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HARVARD ILLINOIS BANCORP, INC. ANNOUNCES AUDITED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2018 AND LIQUIDATING CASH DISTRIBUTION

Rockford, Illinois, February 13, 2019

Harvard Illinois Bancorp, Inc. (OTC Market- Other: HARI) (the “Company”) announced today its audited statement of net assets in liquidation, as of December 31, 2018, and its audited statement of changes in net assets in liquidation for the year then ended. In addition, the Company announced today that its Board of Directors has declared a liquidating cash distribution of \$3 million.

Audited Statements of Net Assets in Liquidation and Changes in Net Assets in Liquidation. At December 31, 2018, the Company reported audited total assets in liquidation, total liabilities in liquidation, and net assets in liquidation of \$14.4 million, \$560 thousand and \$13.8 million, respectively. Assets in liquidation at December 31, 2018 included \$7.3 million for the investment in the defaulted repurchase agreement purchased through Pennant Management, Inc., cash and cash equivalents of \$7.0 million, and other assets of \$117 thousand. Liabilities in liquidation at December 31, 2018 included \$560 thousand for accrued liquidation costs not yet incurred but to be incurred through the completion of the liquidation process. The Company reported an audited increase of \$1.2 million in net assets in liquidation for the year ended December 31, 2018, primarily due to the realization of \$1.5 million on litigation and other claims activities, and the decrease of \$411,000 in estimate for accrued liquidation costs, offset partially by the decrease of \$800,000 in estimate of liquidation value of the investment in the defaulted repurchase agreement purchased through Pennant Management, Inc.. At February 12, 2019, the Company had outstanding 826,986 shares of common stock.

A copy of the Company’s annual audit report for the year ended December 31, 2018 is available at its website, harvardillinoisbancorpinc.com.

Liquidating Cash Distribution. The Company announced today that its Board of Directors has declared a liquidating cash distribution of \$3 million or \$3.62 per share. The payment date for this liquidating distribution will be March 19, 2019. At \$3.62 per share, the liquidating cash distribution represents approximately 28% of the Company’s closing stock price on February 12, 2019. Because the liquidating cash distribution exceeds 25% of the Company’s share value, the Company understands from the Financial Industry Regulatory Authority (FINRA) that the ex-dividend date for the liquidating distribution must be March 20, 2019 (the first business day following the March 19, 2019 payable date for the liquidating distribution). Accordingly, any shareholder that sells their shares in the Company prior to March 20, 2019 will not receive the liquidating cash distribution.

Closing of Stock Transfer Book. Pursuant to the terms of the Company's Plan of Liquidation and in order to promote an orderly liquidation process, the Company's stock transfer book will be closed as of the close of business on March 19, 2019. At the time of the close of its stock transfer books, the Company's common stock will cease trading on the OTC Market (Other) and the Company will not record any transfers of its common stock, except transfers by will, intestate succession or by operation of law, as well as transfers initiated prior to the close of business on March 19, 2019 but that settle in a reasonable period of time after that date. Accordingly, any future liquidating distributions will be paid to the stockholders of record as of the close of business on March 19, 2019.

Future Liquidating Distributions. The Company at this time cannot predict with certainty the amount or timing of future liquidating distributions to our shareholders or the completion of the liquidation process, primarily due to the Company's inability to predict with certainty the timing of the receipt of cash with respect to its \$7.3 million recorded receivable related to the investment in the defaulted repurchase agreement purchased through Pennant Management, Inc. In addition, the Company is pursuing litigation and other claims which may result in cash recoveries; although, at this time, it cannot predict with certainty the probability of success, or the amount or timing of a cash recovery, if successful.

Forward-Looking Statements. This press release contains certain forward-looking statements that are based on assumptions and may describe future plans, strategies and expectations of the Company. Forward-looking statements 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 or statements to reflect changes in belief, expectations or events.