

MARSHALL & ILSLEY CORP/WI/  
Form 11-K  
June 29, 2007

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

Form 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2006

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

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

Commission file number 1-15403

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

M&I Retirement Program

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

MARSHALL & ILSLEY CORPORATION  
770 North Water Street  
Milwaukee, Wisconsin 53202

Financial Statement and Exhibits  
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(a) Financial Statements:  
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M&I Retirement Plan  
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Report of Independent Registered Public Accounting Firm.  
Statements of Net Assets Available for Benefits  
as of December 31, 2006 and 2005.  
Statements of Changes in Net Assets Available for Benefits  
for the Years Ended December 31, 2006 and 2005.  
Notes to Financial Statements as of and for the  
Years Ended December 31, 2006 and 2005.  
Supplemental Schedule, Form 5500, Schedule H,  
Part IV, Line 4(i)  
Schedule of Assets (Held at End of Year)  
as of December 31, 2006.

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(b) Exhibits:

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23 Consent of Independent Registered Public Accounting Firm -  
Deloitte & Touche LLP

M&I Retirement Plan

Financial Statements as of and for the  
Years Ended December 31, 2006 and 2005,  
Supplemental Schedule as of December 31, 2006,  
and Report of Independent Registered Public Accounting Firm

M&I RETIREMENT PLAN

TABLE OF CONTENTS

-----

|   | Page |
|---|------|
| REPORT OF INDEPENDENT REGISTERED<br>PUBLIC ACCOUNTING FIRM  | 1    |
| FINANCIAL STATEMENTS:   |      |
| Statements of Net Assets Available for<br>Benefits as of December 31, 2006 and 2005                               | 2    |
| Statements of Changes in Net Assets<br>Available for Benefits for the<br>Years Ended December 31, 2006 and 2005   | 3    |
| Notes to Financial Statements as of and for<br>the Years Ended December 31, 2006 and 2005                         | 4-14 |
| SUPPLEMENTAL SCHEDULE -   | 15   |
| Form 5500, Schedule H, Part IV, Line 4i --<br>Schedule of Assets (Held at End of Year)<br>as of December 31, 2006 | 16   |

NOTE: All other schedules required by Section 2520.103-10  
of the Department of Labor's Rules and Regulations  
for Reporting and Disclosure under the Employee  
Retirement Income Security Act of 1974 have been  
omitted because they are not applicable.

[Deloitte & Touche LLP Letterhead]

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Trustee and Participants of the  
M&I Retirement Plan:

We have audited the accompanying statements of net assets available for  
benefits of the M&I Retirement Plan (the "Plan") as of December 31, 2006  
and 2005, and the related statements of changes in net assets available for  
benefits for the years then ended. These financial statements are the  
responsibility of the Plan's management. Our responsibility is to express

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an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2006 and 2005, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

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

/s/ Deloitte & Touche LLP

Milwaukee, Wisconsin  
June 22, 2007

2  
M&I RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS  
AS OF DECEMBER 31, 2006 AND 2005

|                              | 2006           | 2005           |
|------------------------------|----------------|----------------|
|                              | -----          | -----          |
| ASSETS:                      |                |                |
| Investments - at fair value: |                |                |
| Master Trusts                | \$ 769,051,701 | \$ 951,093,588 |
| Investments                  | 762,185,948    | --             |
| Loans to participants        | 385,449        | 348,547        |

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|   |                 |                 |
|---|-----------------|-----------------|
| Total investments   | 1,531,623,098   | 951,442,135     |
| Receivables:  |                 |                 |
| Employee contributions  | 1,903,555       | 1,677,296       |
| Employer contributions, net of forfeitures of \$2,337,610 and \$1,681,955, respectively         | 43,690,284      | 43,628,339      |
| Merged plans  | --              | 6,647,976       |
| Accrued income  | 730,028         | --              |
| Total receivables   | 46,323,867      | 51,953,611      |
| Total assets  | 1,577,946,965   | 1,003,395,746   |
| LIABILITIES -   |                 |                 |
| Payables - pending trades   | 1,423,544       | --              |
| NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE   | 1,576,523,421   | 1,003,395,746   |
| ADJUSTMENTS FROM FAIR VALUE TO CONTRACT VALUE FOR FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACTS | 1,238,290       | 1,274,793       |
| NET ASSETS AVAILABLE FOR BENEFITS   | \$1,577,761,711 | \$1,004,670,539 |

See notes to financial statements.

