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HARVARD ILLINOIS BANCORP, INC. ANNOUNCES AUDITED STATEMENT OF NET ASSETS IN LIQUIDATION AS OF DECEMBER 31, 2016 AND ITS CHANGE IN BASIS OF ACCOUNTING

Harvard, Illinois, April 4, 2017

Harvard Illinois Bancorp, Inc. (the "Company") announced today its audited statement of net assets in liquidation, as of December 31, 2016, and its change in basis of accounting, effective as of November 3, 2016. The change in basis of accounting requires the Company to record certain estimated costs which have not yet been incurred or previously reported.

Change in Basis of Accounting. The stockholders of the Company approved a plan of dissolution and complete liquidation at the Company's annual meeting on November 2, 2016. As a result, the Company will now utilize the "liquidation" basis of accounting for the period subsequent to November 2, 2016. As a result of the Company's change to the "liquidation" basis of accounting, the Company recorded a liability of \$2.1 million as of November 3, 2016, which represented the estimated operating costs and professional fees not yet incurred but to be incurred through the completion of the liquidation process. In addition, \$227,000 of liquidation costs incurred for the period November 3, 2016 to December 31, 2016 were recorded as a decrease in the liability for accrued liquidation costs at December 31, 2016. Prior to the change in the basis of accounting, the Company's financial statement presentation consisted of a balance sheet, and statements of income, stockholders' equity and cash flows. With the change to the "liquidation" basis of accounting, the Company's financial statement presentation consists of a statement of net assets in liquidation and a statement of changes in net assets in liquidation for the reporting period subsequent to the accounting change.

Audited Statements of Net Assets in Liquidation and Changes in Net Assets in Liquidation. At December 31, 2016, the Company reported audited total assets in liquidation, total liabilities in liquidation, and net assets in liquidation of \$14.6 million, \$3.1 million and \$11.5 million, respectively. Assets in liquidation at December 31, 2016 included the \$8.1 million related to the investment in the defaulted repurchase agreement purchased through Pennant Management, Inc., and cash and cash equivalents of \$6.2 million. Liabilities in liquidation included \$1.9 million for accrued liquidation costs not yet incurred but to be incurred through the completion of the liquidation process. With respect to the period subsequent to the accounting change, the Company reported no change in net assets in liquidation for the period of November 3, 2016 to December 31, 2016.

Unaudited Results of Operation. With respect to the period prior to the accounting change, the Company reported unaudited net income for the period of January 1, 2016 to November 2, 2016 of \$2.3

million. 2016 net income included a realized gain of \$2.2 million from the purchase and assumption transaction completed August 1, 2016 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.

The results of operation for the period January 1, 2016 to November 2, 2016 were derived in part from the financial statements of the Company and are unaudited. 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 above is not necessarily indicative of the results that may be expected for future periods.

A copy of the Company's 2016 annual report is available at its website, www.harvardillinoisbancorpinc.com.

On March 10, 2017, the Company issued a press release announcing unaudited balance sheet and operating data as of and for the year ended December 31, 2016. The data contained in that press release was not prepared on the "liquidation" basis of accounting and should not be relied upon.

This press release contains certain forward-looking statements and estimates that are based on assumptions and may describe future plans, strategies and expectations of the Company. Forward-looking statements and estimates can be identified by the fact that they do not relate strictly to historical or current facts. They often include words like "believe," "expect," "anticipate," "estimate," "hope," and "intend" or future or conditional verbs such as "will," "would," "should," "could" or "may." Except as required by law, the Company does not take any obligation to update any forward-looking information, estimates or statements to reflect changes in belief, expectations or events.