

HOWE BARNES IS PLEASED TO ANNOUNCE
OUR RECENT ADVISORY TRANSACTION



has signed a definitive agreement to acquire



November 2007

Howe Barnes acted as financial advisor to Old Second Bancorp, Inc. in this transaction.

Old Second Bancorp, Inc. of Aurora, Illinois has signed a definitive agreement to acquire HeritageBanc, Inc. of Frankfort, Illinois. Under the terms of the agreement, Old Second Bancorp will pay a total purchase price of \$86 million payable 50% in cash and 50% in Old Second Bancorp common stock.

The acquisition of HeritageBanc will expand Old Second Bancorp.'s footprint into the fast-growing southern suburbs of Chicago.

The acquisition is expected to close in the first or second quarter of 2008, subject to shareholder and regulatory approvals. The transaction team from Howe Barnes included Tom Lynch, Managing Director and Andrew Deringer, Associate.

Deal Pricing

Aggregate Deal Value:	\$86 million
Deal Price / LTM Earnings:	23.8
Deal Price / Book:	280%
Deal Price / Tangible Book:	330%
Deal Price / Total Deposits:	19.9%
Core Deposit Premium:	25.1%

*Financials as of September 30, 2007

Financial Highlights

	OSBC	Heritage
Total Assets (\$000's):	2,631,462	346,615
Total Equity (\$000's):	142,579	30,679
Equity/Assets:	5.34%	7.63%
YTD ROAA:	0.94%	1.16%
YTD ROAE:	15.70%	14.23%

SOURCE: SNL Financial

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