For Immediate Release
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Harvard, Illinois

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HARVARD ILLINOIS BANCORP, INC. ANNOUNCES QUARTERLY EARNINGS

Harvard, Illinois, November 13, 2015 – Harvard Illinois Bancorp, Inc. (the "Company") (OTC: HARI), the holding company for Harvard Savings Bank (the "Bank"), announced today its unaudited results of operations for the three months and nine months ended September 30, 2015.

Results of operations. The Company reported unaudited net income for the three months ended September 30, 2015 of $362,000, compared to net loss of $5.2 million for the three months ended September 30, 2014. The Company reported unaudited net income for the nine months ended September 30, 2015 of $1.8 million, compared to net loss of $4.8 million for the nine months ended September 30, 2014.

Net income increased $5.6 million during the third quarter of 2015, compared to the third quarter of 2014. The increase in net income was due to decreases in interest expense and the provision for loan losses of $87,000 and $8.7 million, respectively, partially offset by increases in noninterest expense and the provision for income taxes of $249,000 and $2.6 million, respectively, and decreases in interest and dividend income, and noninterest income of $289,000 and $91,000, respectively. The decrease in interest expense was primarily due to deposits and borrowings re-pricing at current lower rates as average interest-bearing liabilities decreased $12.6 million and the average cost of interest-bearing liabilities decreased 18 basis points to 0.75%.The decrease in the provision for loan losses was primarily due to a negative (recovery) provision of $250,000 for the defaulted repurchase agreement purchased through Pennant Management, Inc. for the three months ended September 30, 2015, compared to a provision of $8.5 million for the three months ended September 30, 2014. The increase in noninterest expense was primarily due to an increase in legal and professional fees of $201,000 related to the stockholder approved transaction with The State Bank Group, ongoing regulatory issues, and recovery efforts with respect to the defaulted repurchase agreement purchased through Pennant Management, Inc. The larger benefit for income taxes for the three months ended September 30, 2014 was primarily due to the larger pre-tax loss. The decrease in interest and dividend income was primarily due to a decrease of $26.8 million in average interest-earning assets, and a decrease in the average yield on interest-earning assets of 3 basis points to 4.13%.

Stockholders' equity. Total stockholders' equity increased $2.1 million to $12.2 million at September 30, 2015 from $10.1 million at December 31, 2014, primarily as a result of the net income of $1.8 million for the nine months ended September 30, 2015.

Non-performing assets. Non-performing assets decreased $7.3 million to $13.8 million or 9.67% as a percent of total assets at September 30, 2015, compared to $21.1 million or 12.44% as a percent of total assets at September 30, 2014. Non-performing assets at September 30, 2015 and 2014 included $8.8 million and $18.1 million, respectively, related to the Bank's investment in the defaulted repurchase agreement purchased through Pennant Management, Inc.. At September 30, 2015 and 2014, the net recognized receivable for the defaulted repurchase agreement totaled $8.8 million and $9.6 million, net of a valuation allowance of $0 and $8.5 million recognized, respectively.

Selected Consolidated Financial and Other Data

The financial condition data at September 30, 2015 and the operating data for the three and nine months ended September 30, 2015 and 2014 is derived in part from the consolidated financial statements of Harvard Illinois Bancorp, Inc. and is unaudited. The financial condition data at December 31, 2014 is derived in part from the audited consolidated financial statements of Harvard Illinois Bancorp, Inc. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of the results of operations for the unaudited periods have been made. The selected operating data presented below are not necessarily indicative of the results that may be expected for future periods.

	At September 30, 2015 (Unaudited)	At December 31, 2014
	(Dollars in thousands)	
Financial Condition Data:		
Total assets	$ 142,976	$ 164,753
Cash and cash equivalents	3,768	15,563
Other interest-bearing deposits	14,185	8,562
Securities	5,656	6,365
Loans, net	99,656	113,859
Federal Home Loan Bank stock	544	1,074
Deposits	123,890	140,278
Federal Home Loan Bank advances	4,181	10,804
Total stockholders' equity	12,154	10,088

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015 (Unaudited)	2014 (Unaudited)	2015 (Unaudited)	2014 (Unaudited)
	(Dollars in thousands)			
Operating Data				
Interest and dividend income	$ 1,376	$ 1,665	$ 4,333	$ 4,984
Interest expense	241	328	798	998
Net interest income	1,135	1,337	3,535	3,986
Provision (recovery) for loan losses	(393)	8,305	(1,723)	8,365
Net interest income (loss) after provision for loan losses	1,528	(6,968)	5,258	(4,379)

