



First Independence Corporation

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FOR IMMEDIATE RELEASE

FIRST INDEPENDENCE ANNOUNCES SECOND QUARTER EARNINGS

INDEPENDENCE, KS (April 17, 2006) -- First Independence Corporation (OTC Bulletin Board: FFSL.OB) (the "Company"), reported net earnings of \$298,000 for the second quarter of fiscal 2006, compared to \$274,000 for the second quarter of fiscal 2005. Diluted earnings per share of common stock for the second quarter of fiscal 2006 were \$.34, compared to diluted earnings per share of \$.31 for the second quarter of fiscal 2005. Net earnings for the first half of fiscal 2006 were \$594,000, compared to \$605,000 for the first half of fiscal 2005. Diluted earnings per share for the six months ended March 31, 2006 were \$.67, compared to diluted earnings per share of \$.68 for the six months ended March 31, 2005.

Return on average assets for the second quarter of fiscal 2006 was .66% (annualized), compared to .65% (annualized), for the same period last year. Return on average equity for the second quarter of fiscal 2006 was 7.45% (annualized), compared to 7.05% (annualized), in the second quarter of fiscal 2005. Return on average assets for the first half of fiscal 2006 was .67% (annualized), compared to .71% (annualized), for the same period last year. Return on average equity for the first six months of fiscal 2006 was 7.42% (annualized), compared to 7.80% (annualized), for the first six months of fiscal 2005.

We had \$181.0 million in assets and \$16.1 million in stockholders' equity as of March 31, 2006. During this second quarter, we repurchased 7,800 shares of common stock, at an average cost of \$19.5625 per share. At March 31, 2006, total shares outstanding were 881,239.

The Company is the parent corporation for First Federal Savings and Loan Association of Independence, Kansas ("First Federal"). At March 31, 2006, First Federal exceeded all of its regulatory capital requirements. First Federal has four full-service branch offices primarily serving Montgomery, Wilson, Crawford and Chautauqua Counties in Kansas along with a loan production office in Lawrence, Kansas.

This release contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those anticipated. These risks and uncertainties include, among others, changes in economic conditions in our market area, changes in policies by regulatory agencies, fluctuations in interest rates, demand for loans in our market area and competition that could cause actual results to differ materially from historical earnings and those presently anticipated or projected. For additional discussion of factors that may affect the Company's performance, refer to those described from time to time in our press releases and other communications.

A consolidated financial summary follows.

FIRST INDEPENDENCE CORPORATION
FINANCIAL HIGHLIGHTS
(Dollars in thousands, except per share data)

	March 31, 2006		September 30, 2005	
Financial Condition Highlights:				
Total assets	\$ 181,050		\$ 171,933	
Loans receivable	130,170		124,465	
Loans held for sale	---		---	
Mortgage-backed and investment securities held to maturity	36,917		36,814	
Real estate acquired through foreclosure	133		419	
Deposits	115,764		111,928	
Borrowed funds	47,757		42,652	
Stockholders' equity	16,068		15,905	
Stockholders' equity per outstanding common share	\$18.23		\$17.89	
Selected Asset Quality Ratios:				
Non-performing loans to total loans	.60%		.62%	
Non-performing assets to total assets	.51%		.70%	
Allowance for loan losses to non-performing loans	104.28%		100.14%	
Allowance for loan losses to non-performing assets	89.21%		65.00%	
	Three months ended March 31,		Six months ended March 31,	
	2006	2005	2006	2005
Operating Highlights:				
Net interest income	\$ 1,278	\$ 1,263	\$ 2,522	\$ 2,554
Provision for loan losses	59	29	57	32
Net earnings	\$298	\$274	\$594	\$605
Operating Ratios (annualized):				
Return on average assets	.66%	.65%	.67%	.71%
Return on average equity	7.45%	7.05%	7.42%	7.80%
Interest rate spread information:				
Average yield on interest-earning assets	6.13%	5.59%	6.08%	5.59%
Average cost of interest-bearing liabilities	3.42%	2.73%	3.38%	2.68%
Average rate spread during period	2.71%	2.86%	2.70%	2.91%
Net interest margin	2.93%	3.07%	2.93%	3.10%
Ratio of average interest-earning assets to average interest-bearing liabilities	106.78%	107.86%	107.06%	107.91%
Stock price for period:				
High bid	\$19.71	\$18.98	\$19.71	\$18.98
Low bid	\$18.04	\$18.91	\$17.22	\$16.01
Closing bid at 3/31	\$19.71	\$18.98	\$19.71	\$18.98
Net earnings per share (diluted)	\$.34	\$.31	\$.67	\$.68
Weighted average shares of common stock and common stock equivalents	885,272	892,164	888,737	894,075

