MARSHALL & ILSLEY CORP/WI/
Form 424B5
August 13, 2007
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Filed Pursuant to Rule 424(b)(5)
Registration No. 333-116138

PROSPECTUS SUPPLEMENT

(To Prospectus dated September 26, 2005)

$398,575,000

Marshall & Ilsley Corporation

5.626% Senior Notes due 2009

This is a remarketing for participating holders of the 3.90% STACKS[SM*] of M&I Capital Trust B that were originally issued in 2004 as a component of our 6.50% Common SPACES[SM*]. Each Common SPACES initially consisted of (i) a contract to purchase, for $25.00, shares of our common stock on August 15, 2007 and (ii) a 1/40, or 2.5%, undivided beneficial interest in a preferred security, referred to as STACKS, of M&I Capital Trust B with an initial liquidation amount of $1,000. The assets of M&I Capital Trust B consist solely of notes issued by us to the trust. The notes have terms that are substantially similar to the terms of the STACKS. The terms of the notes will be reset in the remarketing of the STACKS to be substantially similar to the terms of the remarketed STACKS and as described in this prospectus supplement. Immediately following completion of the successful remarketing of the STACKS, we will liquidate M&I Capital Trust B and distribute the notes to purchasers in this remarketing in exchange for the STACKS.

The notes will mature on August 17, 2009. Interest on the notes is payable on February 15 and August 15 of each year, beginning on February 15, 2008. The notes will bear interest at a rate of 5.626% per annum.

The notes will not be redeemable prior to their maturity or subject to any sinking fund provision.

The notes are our unsecured and unsubordinated obligations and will rank equally with all of our other unsecured and unsubordinated debt outstanding from time to time.

Investing in the notes involves risks. You should read carefully the section entitled Risk factors beginning on page S-10 of this prospectus supplement and the documents incorporated herein by reference before you make any decision to invest in the notes.

	Price to public	Remarketing fee to remarketing agents
Per Note(1)	100.20%	0.20%
Total	$399,372,150.00	$797,150.00

(1) Plus accrued interest from and including August 15, 2007, if settlement occurs after that date.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus are truthful or complete. Any representation to the contrary is a criminal offense.

The notes are not deposits, savings accounts or other obligations of any bank or savings association. The notes are not insured by the Federal Deposit Insurance Corporation, the Bank Insurance Fund or any other government agency or insurer.

The remarketing agents, J.P. Morgan Securities Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, expect to deliver the notes in book-entry form through the facilities of The Depository Trust Company for the accounts of its participants, including Clearstream and the Euroclear System, to investors on or about August 15, 2007.

Remarketing Agents

JPMorgan **Merrill Lynch & Co.**

August 10, 2007

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You should rely only on the information contained in this document or to which we refer you. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these

securities. The information in this document may only be accurate on the date of this document.

We are offering the notes for sale in those jurisdictions in the United States, and elsewhere where it is lawful to make such offers. The distribution of this prospectus supplement and the accompanying prospectus and the offering of the notes in some jurisdictions may be restricted by law. If you possess this prospectus supplement and the accompanying prospectus, you should find out about and observe these restrictions. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted or where the person making the offer or sale is not qualified to do so or to any person to whom it is not permitted to make such offer or sale.

In this prospectus supplement and accompanying prospectus, unless otherwise specified or the context otherwise requires, references to M&I, Marshall & Ilsley, we, us and our are to Marshall & Ilsley Corporation and its consolidated subsidiaries, and references to dollars and $ are to United States dollars.

* STACKS and Common SPACES are service marks of Goldman, Sachs & Co.

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Cautionary statements regarding forward-looking statements

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement contain statements that may constitute forward-looking statements within the meaning of the safe-harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, such as statements other than historical facts contained or incorporated by reference in this report. These forward-looking statements include statements with respect to our financial condition, results of operations, plans, objectives, future performance and business, including statements preceded by, followed by or that include the words believes, expects, or anticipates, references to estimates or similar expressions. Future filings by us with the Securities and Exchange Commission, and future statements other than historical facts contained in written material, press releases and oral statements issued by us, or on our behalf, may also constitute forward-looking statements.