Noninterest income:				
Net realized gains (losses) on loan sales	(48)	32	22	46
Other noninterest income	144	155	457	480
Total noninterest income	96	187	479	526
Noninterest expense	1,262	1,013	3,934	3,331
Income (loss) before income taxes	362	(7,794)	1,803	(7,184)
Provision (benefit) for income taxes	0	(2,573)	0	(2,370)
Net income (loss)	$ 362	$ (5,221)	$ 1,803	$ (4,814)

	At or For the Three Months Ended September 30,		At or For the Nine Months Ended September 30,	
	2015 (Unaudited)	**2014 (Unaudited)**	**2015 (Unaudited)**	**2014 (Unaudited)**
Performance Ratios:				
Return on average assets (annualized)	0.97%	(12.19)%	1.53%	(3.79)%
Interest rate spread (annualized)(1)	3.38%	3.22%	3.23%	3.24%
Net interest margin (annualized)(2)	3.41%	3.34%	3.27%	3.36%
Noninterest expense to average total assets (annualized)	3.38%	2.37%	3.35%	2.62%
Average interest-earning assets to average interest-bearing liabilities	103.93%	113.70%	105.56%	114.15%
Capital Ratios:				
Total risk-based capital to risk-weighted assets(3)	13.77%	8.41%	13.77%	8.41%
Tier 1 risk-based capital to risk-weighted assets(3)	12.52%	7.07%	12.52%	7.07%
Tier 1 leverage (core) capital to adjusted tangible assets(3)	9.41%	6.02%	9.41%	6.02%
Equity to total assets	8.50%	9.23%	8.50%	9.23%
Average equity to average total assets	8.01%	12.23%	6.88%	12.29%
Asset Quality Ratios:				
Total non-performing assets to total assets(4)	9.67%	12.44%	9.67%	12.44%
Total non-performing assets and troubled debt restructurings to total assets(4)	10.22%	13.17%	10.22%	13.17%
Total non-performing loans to total loans(5)	4.39%	14.34%	4.39%	14.34%
Total non-performing loans and troubled debt restructurings to total loans(5)	5.17%	15.22%	5.17%	15.22%
Allowance for loan losses to total non-performing loans and troubled debt restructurings (5)	33.91%	49.43%	33.91%	49.43%
Allowance for loan losses to non-performing loans(5)	39.94%	52.45%	39.94%	52.45%
Allowance for loan losses to total loans	1.75%	7.52%	1.75%	7.52%
Net charge-offs (recoveries) to average total loans (annualized)	8.93%	0.34%	5.25%	0.27%

(1) The interest rate spread represents the difference between the weighted average yield on average interest-earning assets and the weighted average cost of interest-bearing liabilities.
(2) The net interest margin represents net interest income as a percent of average interest-earning assets.
(3) For Harvard Savings Bank only.
(4) Nonperforming assets consist of nonperforming loans, other real estate owned, repossessed automobiles, and $8.8 million related to the defaulted repurchase agreement reported with other assets at September 30, 2015.
(5) Nonperforming loans consist of nonaccrual loans and accruing loans past due 90 days or more, including $18.1 million related to the defaulted repurchase agreement reported with loans at September 30, 2014.

Harvard Illinois Bancorp, Inc. is a Maryland chartered stock holding company. The Company is headquartered at 58 North Ayer Street, Harvard, Illinois. The Company's operations are limited to its ownership of Harvard Savings Bank, an Illinois chartered savings bank, which operates three offices located in McHenry and Grundy Counties in Illinois. All information at and for the periods ended September 30, 2015, has been derived from unaudited financial information.

This news release contains certain forward-looking statements within the meaning of the federal securities laws. The Company intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Reform Act of 1995, and is including this statement for purposes of these safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe future plans, strategies and experiences of the Company, are generally identified by use of the words "believe", "expect", "intend", "anticipate", "estimate", "project", or similar expressions. The Company's ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors which could have a material adverse effect on the operations of the Company and the subsidiaries include, but are not limited to, changes in: interest rates, general economic conditions, legislative/regulatory changes, monetary and fiscal policies of the U.S. Government, including policies of the U.S. Treasury and the Federal Reserve Board, the quality or composition of the loan or investment portfolios, demand for loan products, deposit flows, competition, demand for financial services in the Company's market area and accounting principles and guidelines. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements.