



First Independence Corporation

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FOR IMMEDIATE RELEASE

FIRST INDEPENDENCE ANNOUNCES THIRD QUARTER EARNINGS

INDEPENDENCE, KS (July 24, 2007) -- First Independence Corporation (OTC Bulletin Board: FFSL.OB) (the "Company"), reported net earnings of \$370,000 for the third quarter of fiscal 2007, compared to \$336,000 for the third quarter of fiscal 2006. Diluted earnings per share of common stock for the third quarter of fiscal 2007 were \$.42, compared to diluted earnings per share of \$.38 for the third quarter of fiscal 2006. Net earnings for the first nine months of fiscal 2007 were \$1,011,000, compared to \$930,000 for the first nine months of fiscal 2006. Diluted earnings per share for the nine months ended June 30, 2007 were \$1.15, compared to diluted earnings per share of \$1.05 for the nine months ended June 30, 2006.

Return on average assets for the third quarter of fiscal 2007 was .78% (annualized), compared to .75% (annualized), for the same period last year. Return on average equity for the third quarter of fiscal 2007 was 8.88% (annualized), compared to 8.31% (annualized), in the third quarter of fiscal 2006. Return on average assets for the first nine months of fiscal 2007 was .72% (annualized), compared to .69% (annualized), for the same period last year. Return on average equity for the first nine months of fiscal 2007 was 8.13% (annualized), compared to 7.72% (annualized), for the first nine months of fiscal 2006.

We had \$190.7 million in assets and \$16.8 million in stockholders' equity as of June 30, 2007. At June 30, 2007, total shares outstanding were 869,584.

The Company is the parent corporation for First Federal Savings and Loan Association of Independence, Kansas ("First Federal"). At June 30, 2007, 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)

	June 30, 2007		September 30, 2006	
Financial Condition Highlights:				
Total assets	\$ 190,656		\$ 180,304	
Loans receivable	142,731		133,412	
Loans held for sale	---		---	
Mortgage-backed and investment securities held to maturity	35,342		37,196	
Real estate acquired through foreclosure	190		199	
Deposits	131,109		112,961	
Borrowed funds	41,617		49,169	
Stockholders' equity	16,757		16,423	
Stockholders' equity per outstanding common share	\$19.27		\$18.63	
Selected Asset Quality Ratios:				
Non-performing loans to total loans	.62%		.55%	
Non-performing assets to total assets	.57%		.52%	
Allowance for loan losses to non-performing loans	91.57%		110.15%	
Allowance for loan losses to non-performing assets	75.43%		86.66%	
	Three months ended June 30,		Nine months ended June 30,	
	2007	2006	2007	2006
Operating Highlights:				
Net interest income	\$ 1,303	\$ 1,291	\$ 3,804	\$ 3,812
Provision for loan losses	37	---	102	57
Net earnings	\$370	\$336	\$1,011	\$930
Operating Ratios (annualized):				
Return on average assets	.78%	.75%	.72%	.69%
Return on average equity	8.88%	8.31%	8.13%	7.72%
Interest rate spread information:				
Average yield on interest-earning assets	6.78%	6.42%	6.68%	6.20%
Average cost of interest-bearing liabilities	4.21%	3.69%	4.13%	3.48%
Average rate spread during period	2.57%	2.73%	2.55%	2.72%
Net interest margin	2.84%	2.97%	2.82%	2.94%
Ratio of average interest-earning assets to average interest-bearing liabilities	106.79%	106.71%	106.85%	106.94%
Stock price for period:				
High bid	\$19.38	\$19.32	\$19.38	\$19.71
Low bid	\$19.12	\$17.74	\$18.48	\$17.22
Closing bid at 6/30	\$19.35	\$18.28	\$19.35	\$18.28
Net earnings per share (diluted)	\$.42	\$.38	\$1.15	\$1.05
Weighted average shares of common stock and common stock equivalents	873,492	884,760	879,859	887,406

