any applicable laws and regulations, each such payment will be made as described under Book-Entry System.

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If any date on which contract payments are to be made on the stock purchase contracts is not a business day, then payment of the contract payments payable on that date will be made on the next succeeding day which is a business day, and no interest or payment will be paid in respect of the delay. However, if that business day is in the next succeeding calendar year, that payment will be made on the immediately preceding business day, in each case with the same force and effect as if made on that payment date. A business day means any day other than a Saturday, Sunday or any other day on which banking institutions and trust companies in New York City are permitted or required by any applicable law to close.

Our obligations with respect to contract payments will be subordinate and junior in right of payment to our obligations under any of our senior indebtedness to the same extent as the subordinated debt securities. The stock purchase contracts do not limit the incurrence by us of other indebtedness, including senior indebtedness. No contract payments may be made if there shall have occurred and be continuing a default in any payment with respect to senior indebtedness or an event of default with respect to any senior indebtedness resulting in the acceleration of the maturity thereof, or if any judicial proceedings are pending with respect to any such default.

Option to Defer Contract Payments

We may, at our option, and will at the direction of the Federal Reserve Board or the Federal Reserve Bank of Chicago (collectively referred to as Federal Reserve Board), upon prior written notice to the holders of Common SPACES and the stock purchase contract agent, defer contract payments on the related stock purchase contracts. We may elect to defer contract payments on more than one occasion, but in no event may we defer contract payments beyond the stock purchase date. Deferred contract payments will bear interest at the rate of 6.50% per year, compounding quarterly on each succeeding payment date, until paid. If the stock purchase contracts are terminated upon the occurrence of certain events of bankruptcy, insolvency or reorganization with respect to us, the right to receive contract payments and deferred contract payments also will terminate.

If we elect or are directed by the Federal Reserve Board to defer the payment of contract payments on the stock purchase contracts until the stock purchase date, then we will pay the deferred contract payments in either shares of Common Stock or unsecured notes, in our sole discretion.

If we pay deferred contract payments in shares of Common Stock, the number of shares of Common Stock that you will be entitled to receive will be equal to (a) the aggregate amount of deferred contract payments payable to you divided by (b) the greater of (i) the applicable market value (described above under Purchase of Common Stock) as of August 15, 2007 (or, if the stock purchase date is deferred beyond August 15, 2007, the closing price of Common Stock on the trading day immediately preceding the stock purchase date) and (ii) $12.44, subject to anti-dilution adjustment. Because the stock price used to calculate the number of shares you are entitled to receive may be greater than the applicable market value of Common Stock as of August 15, 2007 (or, if the stock purchase date is deferred beyond August 15, 2007, the closing price of Common Stock on the trading day immediately preceding the stock purchase date), the market value of the shares of Common Stock you may receive in lieu of deferred contract payments may be less than the amount of those deferred contract payments.

If we elect to pay deferred contract payments in unsecured notes, the notes you will receive will (1) have a principal amount equal to the aggregate amount of deferred contract payments payable to you, (2) mature on August 15, 2009, (3) bear interest at an annual rate equal to our then market rate of interest (not to exceed 10%), as determined by a nationally recognized investment banking firm selected by us, (4) be subordinate and rank junior in right of payment to all of our senior debt on the same basis as the contract payments, and (5) not be redeemable by us prior to their stated maturity.

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The notes will be issued under our junior subordinated indenture described in the accompanying prospectus under Description of M&I Junior Subordinated Debt Securities.

We will not issue any fractional shares of Common Stock with respect to the payment of deferred contract payments. In lieu of fractional shares that we would otherwise have to issue to you, you will receive an amount in cash equal to the applicable fraction of a share multiplied by the applicable market value or, if the stock purchase date is deferred beyond August 15, 2007, the closing sale price of Common Stock on the trading day immediately preceding the stock purchase date.

If we elect or are directed by the Federal Reserve Board to defer contract payments, then until the deferred contract payments have been paid, we will not take any of the actions that we would be prohibited from taking during a deferral of interest payments on the subordinated debt securities as described in the accompanying prospectus under Description of M&I Junior Subordinated Debt Securities Restrictions on Certain Payments, Including on Deferral of Interest.

