

**Idaho First Bank Press Release 2-7-2011**

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**Idaho First Bank Reports Financial Results and New Capital**

McCall, Idaho – (Market Wire) – February 7, 2011 – Today Idaho First Bank (OTCQB:IDFB) announced that it raised \$2.7 million of new common stock in December 2010 in a private placement. With the sale of common stock the Bank has achieved the capital level required under the Supervisory Prompt Corrective Action Directive (“Directive”) issued by the Federal Deposit Insurance Corporation (“FDIC”) on August 20, 2010. The Directive was terminated by the FDIC on January 3, 2011.

“We are encouraged that 87% of this capital was raised from the Board of Directors, executive officers and other shareholders,” said Mark Miller, Chairman of the Bank’s Board of Directors. “We are pleased to see the commitment of shareholders to invest new capital into the Bank,” stated Gavin Gee, Director, Idaho’s Department of Finance. Director Gee further said, “As with all Idaho state chartered banks, we continue to work closely with its directors and management as they continue the Bank’s progress.”

The capital raise improved the capital position of the Bank to 6.2% of total assets. While this level fulfilled the requirements of the Directive, the Bank will continue with capital raising efforts with a goal of increasing the capital to asset ratio to 10%. Greg Lovell, President and Chief Executive Officer of the Bank stated, “The Board and Management are committed to continue improve the Bank’s condition as our community begins to see economic improvement.”

The Bank also reported financial results for 2010. The Bank reported a loss of \$1,978,000 for 2010 compared to a loss of \$2,269,000 for 2009. The large loss was mostly caused by the provision for loan losses of \$1,550,000 and by net losses on “other real estate owned properties” of \$209,000. The Bank continues to be negatively impacted by a weak economic environment marked by high unemployment and depressed real estate values.

The Bank reported improvement in the level of nonperforming assets. They declined from \$4.2 million at the end of 2009 to \$2.9 million at the end of 2010, a decline of 31%. “We are aggressively working with our borrowers to address their issues and find solutions acceptable to the Bank and to our borrowers,” stated Jerry Jutting, Chief Credit Officer. He further said, “We continue to look for good loans where we can build a relationship and be a part of their success.”

In closing, Mr. Lovell said, “We have had difficult economic times in Valley County and as the only local bank; we have felt the same economic issues as our clients. We understand and are diligently working with them to help through this time; after all it is our home too.”

Idaho First Bank is a state-chartered commercial bank that opened for business in October 2005. Its headquarters are located in McCall, Idaho, with a loan production office in downtown Boise.

This release contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (“PSLRA”). Such forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those projected. These risks and uncertainties include, but are not limited to, economic conditions, the regulatory environment, loan concentrations, vendors, employees, technology, competition, and interest rates. Readers are cautioned not to place undue reliance on the forward-looking statements. Idaho First Bank has no obligation to publicly update the forward-looking statements after the date of this release. This statement is included for the express purpose of invoking PSLRA’s safe harbor provisions.

**Idaho First Bank**  
**Financial Highlights (unaudited)**  
(Dollars in thousands, except per share)

<b>For the year ended December 31:</b>	<b>2010</b>	<b>2009</b>	<b>Change</b>	
Net interest income	\$ 2,114	\$ 2,185	\$ (71)	-3%
Provision for loan losses	1,550	1,800	(250)	-14%
Investment securities gains	321	336	(15)	-4%
Mortgage banking income	671	331	340	103%
Other noninterest income	195	208	(13)	-6%
Noninterest expenses	3,729	3,529	200	6%
Net loss	(1,978)	(2,269)	291	13%
<b>At December 31:</b>	<b>2010</b>	<b>2009</b>	<b>Change</b>	
Loans	\$ 53,081	\$ 57,399	\$ (4,318)	-8%
Allowance for loan losses	1,025	1,313	(288)	-22%
Assets	77,405	74,076	3,329	4%
Deposits	68,281	64,539	3,742	6%
Stockholders' equity	4,810	4,053	757	19%
Nonaccrual loans	1,871	2,390	(519)	-22%
Accruing loan more than 90 days past due	-	960	(960)	-100%
Other real estate owned	1,064	824	240	29%
Total nonperforming assets	2,935	4,174	(1,239)	-30%
Book value per share	0.61	2.90	(2.29)	-79%
Shares outstanding	7,926,132	1,398,284	6,527,848	467%
Allowance to loans	1.93%	2.29%		
Allowance to nonperforming loans	55%	39%		
Nonperforming loans to total loans	3.52%	5.84%		
<b>Averages for the year ended December 31:</b>	<b>2010</b>	<b>2009</b>	<b>Change</b>	
Loans	\$ 56,794	\$ 56,980	\$ (186)	0%
Earning assets	80,119	68,052	12,067	18%
Assets	82,363	70,889	11,474	16%
Deposits	73,751	59,819	13,932	23%
Stockholders' equity	3,087	5,308	(2,221)	-42%
Loans to deposits	77%	95%		
Net interest margin	2.64%	3.21%		

**Idaho First Bank**  
**Quarterly Financial Highlights (unaudited)**  
(Dollars in thousands)

	<u>Q4 2010</u>	<u>Q3 2010</u>	<u>Q2 2010</u>	<u>Q1 2010</u>	<u>Q4 2009</u>
Net interest income	\$ 496	\$ 563	\$ 549	\$ 506	\$ 532
Provision for loan losses	450	100	750	250	600
Investment securities gains	321				
Mortgage banking income	255	250	98	68	108
Other noninterest income	46	51	49	49	49
Noninterest expenses	1,059	946	842	882	878
Net loss	(391)	(182)	(896)	(509)	(789)
<b>Period End Information</b>	<u>Q4 2010</u>	<u>Q3 2010</u>	<u>Q2 2010</u>	<u>Q1 2010</u>	<u>Q4 2009</u>
Loans	\$ 53,081	\$ 57,521	\$ 58,391	\$ 56,922	\$ 57,399
Allowance for loan losses	1,025	1,073	1,115	1,520	1,313
Nonperforming loans	1,871	1,883	2,125	3,732	3,350
Other real estate owned	1,064	1,243	697	784	824
Quarterly net charge-offs	498	143	1,154	43	465
Allowance to loans	1.93%	1.87%	1.91%	2.67%	2.29%
Allowance to nonperforming loans	55%	57%	52%	41%	39%
Nonperforming loans to loans	3.52%	3.27%	3.64%	6.56%	5.84%
<b>Average Balance Information</b>	<u>Q4 2010</u>	<u>Q3 2010</u>	<u>Q2 2010</u>	<u>Q1 2010</u>	<u>Q4 2009</u>
Loans	\$ 56,271	\$ 57,165	\$ 56,486	\$ 57,260	\$ 58,339
Earning assets	79,035	82,617	80,100	78,692	74,922
Assets	81,720	84,774	82,038	80,885	77,481
Deposits	73,256	76,661	73,408	71,628	66,528
Stockholders' equity	3,014	2,568	3,016	3,765	4,388
Loans to deposits	77%	75%	77%	80%	88%
Net interest margin	2.49%	2.70%	2.75%	2.61%	2.82%