All forward-looking statements contained in this prospectus supplement, the documents incorporated by reference in this prospectus supplement and the accompanying prospectus, or which may be contained in future statements made for or on behalf of us, are based upon information available at the time the statement is made and we assume no obligation to update any forward-looking statements, except as required by federal securities law. Forward-looking statements are subject to significant risks and uncertainties, and our actual results may differ materially from the results discussed in such forward-looking statements. Factors that might cause actual results to differ from the results discussed in forward-looking statements include, but are not limited to, the risk factors set forth under Risk factors and the documents incorporated by reference.

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Prospectus supplement summary

This summary highlights important information about us and this offering. It does not contain all the information that is important to you in connection with your decision to invest in the notes. You should read this entire prospectus supplement and the accompanying prospectus, including the information set forth in Risk factors and all the information incorporated by reference, before making an investment decision.

Marshall & Ilsley Corporation

Marshall & Ilsley Corporation, incorporated in Wisconsin, is a registered bank holding company under the Bank Holding Company Act of 1956, as amended (the BHCA), and is certified as a financial holding company under the Gramm-Leach-Bliley Act. As of June 30, 2007, we had consolidated total assets of approximately $58.3 billion and consolidated total deposits of approximately $35.0 billion, making us the largest bank holding company headquartered in Wisconsin.

Our principal assets are the stock of our bank and nonbank subsidiaries, which, as of June 30, 2007, included six bank and trust subsidiaries, Metavante Corporation (Metavante) and a number of companies engaged in businesses that the Board of Governors of the Federal Reserve System (the Federal Reserve Board) 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.

Our bank subsidiaries provide a full range of banking services to individuals, businesses and governments throughout Wisconsin, Arizona, Florida, Missouri and Kansas, the Minneapolis/St. Paul, Minnesota and Tulsa, Oklahoma metropolitan areas, Las Vegas, Nevada and Belleville, Illinois. These subsidiaries offer retail, institutional, business, international and correspondent banking and investment services through the operation of 192 banking offices in Wisconsin, 48 offices in Arizona, 30 offices in Florida, 22 offices in Missouri, 23 offices in Minnesota, 10 offices in Kansas, 3 offices in Oklahoma, and one office each in Illinois and Nevada, as well as through the Internet. We have signed an agreement to sell our 3 Oklahoma offices. Our bank subsidiaries hold a significant portion of their mortgage loan and investment portfolios indirectly through their ownership interests in direct and indirect subsidiaries. Our subsidiary M&I Marshall & Ilsley Bank is our largest bank subsidiary, with consolidated assets as of June 30, 2007 of approximately $50.4 billion.

Metavante, our wholly-owned subsidiary, provides technology products, software and services, including data processing, to financial institutions and other companies in the United States and abroad. Metavante s clients include large banks, mid-tier and community banks and other financial services providers. Metavante s Financial Services Group provides data processing for deposit and loan account management; general ledger; customer information systems and data warehouse services; electronic banking products and technology; image-based and conventional check processing for financial institutions; and trust and wealth management account processing. Its Payment Solutions Group provides debit, stored-value, and credit card processing; card personalization; ATM management; a national ATM and PIN-debit network; and transaction and

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merchant processing services. It also provides electronic bill presentment and payment services, as well as payment and settlement of bill payment transactions for consumers and businesses.

On April 3, 2007, we announced that we had entered into a definitive agreement with a fund managed by Warburg Pincus LLC pursuant to which we will separate Marshall & Ilsley Corporation and Metavante Corporation into two separate, publicly-traded companies (the Separation). The Separation will be implemented through a spin-off of Marshall & Ilsley Corporation and is intended to be tax-free to us and our shareholders. Subject to the approval of our shareholders and approval by the Internal Revenue Service and other regulators, it is anticipated that the Separation will be completed in the fourth quarter of 2007. Upon completion of the Separation, we will receive a capital infusion of approximately $1.67 billion, which will be used to grow our business.

We will effect several significant steps as part of the Separation. Among other things, the existing Marshall & Ilsley Corporation, the issuer of the notes, will convert into a Wisconsin limited liability company and become a subsidiary of a new Marshall & Ilsley Corporation. Following the Separation, the limited liability company will continue to own directly or indirectly our entire banking and trust business and will continue to be regulated as a bank holding company by the Federal Reserve Board under the BHCA. All of the indebtedness of the existing Marshall & Ilsley Corporation, including the notes, will represent indebtedness of the limited liability company and not that of the new Marshall & Ilsley Corporation.