Anti-Dilution Adjustments

Each fixed settlement rate will be subject to adjustment, without duplication, upon the occurrence of certain events, including:

(a) the payment of dividends and distributions of shares of Common Stock on the outstanding shares of Common Stock;

(b) the issuance to all holders of outstanding shares of Common Stock of rights, warrants or options (other than pursuant to any dividend reinvestment or share purchase plans) entitling them, for a period of up to 45 days, to subscribe for or purchase shares of Common Stock at less than the current market price thereof;

(c) subdivisions, splits and combinations of shares of Common Stock;

(d) distributions to all holders of outstanding shares of Common Stock of evidences of our indebtedness or assets, including shares of capital stock, securities, cash or property (but excluding any dividend or distribution covered by clause (a) or (b) above and any dividend or distribution paid exclusively in cash), in which event each fixed settlement rate will be divided by a fraction,

- the numerator of which is the current market price of Common Stock less the fair market value, as determined by our board of directors, of the portion of these evidences of indebtedness or assets applicable to one share of Common Stock, and

- the denominator of which is the current market price of Common Stock;

(e) distributions by us or any of our subsidiaries consisting exclusively of cash to all holders of Common Stock, excluding any cash dividend on Common Stock to the extent that the aggregate cash dividend per share of Common Stock in any quarter does not exceed $0.21 (the dividend threshold amount) (the dividend threshold amount is subject to adjustment in the same proportion as each fixed settlement rate, provided that no adjustment will be made to the dividend threshold amount for any adjustment made to each fixed settlement rate pursuant to this clause (e)), in which event each fixed settlement rate will be divided by a fraction,

the numerator of which will be the current market price of Common Stock less the amount per share of such dividend or distribution in excess of the dividend threshold amount and

the denominator of which will be the current market price of Common Stock; and

(f) the successful completion of a tender or exchange offer made by us or any of our subsidiaries for shares of Common Stock to the extent that the cash and the value of any other consideration included in the payment per share of Common Stock exceeds the closing price of Common Stock on the trading day next succeeding the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer, in which event each fixed settlement rate will be divided by a fraction,

the numerator of which shall be equal to (A) the product of (i) the current market price per share of Common Stock on the date of expiration of the tender or exchange offer multiplied by (ii) the number of shares of Common Stock outstanding (including any purchased shares) at such time less (B) the fair market value, as determined by our board of directors, of the aggregate consideration payable for all shares of Common Stock we purchased in such tender or exchange offer, and

the denominator of which will be the product of the number of shares of Common Stock outstanding less any such purchased shares and the current market price of Common Stock on the date of expiration of the tender or exchange offer.

The current market price per share of Common Stock on any day means the average of the daily closing prices for the 10 consecutive trading days ending on the earlier of the day in question and the day before the ex date with respect to the issuance or distribution requiring the computation. For purposes of this paragraph, the term ex date, when used with respect to any issuance or distribution, will mean the first date on which Common Stock trades regular way on the applicable exchange or in the applicable market without the right to receive the issuance or distribution.

We currently do not have a rights plan. To the extent we have a rights plan in effect upon settlement of a stock purchase contract, you will receive in addition to Common Stock the rights under the plan, unless prior to such settlement, the rights have separated from Common Stock, in which case each fixed settlement rate will be adjusted as if we distributed, to all holders of Common Stock, evidences of indebtedness or assets, including shares of capital stock, securities, cash or property as described under clause (d) above, subject to readjustment in the event of the expiration, termination or redemption of the rights. In lieu of any such adjustment, we may amend our rights plan to provide that on the stock purchase date the holders will receive, in addition to Common Stock issuable on such date, the rights that would have attached to such shares of Common Stock if the rights had not become separated from Common Stock under our rights plan.

In the case of certain reclassifications, consolidations, mergers, sales or transfers of assets or other transactions that cause Common Stock to be converted into the right to receive other securities, cash or property, each stock purchase contract then outstanding would, without the consent of the holders of the Common SPACES, become a contract to purchase such other securities, cash and property instead of Common Stock. Upon the occurrence of any such transaction, on the stock purchase date each fixed settlement rate then in effect will be applied to the value, on the stock purchase date, of the securities, cash or property a holder would have received had it held shares covered by the stock purchase contract when such transaction occurred.