3

M&I RETIREMENT PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005

|   | 2006          | 2005          |
|---|---------------|---------------|
| CONTRIBUTIONS:                                |               |               |
| Participants                                  | \$ 50,712,947 | \$ 43,273,805 |
| Employer                                      | 43,690,284    | 43,170,337    |
| Participant rollovers                         | 11,988,641    | 4,593,612     |
| Total contributions                           | 106,391,872   | 91,037,754    |
| INVESTMENT INCOME:                            |               |               |
| Income from Master Trusts                     | 107,093,281   | 45,495,866    |
| Net appreciation in fair value of investments | 45,585,170    | --            |
| Dividends                                     | 8,402,947     | --            |
| Interest                                      | 4,804,451     | 22,107        |
| Net investment income                         | 165,885,849   | 45,517,973    |
| DEDUCTIONS:                                   |               |               |
| Benefits paid to participants                 | (93,602,178)  | (57,185,639)  |
| Administrative expenses                       | (82,424)      | (14,437)      |

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|  |                 |                 |
|--|-----------------|-----------------|
| Total deductions                                 | (93,684,602)    | (57,200,076)    |
| TRANSFERS IN DUE TO<br>PLAN MERGERS (Note 1)     | 394,498,053     | 6,647,976       |
| NET INCREASE IN ASSETS AVAILABLE<br>FOR BENEFITS | 573,091,172     | 86,003,627      |
| NET ASSETS AVAILABLE FOR BENEFITS:               |                 |                 |
| Beginning of year                                | 1,004,670,539   | 918,666,912     |
| End of year                                      | \$1,577,761,711 | \$1,004,670,539 |

See notes to financial statements.

4

M&I RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005

1. DESCRIPTION OF THE PLAN

The M&I Retirement Plan (the "Plan") is a defined contribution plan which is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). Marshall & Ilsley Corporation (the "Corporation") is the administrator of the Plan and the Marshall & Ilsley Trust Company (the "Trustee"), a subsidiary of the Corporation, is the trustee and recordkeeper of the Plan. The Trustee holds all investments of the Plan.

The following descriptions of the Plan are provided for general information purposes only. More complete information regarding the Plan's provisions may be found in the plan document.

Plan Transfer and Mergers -- Effective February 16, 2006, the components of the M&I Retirement Program -- M&I Retirement Plan and the Employee Stock Ownership Plan were merged into a single plan. The balance of the M&I Retirement Program -- Employee Stock Ownership Plan of \$372,983,777 was transferred and invested in the M&I Corporation Common Stock fund investment option within the M&I Retirement Plan.

On April 1, 2006, the Corporation completed the acquisition of Gold Banc Corporation. All participants in the Gold Banc Corporation, Inc. Employees' 401(k) Plan who were terminated due to a reduction in force became 100% vested as of that date. Remaining participants continued to be subject to the existing vesting schedule. The assets of the Gold Banc Corporation, Inc. Employees' 401(k) Plan were merged into the Plan. The Gold Banc Corporation, Inc. ESOP and Trust was terminated, and participants could elect distribution options, including rolling balances into the Plan. Total assets merged from these plans were \$20,039,077.

On January 3, 2006, the Corporation completed the acquisition of AdminiSource Communications. All participants in the AdminiSource Communications 401(k) Profit Sharing Plan and Trust ("AdminiSource Plan") became 100% vested as of that date, and the assets of the

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AdminiSource Plan were merged into the Plan. Assets merged were \$1,363,720.

Other merger activity during 2006 totaled \$111,479.

On November 18, 2005, the Corporation completed the acquisition of LINK2GOV Corp. All participants in the LINK2GOV Corp. 401(k) Profit Sharing Plan and Trust ("Link2Gov Plan") became 100% vested as of that date. Effective December 31, 2005, the assets of the Link2Gov Plan were merged into the Plan. Assets merged were \$253,253.

On October 6, 2005, the Corporation completed the acquisition of Brasfield Holdings, LLC. All participants in The Brasfield 401(k) Plan ("Brasfield Plan") became 100% vested as of that date. Effective December 31, 2005, the assets of the Brasfield Plan were merged into the Plan. Assets merged were \$806,950.

On August 11, 2005, the Corporation completed the acquisition of GHR Systems, Inc. All participants in the GHR Systems, Inc. 401(k) Profit Sharing Plan & Trust ("GHR Plan") became 100% vested as of that date. Effective December 31, 2005, the assets of the GHR Plan were merged into the Plan. Assets merged were \$4,713,738.