FIRST INDEPENDENCE CORPORATION
CONSOLIDATED CONDENSED BALANCE SHEETS

	June 30, 2007	September 30, 2006
<u>ASSETS</u>		
Cash and due from banks	\$ 365,371	\$ 435,088
Federal funds sold	2,000,000	---
Other interest-bearing deposits	1,044,477	524,867
Cash and cash equivalents	3,409,848	959,955
Investment securities held to maturity (fair value: June 30, 2007 - \$30,692,880; September 30, 2006 - \$31,735,915)	30,991,232	32,021,929
Mortgage-backed securities held to maturity (fair value: June 30, 2007 - \$4,267,123; September 30, 2006 - \$5,107,443)	4,350,403	5,173,617
Loans receivable	142,731,060	133,411,535
Loans held for sale	---	---
Premises and equipment	2,316,403	2,324,434
Federal Home Loan Bank Stock, at cost	3,133,200	2,997,500
Accrued interest receivable	1,095,345	944,255
Real estate acquired through foreclosure	189,901	199,224
Other	265,343	158,688
Cash value of life insurance	2,173,725	2,113,362
Total assets	\$ 190,656,460	\$ 180,304,499
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Liabilities		
Deposits	\$ 131,109,099	\$ 112,960,760
Advances from borrowers for taxes and insurance	620,975	951,962
Advances from Federal Home Loan Bank	41,617,356	49,168,577
Income taxes payable	15,290	16,498
Deferred income taxes	166,746	136,353
Accrued expenses and other	369,519	647,085
Total liabilities	173,898,985	163,881,235
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	8,233,063	8,231,844
Retained earnings - substantially restricted	17,846,868	17,285,248
Treasury stock at cost, 779,704 shares at June 30, 2007 and 767,540 shares at September 30, 2006	(9,338,949)	(9,110,321)
Required contributions for shares acquired by ESOP	---	---
Total stockholders' equity	16,757,475	16,423,264
Total liabilities and stockholders' equity	\$ 190,656,460	\$ 180,304,499

FIRST INDEPENDENCE CORPORATION
CONSOLIDATED CONDENSED STATEMENTS OF EARNINGS

	Three Months Ended June 30,		Nine Months Ended June 30,	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Interest income				
Loans	\$2,629,543	\$2,320,070	\$7,599,770	\$6,711,656
Mortgage-backed securities	56,269	67,202	177,930	211,453
Investment securities	359,717	332,819	1,056,233	934,544
Interest-bearing deposits and other	<u>64,972</u>	<u>71,998</u>	<u>193,514</u>	<u>173,705</u>
Total interest income	3,110,501	2,792,089	9,027,447	8,031,358
Interest expense				
Deposits	1,228,914	902,060	3,456,498	2,452,780
Borrowed funds	<u>578,543</u>	<u>599,354</u>	<u>1,767,237</u>	<u>1,766,239</u>
Total interest expense	<u>1,807,457</u>	<u>1,501,414</u>	<u>5,223,735</u>	<u>4,219,019</u>
Net interest income	1,303,045	1,290,675	3,803,712	3,812,339
Provision for loan losses	<u>36,636</u>	<u>306</u>	<u>102,150</u>	<u>57,177</u>
Net interest income after provision for loan losses	1,266,408	1,290,369	3,701,562	3,755,162
Noninterest income				
Service charges	249,893	222,564	713,216	584,268
Other	<u>93,182</u>	<u>81,338</u>	<u>251,269</u>	<u>239,294</u>
Total noninterest income	343,075	303,902	964,485	823,562
Noninterest expense				
Employee compensation and benefits	603,248	621,584	1,816,243	1,831,445
Occupancy and equipment	118,742	118,212	337,012	339,682
Foreclosed assets, net	(5,843)	26,974	18,884	49,824
Data processing fees	80,639	85,340	239,702	230,725
Other operating	<u>235,794</u>	<u>216,679</u>	<u>681,588</u>	<u>680,118</u>
Total noninterest expense	<u>1,032,580</u>	<u>1,068,789</u>	<u>3,093,429</u>	<u>3,131,794</u>
Earnings before income taxes	576,903	525,482	1,572,618	1,446,930
Income tax expense	<u>206,711</u>	<u>188,997</u>	<u>561,205</u>	<u>516,599</u>
Net earnings	<u>\$ 370,192</u>	<u>\$ 336,485</u>	<u>\$ 1,011,413</u>	<u>\$ 930,331</u>
Earnings per common share				
Basic	<u>\$.43</u>	<u>\$.38</u>	<u>\$ 1.15</u>	<u>\$ 1.05</u>
Diluted	<u>\$.42</u>	<u>\$.38</u>	<u>\$ 1.15</u>	<u>\$ 1.05</u>
Dividends per share	<u>\$.1750</u>	<u>\$.1625</u>	<u>\$.5125</u>	<u>\$.4875</u>
Weighted average shares outstanding				
Basic	<u>869,584</u>	<u>881,334</u>	<u>875,950</u>	<u>883,981</u>
Diluted	<u>873,492</u>	<u>884,760</u>	<u>879,859</u>	<u>887,406</u>