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**HARVARD ILLINOIS BANCORP, INC. ANNOUNCES  
COMPLETION OF PURCHASE AND ASSUMPTION TRANSACTION OF  
HARVARD SAVINGS BANK**

Rockford, Illinois, August 1, 2016

Harvard Illinois Bancorp, Inc. (the “Company”) today announced the completion of the purchase and assumption transaction in which Harvard Savings Bank, the former subsidiary of the Company, sold substantially all of its assets and transferred substantially all of its liabilities to State Bank, Wonder Lake, Illinois, a wholly-owned subsidiary of Wonder Bancorp, Inc. The initial purchase price was \$7.77 million, representing a preliminary estimate of Harvard Savings Bank’s adjusted tangible book value of the assets and liabilities acquired by State Bank as of July 31, 2016, adjusted for certain expenses, plus a premium of \$3.0 million. An additional \$300,000 has been held back pending calculation of final amounts payable. The assets that Harvard Savings Bank did not transfer consisted primarily of certain deferred tax assets and pre-paid expenses, and judgments, awards, claims, reimbursements, payments, distributions and all other rights related to Harvard Savings Bank’s investment in securities issued by Pennant Management, Inc. and the related litigation. Following completion of the transaction, Harvard Savings Bank was merged with and into the Company, and the assets of the Company consist of the cash received from State Bank plus the assets that were not transferred, offset by approximately \$2.3 million of liabilities.

As previously disclosed, the Company will hold its annual meeting of stockholders on November 2, 2016 at which meeting the Company intends to seek stockholder approval of a plan of voluntary dissolution.