5

On July 22, 2005, the Corporation completed the acquisition of Med-i-Bank, Inc. All participants in the Med-i-Bank, Inc. 401(k) Plan ("Med-i-Bank Plan") became 100% vested as of that date. Effective December 31, 2005, the assets of the Med-i-Bank Plan were merged into the Plan. Assets merged were \$874,035.

Eligibility -- All employees of the Corporation and subsidiaries who have completed one year of continuous service, as defined by the Plan, are eligible to receive employer profit sharing contributions. Employees may elect to make deferrals upon the date of hire.

Contributions -- Upon election to participate, the participant designates under a salary reduction agreement the amount of the annual contribution (0% to 50% of compensation, as defined), subject to Internal Revenue Service (IRS) limitations. Employees may change the amount of the annual contribution as often as they wish. Participants who will reach at least age 50 by the end of the plan year have the ability to make pre-tax 401(k) catch-up contributions, subject to IRS limitations. The Corporation will make a guaranteed matching contribution of 50%, up to a maximum of 6% of the participant's compensation. Effective beginning in the 2006 plan year, participants can elect to make post-tax contributions to the Plan through Roth 401(k) contributions.

Corporation profit sharing contribution percentages are discretionary and are determined by the Board of Directors on an annual basis. The Corporation made profit sharing contributions of 8% of eligible compensation during the years ended December 31, 2006 and 2005.

Vesting -- All employee contributions and Corporation matching contributions and related income are fully vested at all times. Corporation profit sharing contributions vest at the earliest of the following dates:

- a. The date the participant completed at least 5 years of vesting service, as defined by the Plan.
- b. The date of the participant's death while employed by the

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Corporation and subsidiaries.

- c. The date of participant's attainment of age 65 or earlier disability.
- d. The date of termination of the Plan (or partial termination as to participants affected thereby) or the date of complete discontinuance of contributions by the Corporation at a time when the participant is employed by the Corporation or by a subsidiary.
- e. The date the participant's employment terminates due to reduction in force.

Benefit Payments -- Upon termination, death, retirement, in the event of disability, as defined, or financial hardship, a participant or beneficiary is entitled to withdraw his or her vested interest in a lump sum payment. Participants who are 59 or older may take pretax withdrawals for any reason. In addition, after-tax contributions made before 1987 and former Valley Bancorporation employee balances from the former Valley Bancorporation plan are available for distribution.

6

Participant Accounts -- Individual accounts are maintained for each of the Plan's participants. Each participant's account is credited with the participant's contributions, the participant's share of Corporation contributions, and allocations of the Plan's income (loss). Any related administrative expenses based on participant earnings or account balances are deducted from the participant's account. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Investment Options -- Participants may direct their pretax and matched, Roth 401(k), and Corporation profit sharing contributions and any related earnings thereon into eighteen investment options designated by the Plan's investment committee in 1% increments. Participants are able to change their investment elections daily.

## 2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting -- The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

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

Contributions -- Contributions from employees are recorded in the period the employer makes corresponding payroll deductions. Contributions from the employer are accrued based upon amounts required to be contributed as determined by the Plan.

Investment Valuation and Income Recognition -- Investments are stated at fair market value except for the Marshall & Ilsley Stable Principal Fund (the "Fund"), which is stated at fair value and then adjusted to contract value. The Fund invests in guaranteed

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investment contracts. Fully benefit-responsive investment contracts are valued at fair value. Under the terms of the investment contracts, the crediting interest rate is determined semi-annually based on the insurance company's applicable rate schedule. There are no limitations on guarantees of the contracts.

Quoted market prices are used to value investments held by the Plan as well as the underlying investments of Master Trusts in which the Plan invests. Shares of mutual funds are valued at quoted market prices, which represent the net asset value of shares held by the Plan at year end.

Management fees and operating expenses charged to the Plan for investments in the mutual funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

Participant loans are valued at unpaid principal amounts. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date.

Administrative Expenses -- Significantly all administrative expenses for the Plan were paid by the Plan for the years ended December 31, 2006 and 2005. In 2006 and 2005, trustee fees were paid by the Corporation.

7

Payment of Benefits -- Benefit payments to participants are recorded upon distribution. There were no amounts allocated to participants who elected benefit payments but were not yet paid as of December 31, 2006 and 2005.