The mailing address of our principal executive offices is 770 North Water Street, Milwaukee, Wisconsin 53202, our telephone number is (414) 765-7700 and our website address is www.micorp.com. Information contained on our website is not a part of this prospectus supplement.

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Summary of the remarketing

Issuer	Marshall & Ilsley Corporation
Notes	$398,575,000 aggregate principal amount of 5.626% senior notes due 2009. The notes are being issued in connection with the remarketing for participating holders of the STACKS of M&I Capital Trust B, originally issued in 2004 as a component of our 6.50% Common SPACES. Immediately following completion of the successful remarketing of the STACKS, we will liquidate M&I Capital Trust B and distribute the notes to purchasers in this remarketing in exchange for the STACKS. In addition, existing holders of $1,425,000 liquidation amount of STACKS have opted out of the remarketing and will receive notes for their STACKS.
Maturity	The notes will mature on August 17, 2009.
Interest Rate	The notes will bear interest at a rate of 5.626% per annum.
Interest Payment Dates	February 15 and August 15 of each year, beginning February 15, 2008.
Redemption	We may not redeem the notes prior to maturity. There is no sinking fund for the notes.
Use of Proceeds	The proceeds from the remarketing, after deducting the remarketing fee, will be used to satisfy the obligations of holders of Common SPACES to purchase our common stock under the stock purchase contract underlying the Common SPACES. Any proceeds remaining after the satisfaction of holders obligations under the stock purchase contract will be remitted to the holders participating in the remarketing.
Ranking	The notes are our unsecured and unsubordinated obligations and rank equally with all of our other unsecured and unsubordinated debt from time to time outstanding. The notes are our obligations exclusively and not the obligations of any of our subsidiaries.
Denominations and Form	We will issue the notes in the form of one or more fully registered global notes registered in the name of the nominee of The Depository Trust Company, or DTC. Beneficial interests in the notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Clearstream Banking, societe anonyme and Euroclear Bank, S.A./ N.V., as operator of the Euroclear System, will hold interests on behalf of their participants through their respective U.S. depositaries, which in turn will hold such interests in accounts as participants of DTC. Except in the limited circumstances described in this prospectus supplement, owners of beneficial interests in the notes will not be entitled to have notes registered in their names, will not

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	receive or be entitled to receive notes in definitive form and will not be considered holders of notes under the indenture. The notes will be issued only in denominations of $1,000 and integral multiples of $1,000 in excess thereof.
Further Issues	We may from time to time, without notice to or the consent of the holders of the notes, create and issue additional debt securities having the same terms as and ranking equally and ratably with the notes in all respects, as described under Description of notes General.
Risk Factors	Investing in the notes involves risks. You should read carefully the section entitled Risk factors beginning on page S-10 of this prospectus supplement and the documents incorporated herein by reference before you make any decision to invest in the notes.

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Summary consolidated financial data

The following table sets forth our summary consolidated financial data on a historical basis for the six months ended June 30, 2007 and June 30, 2006 and the five years ended December 31, 2006. The year-end financial data have been derived from our audited financial statements. The financial data for the interim periods have been derived from our unaudited condensed consolidated financial statements and include, in the opinion of our management, all adjustments, consisting of normal recurring accruals necessary for a fair presentation of the financial data. Financial data for interim periods are not necessarily indicative of results that may be expected for any other interim period or the fiscal year. The information below should be read in conjunction with the historical financial information that we have presented in our prior SEC filings and have incorporated into this prospectus supplement by reference.