FIRST INDEPENDENCE CORPORATION
CONSOLIDATED CONDENSED BALANCE SHEETS

	March 31, 2006	September 30, 2005
<u>ASSETS</u>		
Cash and due from banks	\$ 571,041	\$ 462,955
Federal funds sold	2,500,000	600,000
Other interest-bearing deposits	2,304,469	1,450,223
Cash and cash equivalents	5,375,510	2,513,178
Investment securities held to maturity (fair value: March 31, 2006 - \$30,564,218; September 30, 2005 - \$29,803,100)	31,063,441	30,065,772
Mortgage-backed securities held to maturity (fair value: March 31, 2006 - \$5,774,904; September 30, 2005 - \$6,736,488)	5,853,565	6,748,179
Loans receivable	130,169,956	124,465,274
Loans held for sale	---	---
Premises and equipment	2,349,108	2,051,507
Federal Home Loan Bank Stock, at cost	2,912,300	2,629,700
Accrued interest receivable	978,414	880,355
Real estate acquired through foreclosure	132,508	419,359
Income taxes receivable	15,504	3,189
Deferred income taxes	---	---
Other	2,199,364	2,156,703
Total assets	\$ 181,049,670	\$ 171,933,216
 <u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Liabilities		
Deposits	\$ 115,763,747	\$ 111,927,882
Advances from borrowers for taxes and insurance	908,435	885,033
Advances from Federal Home Loan Bank	47,757,495	42,651,640
Income taxes payable	5,085	5,714
Deferred income taxes	103,977	69,636
Accrued expenses and other	442,705	488,540
Total liabilities	164,981,444	156,028,445
Stockholders' equity		
Preferred stock, \$.01 par value, 500,000 shares authorized, none issued	---	---
Common stock, \$.01 par value, 2,500,000 shares authorized, 1,649,288 shares issued	16,493	16,493
Additional paid-in capital	8,229,013	8,224,311
Retained earnings - substantially restricted	16,936,349	16,630,086
Treasury stock at cost, 768,049 shares at March 31, 2006 and 760,249 shares at September 30, 2005	(9,113,629)	(8,961,042)
Required contributions for shares acquired by ESOP	---	(5,077)
Total stockholders' equity	16,068,226	15,904,771
Total liabilities and stockholders' equity	\$ 181,049,670	\$ 171,933,216

FIRST INDEPENDENCE CORPORATION
CONSOLIDATED CONDENSED STATEMENTS OF EARNINGS

	Three Months Ended March 31,		Six Months Ended March 31,	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Interest income				
Loans	\$2,234,231	\$1,975,524	\$4,391,586	\$3,945,175
Mortgage-backed securities	70,858	87,930	144,251	185,449
Investment securities	316,304	202,152	601,725	386,686
Interest-bearing deposits and other	<u>51,723</u>	<u>38,470</u>	<u>101,707</u>	<u>84,393</u>
Total interest income	2,673,116	2,304,076	5,239,269	4,601,703
Interest expense				
Deposits	783,305	544,415	1,550,720	1,062,243
Borrowed funds	<u>611,963</u>	<u>496,595</u>	<u>1,166,885</u>	<u>985,230</u>
Total interest expense	<u>1,395,268</u>	<u>1,041,010</u>	<u>2,717,605</u>	<u>2,047,473</u>
Net interest income	1,277,848	1,263,066	2,521,664	2,554,230
Provision for loan losses	<u>59,313</u>	<u>28,875</u>	<u>56,871</u>	<u>32,313</u>
Net interest income after provision for loan losses	1,218,535	1,234,191	2,464,793	2,521,917
Noninterest income				
Service charges	176,448	84,344	361,704	172,203
Other	<u>88,571</u>	<u>61,070</u>	<u>157,956</u>	<u>119,216</u>
Total noninterest income	265,019	145,414	519,660	291,419
Noninterest expense				
Employee compensation and benefits	609,813	593,387	1,209,861	1,151,882
Occupancy and equipment	111,897	112,405	221,470	220,366
Foreclosed assets, net	(1,647)	6,511	22,850	8,076
Data processing fees	74,051	67,628	145,385	131,273
Other operating	<u>238,638</u>	<u>162,148</u>	<u>463,439</u>	<u>326,459</u>
Total noninterest expense	<u>1,032,752</u>	<u>942,079</u>	<u>2,063,005</u>	<u>1,838,056</u>
Earnings before income taxes	450,802	437,526	921,448	975,280
Income tax expense	<u>152,662</u>	<u>163,386</u>	<u>327,602</u>	<u>369,873</u>
Net earnings	<u>\$ 298,140</u>	<u>\$ 274,140</u>	<u>\$ 593,846</u>	<u>\$ 605,407</u>
Earnings per common share				
Basic	<u>\$.34</u>	<u>\$.31</u>	<u>\$.67</u>	<u>\$.68</u>
Diluted	<u>\$.34</u>	<u>\$.31</u>	<u>\$.67</u>	<u>\$.68</u>
Dividends per share	<u>\$.1625</u>	<u>\$.1625</u>	<u>\$.3250</u>	<u>\$.3125</u>
Weighted average shares outstanding				
Basic	<u>881,839</u>	<u>888,065</u>	<u>885,304</u>	<u>889,975</u>
Diluted	<u>885,272</u>	<u>892,164</u>	<u>888,737</u>	<u>894,075</u>