Risks and Uncertainties -- The Plan utilizes various investment instruments, including mutual funds and a common collective fund. Investment securities, in general, are exposed to various risks, such as, interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Adoption of New Accounting Guidance -- The financial statements reflect the retroactive adoption of Financial Accounting Standards Board Staff Position, FSP AAG INV-1 and SOP 94-4-1, Reporting of Fully Benefit-Responsive Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans (the "FSP"). As required by the FSP, the statements of net assets available for benefits presents investment contracts at fair value as well as an additional line item showing an adjustment of fully benefit responsive contracts from fair value to contract value. The statement of changes in net assets available for benefits is presented on a contract value basis and was not affected by the adoption of the FSP.

### 3. INVESTMENTS

The Plan's investments that represented 5% or more of the Plan's net assets available for benefits as of December 31, 2006, are as



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follows:

|  |               |
|--|---------------|
| Marshall Intermediate Bond Fund*           | \$ 90,649,501 |
| Marshall Large Cap Growth & Income Fund*   | 99,707,266    |
| M&I Master Trust -- Growth Balanced Fund*  | 124,481,874   |
| M&I Master Trust -- Aggressive Stock Fund* | 115,683,304   |
| Vanguard Institutional Index Fund          | 161,052,180   |
| M&I Stable Principal Fund*                 | 99,589,121    |
| M&I Master Trust -- Common Stock Fund*     | 483,014,635   |

\* Represents party-in-interest

During the year ended December 31, 2006, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value as follows:

|   |               |
|---|---------------|
| Mutual funds                                  | \$ 45,585,170 |
|   | -----         |
| Net appreciation in fair value of investments | \$ 45,585,170 |
|   | =====         |

4. INTEREST IN MASTER TRUSTS

During 2005, the Plan's investments were commingled with the assets of the M&I Retirement Program -- Employee Stock Ownership Plan in the M&I Retirement Program Master Trust ("Master Trust"). Investment income of the Master Trust was allocated to the participating plans based on the individual participant balances. Upon merger of the M&I Retirement Program -- Employee Stock Ownership Plan, as described in Note 1, the Master Trust was dissolved.

8

The assets of the Plan were commingled and are not segregated in the accounts of the trusts. The market value of the assets held in the Master Trust as of December 31, 2005, is as follows:

M&I Retirement Program Master Trust

|   |            |
|---|------------|
| Investments:                              |            |
| Cash                                      | \$ 37,004  |
| Marshall Funds Mutual Funds:*             |            |
| Intermediate Bond                         | 93,781,483 |
| Mid-Cap Growth                            | 48,373,398 |
| Mid-Cap Value                             | 19,522,137 |
| Large Cap Growth & Income                 | 97,130,966 |
| Large Cap Value                           | 25,885,990 |
| International Stock                       | 36,348,286 |
| M&I Master Trust -- Growth Balanced Fund* | 97,369,207 |

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|   |             |
|---|-------------|
| M&I Master Trust -- Moderate Balanced Fund*   | 3,418,422   |
| M&I Master Trust -- Aggressive Balanced Fund* | 6,520,745   |
| M&I Master Trust -- Aggressive Stock Fund*    | 94,931,423  |
| M&I Master Trust -- Diversified Stock Fund*   | 10,546,969  |
| Vanguard Institutional Index Fund             | 139,675,430 |
| Managers Special Equity Fund                  | 33,812,010  |
| MFS Massachusetts Growth Fund                 | 12,960,151  |
| Nicholas Fund                                 | 44,860,061  |
| M&I Stable Principal Fund*                    | 90,097,738  |
| Goldman Sachs Small-Cap Value Fund            | 17,428,614  |
| M&I Master Trust -- Common Stock Fund*        | 438,727,812 |
| Accrued income                                | 659,518     |
| Pending trades                                | (1,666,372) |

Total assets of the M&I Retirement Program  
 Master Trust -- fair value 1,310,420,992

Adjustment from fair value to contract  
 value for fully benefit-responsive  
 investment contracts 1,274,793

Total assets of the M&I Retirement Program  
 Master Trust \$ 1,311,695,785

\* Represents party-in-interest

Allocations of the M&I Retirement Program Master Trust to  
 participating plans as of December 31, 2005, is as follows:

|  |                 |          |
|--|-----------------|----------|
| M&I Retirement Program --  |                 |          |
| M&I Retirement Plan  | \$ 951,093,588  | 72.58 %  |
| M&I Retirement Program --  |                 |          |
| Employee Stock Ownership Plan  | 359,327,404     | 27.42    |
| Total assets of the M&I Retirement<br>Program Master Trust at fair value | \$1,310,420,992 | 100.00 % |