	For the Six Months Ended June 30, (unaudited)		For the Twelve Months Ended December 31,				
	2007	2006	2006	2005	2004	2003	2002
							($000 s)
Income Statement Data:							
Interest and Fee Income	$ 1,780,422	$ 1,476,751	$ 3,212,500	$ 2,246,631	$ 1,694,355	$ 1,562,148	$ 1,588,345
Interest Expense	994,215	774,833	1,722,201	981,397	533,798	472,634	561,038
Net Interest Income	786,207	701,918	1,490,299	1,265,234	1,160,557	1,089,514	1,027,307
Provision for Loan and Lease Losses	43,174	22,048	50,551	44,795	37,963	62,993	74,416
Net Interest Income After Provision for Loan and Lease Losses	743,033	679,870	1,439,748	1,220,439	1,122,594	1,026,521	952,891
Other Income	1,044,138	911,846	1,915,421	1,716,259	1,417,930	1,183,573	1,061,679
Other Expense	1,129,503	1,049,389	2,159,537	1,879,044	1,628,684	1,485,587	1,331,206
Provision for Income Taxes	220,617	178,713	387,794	351,464	305,987	202,060	225,455
Net Income	$ 437,051	$ 363,614	$ 807,838	$ 706,190	$ 605,853	$ 522,447	$ 457,909
Average Balance Sheet Data:							
Cash and Due from Banks	$ 1,047,286	$ 1,005,507	$ 1,023,782	$ 966,078	$ 835,391	$ 752,215	$ 708,256
Total Investment Securities	7,859,207	7,116,820	7,340,825	6,446,615	6,065,234	5,499,316	5,282,681
Net Loans and Leases	42,081,936	36,809,711	38,722,028	31,413,497	26,661,090	24,044,753	20,725,780
Total Assets	57,110,809	50,219,455	52,651,098	43,283,541	37,162,594	33,268,021	29,202,650
Total Deposits	32,839,354	30,124,595	31,588,821	26,101,473	23,987,935	21,985,878	18,642,987
Long-term Borrowings	11,783,701	9,728,869	10,071,717	8,193,001	5,329,571	3,798,851	2,693,447
Shareholders Equity	6,391,723	5,241,276	5,600,906	4,357,314	3,564,243	3,291,827	2,806,655

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Summary unaudited condensed pro forma consolidated financial information relating to the separation

Metavante, our wholly-owned subsidiary, provides technology products and services for the financial services industry. Our Board of Directors has approved a plan to separate our banking business and Metavante s business into two separate, publicly-traded companies. Following completion of the Separation and related transactions, subject to the approval of our shareholders and regulatory approvals, our shareholders will own 75 percent of the shares of Metavante. WPM, L.P., a limited partnership organized by Warburg Pincus Private Equity IX, L.P., a global private equity investment fund managed by Warburg Pincus LLC, will invest $625 million in Metavante to acquire 25 percent of the shares of Metavante. The Separation is expected to be completed in the fourth quarter of 2007.

The following table sets forth summary unaudited condensed pro forma consolidated financial information giving effect to the Separation. This information is qualified by reference to, and should be read in conjunction with, the information incorporated by reference in the prospectus supplement.

Our unaudited condensed pro forma consolidated results of operations information for the six months ended June 30, 2007 and for the year ended December 31, 2006 has been prepared as though the Separation and related transactions had occurred as of January 1, 2006. Our unaudited condensed pro forma consolidated balance sheet information as of June 30, 2007 has been prepared as though the Separation and related transactions had occurred on June 30, 2007.

Our unaudited condensed pro forma consolidated financial information is derived from our unaudited condensed pro forma consolidated financial statements, which are filed as an exhibit to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 and incorporated by reference in this prospectus supplement. Our unaudited condensed pro forma consolidated financial statements are derived from our historical consolidated financial statements and adjusted to give effect to:

- our contribution of our non-Metavante business to the new Marshall & Ilsley Corporation;
- the distribution of approximately 257,112,705 shares of our common stock in connection with the share distribution that will occur in the Separation (based on the number of shares of our common stock outstanding as of June 30, 2007);
- payment by Metavante of certain intercompany indebtedness plus accrued and unpaid interest owed to us (the amount currently owed is approximately $982 million) and the receipt by us of $1.665 billion in cash from Metavante (which includes the $625 million of proceeds from the sale of Metavante common stock to WPM, L.P.) after the Separation; and
- the removal of the operations of Metavante.

The share numbers and dollar and settlement amounts are based on our share numbers and balances as of and for the periods presented.

The pro forma adjustments are based upon available information and assumptions that our management believes are reasonable; however, such adjustments are subject to change. In addition, such adjustments are estimates and may not prove to be accurate.

