

FIRST MID ILLINOIS BANCSHARES INC
 Form 4
 December 23, 2004

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL
 OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 SPARKS RAY A

2. Issuer Name and Ticker or Trading Symbol
 FIRST MID ILLINOIS BANCSHARES INC [FMBH.OB]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 12/23/2004

Director 10% Owner
 Officer (give title below) Other (specify below)

30 S COUNTY CLUB ROAD

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

MATTOON, IL 61938

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| Common Stock | | | | (A) or (D) | 5,730.605 | I | By Wife |
| Common Stock | | | | (A) or (D) | 57,682.916 | I | By Sparks Investment Group |
| Common Stock | 12/23/2004 | | G ⁽²⁾ | 500 D | 105,098.725 | D | |
| Common Stock | 12/23/2004 | | M | 2,250 A | \$ 31 107,348.725 | D | |
| Common Stock | | | | | 11,204.285 | I | By Deferred Comp |

| | | | | | | | | | |
|--------------|------------|--|------------------|-----|-----|---|-------|----------|--------------------------|
| Common Stock | | | | | 675 | | I | By Child | |
| Common Stock | 12/23/2004 | | G ⁽²⁾ | 500 | A | Ⓛ | 2,600 | I | By The Sparks Foundation |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------|---|--|---|-------------------------------|
| Stock Option | \$ 31 | 12/23/2004 | | M | 2,250 | 12/16/2003 12/16/2013 | Common Stock | 2,250 |
| Stock Option | \$ 41 | | | | | 12/14/2004 12/14/2014 | Common Stock | 2,250 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| SPARKS RAY A 30 S COUNTY CLUB ROAD MATTOON, IL 61938 | | | X | |

Signatures

Michael L. Taylor, pursuant to a power of attorney filed 09/06/2002

12/23/2004

**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) N/A

(2) On December 23, 2004 Ray A. Sparks gifted 500 shares to The Sparks Foundation.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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