9

M&I Retirement Program Master Trust income and its allocation to the  
 participating plans for the year ended December 31, 2005, is as  
 follows:

|  |               |
|--|---------------|
| Dividend and interest income                                     | \$ 19,785,365 |
| Net appreciation in the fair value<br>of investments -- by type: |               |
| Mutual funds   | 21,470,760    |
| Master trusts  | 4,099,711     |
| Total M&I Retirement<br>Master Trust income                      | \$ 45,355,836 |

M&I Retirement Program --

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|                               |    |            |          |
|-------------------------------|----|------------|----------|
| M&I Retirement Plan           | \$ | 45,495,866 | 100.31 % |
| M&I Retirement Program --     |    |            |          |
| Employee Stock Ownership Plan |    | (140,030)  | (0.31)   |
|                               |    | -----      | -----    |

|   |    |            |          |
|---|----|------------|----------|
| Total income of M&I Retirement Program Master Trust | \$ | 45,355,836 | 100.00 % |
|   |    | =====      | =====    |

M&I Retirement Program Master Trust income and its allocation to the participating plans for the period January 1, 2006 through February 16, 2006, is as follows:

|   |    |            |          |
|---|----|------------|----------|
| Dividend and interest income                                  | \$ | 973,190    |          |
| Net appreciation in the fair value of investments -- by type: |    |            |          |
| Mutual funds  |    | 26,582,871 |          |
|   |    | -----      |          |
| Total M&I Retirement Master Trust income                      | \$ | 27,556,061 |          |
|   |    | =====      |          |
| M&I Retirement Program --                                     |    |            |          |
| M&I Retirement Plan   | \$ | 23,547,269 | 85.45 %  |
| M&I Retirement Program --                                     |    |            |          |
| Employee Stock Ownership Plan                                 |    | 4,008,792  | 14.55    |
|   |    | -----      | -----    |
| Total income of M&I Retirement Program Master Trust           | \$ | 27,556,061 | 100.00 % |
|   |    | =====      | =====    |

Certain of the Plan's investment assets are held in trust accounts at the Trustee and consist of undivided interests in investments. These master trust accounts (the "Master Trusts") are established by the Corporation and administered by the Trustee. Use of the Master Trust permits the commingling of the Plan's assets with the assets of the NYCE 401(k) Plan and the Missouri State Bank & Trust Company Retirement Savings Plan for investment and administrative purposes. Although assets of all three plans are commingled in the Master Trusts, the Trustee maintains supporting records for the purpose of allocating the net gain or loss of the investment account to the participating plans. The net investment income of the investment assets is allocated by the Trustee to each participating plan based on the relationship of the interest of each plan to the total of the interests of the participating plans.

10

The Plan's investments and income in the Master Trusts at December 31, 2006 and 2005, respectively, are summarized as follows:

M&I Master Trust -- Aggressive Stock Fund

|  |       |       |
|--|-------|-------|
|  | 2006  | 2005  |
|  | ----- | ----- |