If at any time we make a distribution of property to our shareholders which would be taxable to the shareholders as a dividend for U.S. federal income tax purposes (i.e., distributions out of our current or accumulated earnings and profits or distributions of evidences of indebtedness or assets, but generally not stock dividends or rights to subscribe for capital stock) and, pursuant to the settlement rate adjustment provisions of the stock purchase contract agreement, each fixed settlement rate is increased, this increase will give rise to a taxable dividend to holders of Common SPACES.

In addition, we may make increases in each fixed settlement rate as our board of directors deems advisable to avoid or diminish any income tax to holders of Common Stock resulting from any dividend or distribution of capital stock (or rights to acquire capital stock) or from any event treated as such for income tax purposes or for any other reason.

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Adjustments to each fixed settlement rate will be calculated to the nearest 1/10,000th of a share. No adjustment in each fixed settlement rate will be required unless the adjustment would require an increase or decrease of at least one percent in each fixed settlement rate. However, any adjustments that are not required to be made because they would have required an increase or decrease of less than one percent will be carried forward and taken into account in any subsequent adjustment.

We will be required, within ten business days following the adjustment to the fixed settlement rates (or if we are not aware of the event requiring adjustment as soon as reasonably practicable after becoming aware), to provide written notice to the stock purchase contract agent of the occurrence of the adjustment and a statement in reasonable detail setting forth the method by which the adjustment to the fixed settlement rates was determined and setting forth the revised fixed settlement rates.

Each adjustment to the fixed settlement rates will result in a corresponding adjustment to the number of shares of Common Stock issuable upon early settlement of a stock purchase contract. If an adjustment is made to the fixed settlement rates, an adjustment also will be made to the applicable market value solely for purposes of determining which clauses of the definition of settlement rate will be applicable on the stock purchase date.

Termination

The stock purchase contracts, and our rights and obligations and the rights and obligations of the holders of Common SPACES under the stock purchase contracts, including the right and obligation to purchase shares of Common Stock and the right to receive accrued contract payments, will immediately and automatically terminate, without any further action, upon the termination of the stock purchase contracts as a result of our bankruptcy, insolvency or reorganization. In the event of a termination of the stock purchase contracts as a result of our bankruptcy, insolvency or reorganization, holders of the stock purchase contracts will not have a claim in bankruptcy under the stock purchase contracts with respect to our issuance of shares of Common Stock or the right to receive contract payments.

Upon any termination, the collateral agent will release the aggregate liquidation amount of the STACKS underlying the ownership interest in the STACKS or the treasury securities, as the case may be, held by it to the stock purchase contract agent for distribution to the holders. Upon any termination, however, the release and distribution may be subject to the automatic stay under Section 362 of the U.S. Bankruptcy Code, and claims arising out of the STACKS, like all other claims in bankruptcy proceedings, will be subject to the equitable jurisdiction and powers of the bankruptcy court. In the event that we become the subject of a case under the Bankruptcy Code, the delay may occur as a result of the automatic stay under the Bankruptcy Code and continue until the automatic stay has been lifted. We expect any such delay to be limited. The automatic stay will not be lifted until such time as the bankruptcy court agrees to lift it and return your pledged securities to you.

If your stock purchase contract is terminated as a result of our bankruptcy, insolvency or reorganization, you will have no right to receive any accrued contract payments.

Pledged Securities and the Pledge Agreement

The STACKS and the treasury securities, also referred to as the pledged securities, will be pledged to us through the collateral agent, for our benefit, pursuant to the pledge agreement to secure the obligations of holders of Common SPACES to purchase shares of Common Stock under the related stock purchase contracts. The rights of holders of Common SPACES to the related pledged securities will be subject to our security interest created by the pledge agreement.

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You will not be permitted to withdraw the pledged securities related to the Common SPACES from the pledge arrangement except:

- to substitute treasury securities for the related STACKS as provided for under Description of the Common SPACES Creating Stripped Common SPACES,

- to substitute the STACKS for the related treasury securities, as provided for under Description of the Common SPACES Recreating Normal Common SPACES, or

- upon the termination or early settlement of the related stock purchase contracts.