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Non-recurring charges related to the transactions other than those transactions costs actually incurred in the six months ended June 30, 2007, including charges related to the issuance of fully vested equity based awards and transaction expenses in the amount of approximately $33.5 million, have been excluded from the unaudited condensed pro forma consolidated statements of earnings. In addition, the unaudited condensed pro forma consolidated statements of earnings do not give effect to changes in certain costs we expect to incur associated with operating as a stand-alone company.

	Six Months Ended June 30, 2007	Year Ended December 31, 2006
		($000 s)
Unaudited pro forma statement of earnings information:		
Net interest income	$ 841,972	$ 1,597,059
Provision for loan and lease losses	43,174	50,551
Total other income	342,115	581,686
Total other expense	578,498	1,083,542
Income before income taxes	562,415	1,044,652
Net Income	375,954	705,891

	June 30, 2007 ($000 s)
Unaudited pro forma balance sheet information (at period end):	
Net loans and leases	$ 42,756,584
Total assets	55,788,065
Total deposits	35,249,093
Short-term borrowings	5,814,754
Long-term borrowings	7,204,385
Total shareholders equity	6,745,974

See Unaudited Condensed Pro Forma Consolidated Financial Statements of New Marshall & Ilsley included in Exhibit 99(b) of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2007.

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Risk factors

An investment in the notes involves risks. You should carefully consider the following information, together with the other information in this prospectus supplement and the accompanying prospectus and the documents that are incorporated by reference, including the risk factors described in our annual report on Form 10-K and quarterly reports on Form 10-Q, before investing in the notes. See also Cautionary statements regarding forward-looking statements in this prospectus supplement.

Risks relating to the notes

An investment in the notes includes the following risks.

Following the Separation, the notes will represent indebtedness of a subsidiary of a new holding company.

As described in this prospectus supplement and in the documents incorporated herein by reference, we have decided to separate our Metavante business and our remaining bank and trust business into two separate, publicly-traded companies. We will effect several significant steps as part of that transaction. Among other things, the existing Marshall & Ilsley Corporation, the issuer of the notes, will convert into a Wisconsin limited liability company and become a subsidiary of a new Marshall & Ilsley Corporation.

Following the Separation, all of the indebtedness of the existing Marshall & Ilsley Corporation, including the notes, will represent indebtedness of the limited liability company and not that of the new Marshall & Ilsley Corporation. After the Separation, the limited liability company will continue to be regulated as a bank holding company by Federal Reserve Board pursuant to the BHCA.

Uncertainties with respect to the proper U.S. federal income tax treatment of the notes and other applicable M&I debt following the Separation may affect the amount, timing, and character of income, gain or loss realized by holders of the notes.

Following the Separation, although for federal income tax purposes there will be a change in obligor (i.e., issuer) of the notes and other applicable debt (from Marshall & Ilsley to a successor entity), we intend to treat this change as not giving rise to a deemed exchange for U.S. federal income tax purposes. However, the IRS may assert that, for U.S. federal income tax purposes, this change results in a deemed exchange of the notes or other applicable debt for new notes or new debt, which could significantly alter the amount, timing, and character of income, gain or loss you realize on the notes. See Material United States federal income tax consequences.

Uncertainties with respect to the proper application of the contingent payment debt regulations may affect the amount, timing and character of income, gain or loss realized by holders of the notes.

Because of the manner in which the interest rate on the notes is reset, we believe interest paid on the notes should be taxable to you as ordinary interest income at the time it is received or accrued, depending upon the method of accounting applicable to you. However, the IRS may assert that, for U.S. federal income tax purposes, the notes are contingent payment debt obligations, which could significantly alter the amount, timing, and character of income, gain or loss you realize on the notes. See Material United States federal income tax consequences.

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The secondary market for the notes may be illiquid.

We do not expect to list the notes. There can be no assurance as to the liquidity of any market that may develop for the notes, your ability to sell the notes or whether a trading market, if it develops, will continue.

The trading price of the notes may not fully reflect the value of their accrued but unpaid interest.