Investments -- whose fair value is determined based

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|  |                |                |
|--|----------------|----------------|
| on quoted market prices --               |                |                |
| mutual funds                             | \$ 116,363,654 | \$ 95,327,165  |
|  | -----          | -----          |
| Net assets of the M&I Master Trust --    |                |                |
| Aggressive Stock Fund                    | \$ 116,363,654 | \$ 95,327,165  |
|  | =====          | =====          |
| Plan's interest in net assets            |                |                |
| of the M&I Master Trust --               |                |                |
| Aggressive Stock Fund                    | \$ 115,683,304 | \$ 94,225,463  |
|  | =====          | =====          |
| Plan's interest in M&I Master Trust --   |                |                |
| Aggressive Stock Fund as a               |                |                |
| percentage of the total                  | 99.42 %        | 98.84 %        |
|  | =====          | =====          |
| Dividend and interest income             | \$ 942,819     | \$ 840,833     |
| Net appreciation in the fair             |                |                |
| value of investments --                  |                |                |
| mutual funds                             | 14,455,227     | 6,841,738      |
|  | -----          | -----          |
| Total M&I Master Trust -- Aggressive     |                |                |
| Stock Fund income                        | \$ 15,398,046  | \$ 7,682,571   |
|  | =====          | =====          |
| M&I Master Trust -- Growth Balanced Fund |                |                |
|  | 2006           | 2005           |
|  | -----          | -----          |
| Investments -- whose fair                |                |                |
| value is determined based                |                |                |
| on quoted market prices --               |                |                |
| mutual funds                             | \$ 127,634,361 | \$ 100,303,141 |
|  | -----          | -----          |
| Net assets of the M&I Master Trust --    |                |                |
| Growth Balanced Fund                     | \$ 127,634,361 | \$ 100,303,141 |
|  | =====          | =====          |
| Plan's interest in net assets            |                |                |
| of the M&I Master Trust --               |                |                |
| Growth Balanced Fund                     | \$ 124,481,874 | \$ 94,548,841  |
|  | =====          | =====          |
| Plan's interest in M&I Master Trust --   |                |                |
| Growth Balanced Fund as a                |                |                |
| percentage of the total                  | 97.53 %        | 94.26 %        |
|  | =====          | =====          |
| Dividend and interest income             | \$ 2,724,630   | \$ 2,167,638   |
| Net appreciation in the fair             |                |                |
| value of investments --                  |                |                |
| mutual funds                             | 10,296,520     | 4,096,064      |

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|                             |               |              |
|-----------------------------|---------------|--------------|
| Total M&I Master Trust --   |               |              |
| Growth Balanced Fund income | \$ 13,021,150 | \$ 6,263,702 |
|                             | =====         | =====        |

11

M&I Master Trust -- Aggressive Balanced Fund

|  | 2006          | 2005         |
|--|---------------|--------------|
|  | -----         | -----        |
| Investments -- whose fair value is determined based on quoted market prices -- mutual funds  | \$ 18,624,234 | \$ 8,511,436 |
|  | -----         | -----        |
| Net assets of the M&I Master Trust -- Aggressive Balanced Fund                               | \$ 18,624,234 | \$ 8,511,436 |
|  | =====         | =====        |
| Plan's interest in net assets of the M&I Master Trust -- Aggressive Balanced Fund            | \$ 16,613,782 | \$ 6,190,974 |
|  | =====         | =====        |
| Plan's interest in M&I Master Trust -- Aggressive Balanced Fund as a percentage of the total | 89.21 %       | 72.74 %      |
|  | =====         | =====        |
| Dividend and interest income   | \$ 243,808    | \$ 112,596   |
| Net appreciation in the fair value of investments -- mutual funds                            | 1,610,942     | 417,238      |
|  | -----         | -----        |
| Total M&I Master Trust -- Aggressive Balanced Fund income                                    | \$ 1,854,750  | \$ 529,834   |
|  | =====         | =====        |

M&I Master Trust -- Moderate Balanced Fund

|   | 2006         | 2005         |
|---|--------------|--------------|
|   | -----        | -----        |
| Investments -- whose fair value is determined based on quoted market prices -- mutual funds | \$ 8,164,618 | \$ 4,840,861 |
|   | -----        | -----        |
| Net assets of the M&I Master Trust -- Moderate Balanced Fund                                | \$ 8,164,618 | \$ 4,840,861 |
|   | =====        | =====        |

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|  |              |              |
|--|--------------|--------------|
| Plan's interest in net assets<br>of the M&I Master Trust --<br>Moderate Balanced Fund            | \$ 6,880,572 | \$ 2,991,809 |
|  | =====        | =====        |
| Plan's interest in M&I Master Trust --<br>Moderate Balanced Fund as<br>a percentage of the total | 84.27 %      | 61.80 %      |
|  | =====        | =====        |
| Dividend and interest income   | \$ 179,817   | \$ 118,277   |
| Net appreciation in the fair<br>value of investments --<br>mutual funds                          | 370,800      | 109,334      |
|  | -----        | -----        |
| Total M&I Master Trust --<br>Moderate Balanced<br>Fund income                                    | \$ 550,617   | \$ 227,611   |
|  | =====        | =====        |

