

FIRST FEDERAL BANCSHARES

of Arkansas, Inc.

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Harrison, AR 72601

FOR

IMMEDIATE

RELEASE

FOR FURTHER INFORMATION CONTACT:

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FIRST FEDERAL BANCSHARES OF ARKANSAS, INC. ANNOUNCES STOCK REPURCHASE PROGRAM ACTIVITY

Harrison, Arkansas – November 16, 2001 - (NASDAQ NMS:FFBH) First Federal Bancshares of Arkansas, Inc. (the "Corporation"), a unitary savings and loan holding company for First Federal Bank of Arkansas, FA (the "Bank") announced today that the Corporation had completed its previously announced stock repurchase. The action, which consisted of a repurchase of 166,668 shares of the Corporation's issued and outstanding shares, commenced on June 21, 2001 and was completed on November 16, 2001. Such shares will be reflected as treasury shares and will be available for general corporate purposes.

In addition, First Federal Bancshares of Arkansas, Inc., announced today that its Board of Directors authorized the repurchase of up to 158,334 shares, or approximately 5 percent, of the Corporation's outstanding common stock.

Repurchases are authorized to be made by the Corporation from time to time in open-market transactions as, in the opinion of management, market conditions warrant. The repurchased shares will be held as treasury stock and will be available for general corporate purposes.

Larry J. Brandt, President of the Corporation, stated that "the stock repurchase reflects management's commitment to enhance shareholder value. We firmly believe the repurchase of our stock at levels below book is an extremely wise and prudent use of excess capital."

As of September 30, 2001, the Corporation had total assets of \$697.7 million. The Bank, in its 67th year, is a community-oriented institution, which serves its market area from 16 offices in Northcentral and Northwest Arkansas.