The notes may trade at a price that does not fully reflect the value of their accrued but unpaid interest. If you dispose of your notes between record dates for interest payments, you will be required to include in gross income the accrued interest through the date of disposition as ordinary income and to add this amount to your adjusted tax basis in the notes disposed of. To the extent the selling price is less than your adjusted tax basis, you will recognize a loss.

We depend on payments from our subsidiaries, and claims of holders rank junior to those of creditors of our subsidiaries.

Marshall & Ilsley Corporation is a legal entity separate and distinct from its subsidiaries. Our principal source of funds to pay dividends on our capital stock and interest on our debt is dividends from our subsidiaries. Various federal and state statutes and regulations restrict the amount of dividends our subsidiaries may pay to us. Our subsidiaries are not obligated to make required payments on our debt or other securities. Accordingly, our rights and the rights of holders of our debt and other securities to participate in any distribution of the assets or income from any subsidiary is necessarily subject to the prior claims of creditors of the subsidiary. In addition, our bank subsidiaries hold a significant portion of their mortgage and investment portfolios indirectly through their ownership interest in direct and indirect subsidiaries. The ability of our bank subsidiaries to participate in any distribution of the assets or income of the direct or indirect subsidiaries is likewise subject to the prior claims of creditors of those direct and indirect subsidiaries.

Risks relating to the Separation

Our historical consolidated financial information and our unaudited condensed pro forma consolidated financial information following the Separation are not representative of our future financial position, future results of operations or future cash flows nor do they reflect what our financial position, results of operations or cash flows would have been as a stand-alone company during the periods presented.

Following the Separation, we will be considered the divesting entity in the transactions and treated as the accounting successor for financial reporting purposes in accordance with EITF No. 02-11. After the Separation occurs, we will report the historical consolidated results of operations of Metavante as discontinued operations in accordance with the provisions of SFAS No. 144. Pursuant to SFAS No. 144, this presentation is not permitted until the closing date. Because our historical consolidated financial statements include the results of Metavante, they are not representative of our future financial position, results of operations or cash flows.

Our unaudited condensed pro forma consolidated financial information incorporated in this prospectus supplement includes adjustments to reflect the divestiture of Metavante. The pro forma adjustments are based upon available information and assumptions that we believe are reasonable; however, our assumptions may not prove to be accurate. In addition, our unaudited

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condensed pro forma consolidated financial statements do not give effect to ongoing additional costs that we expect to incur in connection with being a stand-alone company. The unaudited condensed pro forma consolidated statements of earnings also do not give effect to certain initial separation costs. Accordingly, our unaudited condensed pro forma consolidated financial statements are not representative of our future financial position, results of operations or cash flows nor do they necessarily reflect what our financial position, results of operations or cash flows would have been as a stand-alone company during the periods presented.

We may not realize the anticipated benefits from the Separation.

The success of the Separation will depend, in part, on our ability to realize the anticipated benefits of the Separation. These anticipated benefits include the availability of increased capital for us to continue our internal growth and acquisition strategies, our ability to use our capital stock as a form of currency in respect of certain acquisitions and equity-based compensation arrangements and the better alignment of employee incentive awards. We cannot assure you these benefits will be realized.

The Separation may present significant challenges.

There could be a significant degree of difficulty and management distraction inherent in the process of separating Metavante from us. These difficulties include:

- the challenge of effecting the Separation while carrying on our ongoing operations;
- preserving customer, distribution, supplier and other important relationships;
- the potential difficulty in retaining key officers and personnel; and
- separating corporate infrastructure, including systems, insurance, accounting, legal, finance, tax and human resources, for each of the two new public companies.

We and Metavante may not successfully or cost-effectively separate the companies. The failure to do so could have an adverse effect on our business, financial condition and results of operations.

The process of separating operations could cause an interruption of, or loss of momentum in, our business. Members of our senior management will be required to devote considerable amounts of time to this separation process, which will decrease the time they will have to manage their business, service existing customers, attract new customers and develop new products or strategies. If our senior management is not able to manage effectively the separation process, or if any significant business activities are interrupted as a result of the separation process, our business could suffer.

As a separate entity, we will not enjoy all of the benefits of scale that we achieve with the combined banking and Metavante businesses.