12

M&I Master Trust -- Diversified Stock Fund

|  | 2006          | 2005          |
|--|---------------|---------------|
|  | -----         | -----         |
| Investments -- whose fair<br>value is determined based<br>on quoted market prices --<br>mutual funds | \$ 23,233,811 | \$ 11,196,528 |
|  | -----         | -----         |
| Net assets of the M&I Master Trust --<br>Diversified Stock Fund                                      | \$ 23,233,811 | \$ 11,196,528 |
|  | =====         | =====         |
| Plan's interest in net assets<br>of the M&I Master Trust --<br>Diversified Stock Fund                | \$ 22,377,534 | \$ 9,867,745  |
|  | =====         | =====         |
| Plan's interest in M&I Master Trust --<br>Diversified Stock Fund as<br>a percentage of the total     | 96.31 %       | 88.13 %       |
|  | =====         | =====         |
| Dividend and interest income   | \$ 227,035    | \$ 116,545    |
| Net appreciation in the fair<br>value of investments --<br>mutual funds                              | 2,384,163     | 774,757       |
|  | -----         | -----         |
| Total M&I Master Trust --<br>Diversified Stock<br>Fund income  | \$ 2,611,198  | \$ 891,302    |
|  | =====         | =====         |

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M&I Master Trust -- Common Stock Fund

|   | 2006           | 2005            |
|---|----------------|-----------------|
|   | -----          | -----           |
| Investments -- whose fair value is determined based on quoted market prices -- common stock | \$ 483,516,733 | \$ 438,991,418  |
|   | -----          | -----           |
| Net assets of the M&I Master Trust -- Common Stock Fund                                     | \$ 483,516,733 | \$ 438,991,418  |
|   | =====          | =====           |
| Plan's interest in net assets of the M&I Master Trust -- Common Stock Fund                  | \$ 483,014,635 | \$ 96,488,052   |
|   | =====          | =====           |
| Plan's interest in M&I Master Trust -- Common Stock Fund as a percentage of the total       | 99.90 %        | 21.98 %         |
|   | =====          | =====           |
| Dividend and interest income  | \$ 10,761,089  | \$ 9,654,107    |
| Net appreciation (depreciation) in the fair value of investments -- mutual funds            | 48,675,405     | (52,330,986)    |
|   | -----          | -----           |
| Total M&I Master Trust -- Common Stock Fund income (loss)                                   | \$ 59,436,494  | \$ (42,676,879) |
|   | =====          | =====           |

At December 31, 2006 and 2005, the M&I Master Trust -- Common Stock Fund held 10,024,546 and 10,157,841 shares, respectively, of common stock of the Corporation, the sponsoring employer, with a cost basis of \$142,705,068 and \$131,799,672, respectively. During the year ended December 31, 2006, the M&I Master Trust -- Common Stock Fund recorded dividend income of \$10,702,171.

13

### 5. FEDERAL INCOME TAX STATUS

The Plan has obtained a determination letter from the IRS dated December 20, 2005, approving the Plan as qualified for tax-exempt status. The Plan has been amended since receiving the determination letter. However, the Corporation believes that the Plan is currently designed and operated in compliance with the applicable requirements of the Internal Revenue Code and the Plan and related trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

### 6. EXEMPT PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of mutual funds, a common

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collective fund, and Master Trusts managed by the Trustee, as well as common stock of the Corporation. The Corporation is the trustee as defined by the Plan and, therefore, these transactions qualify as exempt party-in-interest transactions. Fees paid by the Plan for investment management services were included as a reduction of the return earned on each fund.

7. LOANS TO PARTICIPANTS

The Plan does not offer new loans to active participants. All existing loans are as a result of plan mergers due to acquisitions. The loans are repayable through payroll deductions and were written with original terms of one to twenty-five years. The interest rate was based on prevailing market conditions and is fixed over the life of the note. Interest rates on participant loans at December 31, 2006 and 2005, ranged from 4.00% and 10.50%.

8. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The reconciliation of net assets available for benefits and changes in net assets available for benefits per the financial statements to the Form 5500 as of and for the year ended December 31, 2006, is as follows:

Statement of net assets available for benefits:

|   |                  |
|---|------------------|
| Net assets available for benefits per the financial statements                                  | \$ 1,577,761,711 |
| Adjustments from contract value to fair value for fully benefit-responsive investment contracts | (1,238,290)      |
|   | -----            |
| Net assets available for benefits per the Form 5500 -- at fair value                            | \$ 1,576,523,421 |
|   | =====            |

Statement of changes in net assets available for benefits:

|  |                |
|--|----------------|
| Increase in net assets per the financial statements  | \$ 573,091,172 |
| Adjustment from contract value to fair value for fully benefit-responsive investment contracts | (1,238,290)    |
|  | -----          |
| Net income per Form 5500   | \$ 571,852,882 |
|  | =====          |

14

9. FORFEITURES

Forfeited nonvested accounts are used to reduce Corporation contributions. Forfeitures of \$2,337,610 and \$1,681,955 were used to reduce Corporation contributions during 2006 and 2005, respectively. These forfeitures relate to the nonvested portions of the employer profit sharing contributions.



