

**FOR IMMEDIATE RELEASE**

**Allied First Bancorp Completes \$3.6 Million Capital Purchase Program  
Transaction with the U.S. Treasury**

OSWEGO, IL, April 24, 2009 — Allied First Bancorp, Inc. (Over-the-counter bulletin board: AFBA), reported that the United States Department of the Treasury approved its application for the Treasury Department's Capital Purchase Program (CPP), and has received \$3,652,000 as part of its participation in the program through the purchase of preferred stock by the Treasury Department.

"Allied First Bank continues to actively lend to both new and existing customers throughout the Fox Valley market and to its existing customers located throughout the United States," President and CEO Kenneth L. Bertrand said. "By participating in the CPP, we will be able to continue making more loans available to qualified borrowers in our local community. Since mid-2007 we have focused all of our efforts on attracting customers within the local community. Both commercial and consumer loans will be more readily available as we continue to seek new customers being underserved in our marketplace."

"Participation in the CPP will only enhance our ability to further stimulate the credit markets for the benefit of our customers. With higher deposit levels over the long-term, we will have the opportunity to deploy more loans to qualified borrowers. The current level of loans at mid-2009 will be \$129 million, with loan levels expected to be over \$180 million in mid-2014 with the addition of TARP funds. As evidenced by the bank's loan originations over the past 18 months, loans will come from the local community as we continue to transition from an electronic bank to a true community bank. Our mission is to be 'The' community bank in our marketplace and with the added stimulus from our participation in CPP, we will serve our community well."

Allied First Bank reported that total loan originations during the first quarter of 2009 exceeded \$38.7 million across all lines of business, reflecting the bank's continuing commitment to lending and community support.

The CPP is a voluntary program opened in October 2008 to the nation's strong and sound financial institutions. As part of the transaction completed on Friday, the Treasury Department purchased 3,652 shares of newly issued, non-voting Allied First Bancorp cumulative senior perpetual preferred stock, Series A, in the amount of \$3,652,000, with an initial annual dividend rate of 5%. The Treasury Department also purchased \$183,000 of cumulative senior perpetual preferred stock, Series B, through the exercise of warrants. The Series B preferred stock carries an annual dividend rate of 9%. These and the uniform terms and conditions for all CPP participants are publicly available from the Treasury Department Web site at <http://www.financialstability.gov/docs/CPP/termsheet.pdf>.

**About Allied First Bancorp**

Allied First Bancorp, Inc., through its wholly owned subsidiary Allied First Bank, has assets of \$157 million and deposits of \$116 million. Allied First Bank is a full-service, community-focused bank that provides financial services to individuals, families and businesses throughout the Oswego marketplace. For more information, visit [www.alliedfirst.com](http://www.alliedfirst.com).

### **Forward-Looking Statements**

This press release contains forward-looking statements with respect to the proposed offering of common stock by Allied First Bancorp, Inc. Forward-looking statements are generally identified by the use of words “believe,” “expect,” “intend,” “anticipate,” “estimate,” and other similar expressions. These forward-looking statements involve certain risks and uncertainties. You should not place undue reliance on such statements. Factors that may cause actual results to differ materially from those contemplated by such forward-looking statements include, among others, (1) adverse developments in the capital markets in general or in the markets for financial institutions stock in particular; (2) changes in legislation or regulatory requirements affecting financial institutions, including the current debate in Congress as to restructuring the financial services industry; (3) changes in the interest rate environment; and (4) adverse changes in general economic conditions.

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