

Idaho First Bank Reports Quarterly Financial Results

McCall, Idaho – (Market Wire) – April 27, 2011 – Today Idaho First Bank (OTCQB:IDFB) reported financial results for the first quarter of 2011. The Bank reported a loss of \$143,000 for the first quarter of 2011 compared to a loss of \$509,000 in the first quarter of 2010 and a loss of \$391,000 in the last quarter of 2010. The quarterly loss was the smallest loss in the Bank’s history.

Mark Miller, Chairman of the Board commented, “We have seen significant improvement in the trends and performance of the Bank.” He further said, “We have worked closely to reduce costs, including compensation and incentive packages, increased oversight, and realigned Committee Charters to help increase shareholder value and to meet our long-term profit targets.”

The net loss for the first quarter of 2011 was \$366,000 less than the loss in the same quarter of 2010. This large improvement was primarily caused by three favorable items; the provision for loan losses dropped from \$250,000 to \$85,000, mortgage banking income increased from \$68,000 to \$202,000; and noninterest expenses dropped by \$117,000.

Nonperforming assets declined from \$4.5 million at March 31, 2010, to \$3.2 million at March 31, 2011. Nonperforming assets increased in the first quarter from year-end levels. Greg Lovell, President of the Bank, commented, “While short term fluctuations in the level of nonperforming assets will occur, we feel that the Bank has survived the worst of the economic crisis and that the long-term trend of nonperforming assets is improving.”

Mr. Lovell further stated, “Our community is beginning a slow recovery and the Bank will continue to seek out viable loans in Valley County and from our Boise loan production office. In addition we are focused on boosting our lower cost deposit accounts to build core funding and reduce the cost of our funding.”

Stockholders’ equity was \$4.7 million at March 31, 2011, or 6% of assets. Book value per share was 59 cents per share. The Bank continues efforts to raise capital with a goal of capital reaching 10% of assets.

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.

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

For the three months ended March 31:	2011	2010	Change	
Net interest income	\$ 444	\$ 506	\$ (62)	-12%
Provision for loan losses	85	250	(165)	-66%
Mortgage banking income	202	68	134	197%
Other noninterest income	61	49	12	24%
Noninterest expenses	765	882	(117)	-13%
Net loss	(143)	(509)	366	72%
At March 31:	2011	2010	Change	
Loans	\$ 53,976	\$ 56,922	\$ (2,946)	-5%
Allowance for loan losses	1,179	1,520	(341)	-22%
Assets	77,499	83,026	(5,527)	-7%
Deposits	69,488	73,856	(4,368)	-6%
Stockholders' equity	4,672	3,595	1,077	30%
Nonaccrual loans	2,340	3,732	(1,392)	-37%
Accruing loan more than 90 days past due	-	-	-	
Other real estate owned	866	784	82	10%
Total nonperforming assets	3,206	4,516	(1,310)	-29%
Book value per share	0.59	2.57	(1.98)	-77%
Shares outstanding	7,949,932	1,398,284	6,551,648	469%
Allowance to loans	2.18%	2.67%		
Allowance to nonperforming loans	50%	41%		
Nonperforming loans to total loans	4.34%	6.56%		
Averages for the 3 months ended March 31:	2011	2010	Change	
Loans	\$ 53,226	\$ 57,260	\$ (4,034)	-7%
Earning assets	78,150	78,692	(542)	-1%
Assets	80,457	80,885	(428)	-1%
Deposits	71,456	71,628	(172)	0%
Stockholders' equity	4,696	3,765	931	25%
Loans to deposits	74%	80%		
Net interest margin	2.30%	2.61%		

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

Income Statement	<u>Q1 2011</u>	<u>Q4 2010</u>	<u>Q3 2010</u>	<u>Q2 2010</u>	<u>Q1 2010</u>
Net interest income	\$ 444	\$ 496	\$ 563	\$ 549	\$ 506
Provision for loan losses	85	450	100	750	250
Investment securities gains		321			
Mortgage banking income	202	255	250	98	68
Other noninterest income	61	46	51	49	49
Noninterest expenses	765	1,059	946	842	882
Net loss	(143)	(391)	(182)	(896)	(509)
Period End Information	<u>Q1 2011</u>	<u>Q4 2010</u>	<u>Q3 2010</u>	<u>Q2 2010</u>	<u>Q1 2010</u>
Loans	\$ 53,976	\$ 53,081	\$ 57,521	\$ 58,391	\$ 56,922
Allowance for loan losses	1,179	1,025	1,073	1,115	1,520
Nonperforming loans	2,340	1,871	1,883	2,125	3,732
Other real estate owned	866	1,064	1,243	697	784
Quarterly net charge-offs	(69)	498	143	1,154	43
Allowance to loans	2.18%	1.93%	1.87%	1.91%	2.67%
Allowance to nonperforming loans	50%	55%	57%	52%	41%
Nonperforming loans to loans	4.34%	3.52%	3.27%	3.64%	6.56%
Average Balance Information	<u>Q1 2011</u>	<u>Q4 2010</u>	<u>Q3 2010</u>	<u>Q2 2010</u>	<u>Q1 2010</u>
Loans	\$ 53,226	\$ 56,271	\$ 57,165	\$ 56,486	\$ 57,260
Earning assets	78,150	79,035	82,617	80,100	78,692
Assets	80,457	81,720	84,774	82,038	80,885
Deposits	71,456	73,256	76,661	73,408	71,628
Stockholders' equity	4,696	3,014	2,568	3,016	3,765
Loans to deposits	74%	77%	75%	77%	80%
Net interest margin	2.30%	2.49%	2.70%	2.75%	2.61%