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10. PLAN TERMINATION

Although it has not expressed any intention to do so, the Corporation has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan is terminated, all participants would be 100 percent vested in their accounts.

11. SUBSEQUENT EVENT

In early April 2007, the Corporation announced its plan to separate Marshall & Ilsley Corporation and Metavante Corporation into two separate publicly traded companies. This transaction, which is contingent upon satisfaction of various closing conditions, is expected to close in the fourth quarter of 2007. The closing conditions include approval of Marshall & Ilsley Corporation shareholders, who will be asked to vote on the proposed transaction at a special meeting that will be held on a date to be announced, obtaining a favorable ruling from the Internal Revenue Service and other regulatory approvals. The impact of this proposed transaction on the Plan is currently unknown.

\* \* \* \* \*

15

SUPPLEMENTAL SCHEDULE

16

M&I RETIREMENT PLAN

FORM 5500, SCHEDULE H, PART IV, LINE 4i --  
 SCHEDULE OF ASSETS (HELD AT END OF YEAR)  
 AS OF DECEMBER 31, 2006

| Issuer                                       | Description of Investment,<br>Including Maturity Date,<br>Rate of Interest, Collateral,<br>and Par or Maturity Value | Current<br>Value |
|--|--|------------------|
| Cash   |  | \$ 2,470         |
| Marshall Intermediate<br>Bond Fund*          | Registered Investment Company  | 90,649,501       |
| Marshall Mid-Cap<br>Growth Fund*             | Registered Investment Company  | 54,526,668       |
| Marshall Mid-Cap<br>Value Fund*              | Registered Investment Company  | 26,582,348       |
| Marshall Large Cap Growth<br>& Income Fund*  | Registered Investment Company  | 99,707,266       |
| Marshall Large Cap<br>Value Fund*            | Registered Investment Company  | 34,612,464       |
| Marshall International<br>Stock Fund*        | Registered Investment Company  | 64,724,215       |
| M&I Master Trust -- Growth<br>Balanced Fund* | Master Trust   | 124,481,874      |

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|                                 |   |                  |
|---------------------------------|---|------------------|
| M&I Master Trust -- Moderate    |   |                  |
| Balanced Fund*                  | Master Trust  | 6,880,572        |
| M&I Master Trust -- Aggressive  |   |                  |
| Balanced Fund*                  | Master Trust  | 16,613,782       |
| M&I Master Trust -- Aggressive  |   |                  |
| Stock Fund*                     | Master Trust  | 115,683,304      |
| M&I Master Trust -- Diversified |   |                  |
| Stock Fund*                     | Master Trust  | 22,377,534       |
| Vanguard Institutional          |   |                  |
| Index Fund                      | Registered Investment Company                       | 161,052,180      |
| Managers Special                |   |                  |
| Equity Fund                     | Registered Investment Company                       | 39,146,301       |
| MFS Massachusetts               |   |                  |
| Growth Fund                     | Registered Investment Company                       | 14,017,631       |
| Nicholas Fund                   | Registered Investment Company                       | 46,923,584       |
| M&I Stable                      |   |                  |
| Principal Fund*                 | Common Collective Fund                              | 99,589,121       |
| Goldman Sachs Small-Cap         |   |                  |
| Value Fund                      | Registered Investment Company                       | 30,600,234       |
| M&I Master Trust -- Common      |   |                  |
| Stock Fund*                     | Master Trust  | 483,014,635      |
| Various Participants            | Participant Loans (at interest rates of 4% - 10.5%) | 385,449          |
| M&I Corporation                 |   |                  |
| Common Stock*                   | Common Stock  | 26,942           |
| Other                           | Various   | 25,023           |
|                                 |   | -----            |
|                                 |   | \$ 1,531,623,098 |
|                                 |   | =====            |

\* Represents party-in-interest

SIGNATURES

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

M&I Retirement Plan

/s/ Paul J. Renard

\_\_\_\_\_  
 Paul J. Renard  
 Senior Vice President,  
 Director of Human Resources  
 of the Marshall & Ilsley  
 Corporation and a Member  
 of the Committee of the  
 M&I Retirement Program

Date: June 29, 2007