

Harvard Illinois Bancorp, Inc.  
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## **HARVARD ILLINOIS BANCORP, INC. ANNOUNCES UNAUDITED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2019 AND SECOND LIQUIDATING CASH DISTRIBUTION**

Poplar Grove, Illinois, November 21, 2019

Harvard Illinois Bancorp, Inc. (OTC Market- Other: HARI) (the “Company”) announced today its unaudited statement of net assets in liquidation, as of September 30, 2019, and its unaudited statement of changes in net assets in liquidation for the nine months then ended. In addition, the Company announced today that its Board of Directors has declared a liquidating cash distribution of \$11.0 million or \$13.30 per share.

**Unaudited Statements of Net Assets in Liquidation and Changes in Net Assets in Liquidation.** At September 30, 2019, the Company reported unaudited total assets in liquidation, total liabilities in liquidation, and net assets in liquidation of \$11.9 million, \$371 thousand and \$11.5 million, respectively. Assets in liquidation at September 30, 2019 included \$7.9 million for the investment in the defaulted repurchase agreement purchased through Pennant Management, Inc., cash and cash equivalents of \$4.0 million, and other assets of \$23 thousand. Liabilities in liquidation at September 30, 2019 included \$371 thousand for accrued liquidation costs not yet incurred but to be incurred through the completion of the liquidation process. The Company reported an unaudited decrease of \$2.3 million in net assets in liquidation for the nine months ended September 30, 2019, primarily due to the payment of the \$3.0 million liquidating cash distribution to shareholders, offset partially by the increase of \$600,000 in estimate of liquidation value of the investment in the defaulted repurchase agreement purchased through Pennant Management, Inc..

The financial information as of and for the nine months ended September 30, 2019 was 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 period have been made. The selected financial information presented above is not necessarily indicative of the results that may be expected for future periods.

A copy of the Company’s annual audit report for the year ended December 31, 2018 is available at its website, [harvardillinoisbancorpinc.com](http://harvardillinoisbancorpinc.com).

**Liquidating Cash Distribution and Closing of Stock Transfer Book.** The Company has announced, in accordance with its plan of liquidation approved by its shareholders on November 2, 2016, that its Board of Directors has declared a second liquidating cash distribution in the amount of \$11.0 million or \$13.30

per share. The effective date and payment date for the liquidating cash distribution will be the close of business on January 2, 2020. As of the close of business on January 2, 2020, the effective date, the Company's common stock will cease trading, and the Company's transfer books will be closed. Accordingly, any future liquidating cash distributions will be paid to the stockholders of record as of the close of business on January 2, 2020, the effective date.

At November 20, 2019, the Company had outstanding 826,986 shares of common stock.

**Future Liquidating Distribution.** The Company determined the amount of \$13.30 per share for the distribution by subtracting from its current cash on hand amounts for known, reasonably anticipated and contingent liabilities during the remainder of its liquidation process, and adding reasonably anticipated cash inflows. To the extent that these funds are not exhausted, the Company expects to use residual cash to execute a future distribution to its shareholders. A future distribution is anticipated to be in the range of \$0 to \$0.63 per share; however, the amount and timing of a future distribution ultimately will depend on a number of factors, including, but not limited to, the timing and amount of the receipt of cash with respect to the Company's remaining receivables, and the timing of and costs the Company will incur to complete the liquidation and wind-down process.

**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.