Currently, we benefit from the scope and scale of the banking and Metavante businesses in certain areas, including, among other things, risk management, employee benefits, regulatory compliance, administrative services, legal support and human resources. Our loss of these benefits as a consequence of the transactions could have an adverse effect on our business, results of operations and financial conditions following completion of the transactions. In addition, it is possible that some costs will be greater at the separate companies than they were for the combined company due to the loss of volume discounts and the position of being a large customer to service providers and vendors.

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If our share distribution and transactions related to the Separation do not qualify as tax-free distributions or reorganizations under the Internal Revenue Code, then we and our shareholders may be responsible for payment of significant U.S. federal income taxes.

In transactions related to the Separation, we will distribute shares of our common stock to effect the Separation. If our share distribution does not qualify as a tax-free distribution under Section 355 of the Internal Revenue Code, Metavante would recognize taxable gain that would result in significant U.S. federal income tax liabilities to Metavante. Metavante would be primarily liable for these taxes and we would be secondarily liable. Under the terms of a tax allocation agreement related to the Separation, we will generally be required to indemnify Metavante against any such taxes unless such taxes would not have been imposed but for an act of Metavante or its affiliates, subject to specified exceptions.

Even if our share distribution otherwise qualifies as a tax-free distribution under Section 355 of the Internal Revenue Code, the distribution would result in significant U.S. federal income tax liabilities to Metavante if there is an acquisition of our stock or Metavante stock as part of a plan or series of related transactions that includes our share distribution and that results in an acquisition of 50% or more of our outstanding common stock or Metavante stock. In this situation, we may be required to indemnify Metavante under the terms of a tax allocation agreement related to the Separation unless such taxes would not have been imposed but for specified acts of Metavante or its affiliates. In addition, mutual indemnity obligations in the tax allocation agreement could discourage or prevent a third party from making a proposal to acquire either us or Metavante.

We have limited ability to issue common equity for at least two years following completion of the Separation, which could limit our ability to make acquisitions or to raise capital required to service our debt and operate our business.

The amount of common equity that we can issue to make acquisitions (excluding acquisitions with respect to which we can prove the absence of substantial negotiations during applicable safe harbor periods) or raise additional capital will be limited for at least two years following completion of the Separation, except under certain circumstances. These limitations may restrict our ability to carry out our business objectives and to take advantage of opportunities such as acquisitions that could supplement or grow our business.

The loss of the assets, revenue and cash flows of Metavante may adversely affect our financial position and results of operations.

The assets, revenue, cash flows and results of operations of Metavante are currently included in our consolidated financial statements. If the Separation is completed, the assets, revenue, cash flows and results of operations of Metavante will no longer be included in our consolidated financial statements and our financial position and results of operations will therefore be significantly different than prior to the Separation. Following completion of the Separation, we will have fewer assets and less revenue and cash flows than we currently have on a consolidated basis. For the second quarter ended June 30, 2007, Metavante s business represented approximately 25.3% of our total consolidated revenues and 19.5% of our consolidated net income.

If the Separation is completed, any financing we obtain in the future could involve higher costs.

Following completion of the Separation, any financing that we obtain will be with the support of a reduced pool of diversified assets and a significant amount of outstanding debt, and therefore

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we may not be able to secure adequate debt or equity financing on desirable terms. The cost to us of financing without Metavante may be materially higher than the cost of financing prior to the Separation. If we have credit ratings lower than we currently have, it could be more expensive for us to obtain debt financing than it has been.

Failure to complete the Separation could adversely impact our business and operating results.

If the Separation is not completed for any reason, we may be subject to certain risks, including:

- depending on the reasons for termination of the investment agreement with Warburg Pincus LLC, the requirement that we pay Warburg Pincus LLC a termination fee of $75 million;
- substantial costs related to the Separation and related transactions, such as legal, accounting, registration, advisory and printing fees, must be paid regardless of whether the transactions are completed; and
- potential disruption to our business and distraction of our workforce and management team.

Ratios of earnings to fixed charges

Our ratios of earnings to fixed charges were as follows for the periods indicated in the table below:

	For the Six Months Ended June 30,	For the Twelve Months Ended December 31,				
	2007	2006	2005	2004	2003	2002
Ratios of Earnings to Fixed Charges	&					