FOR IMMEDIATE RELEASE

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FIRST FEDERAL BANCSHARES OF ARKANSAS, INC. ANNOUNCES A QUARTERLY CASH DIVIDEND

Harrison, Arkansas – May 26, 2005 - (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 its Board of Directors declared a $.12 (twelve cents) cash dividend on the common stock of the Corporation payable on June 22, 2005 to the stockholders of record at the close of business on June 8, 2005.

Larry J. Brandt, President/CEO of the Corporation, stated, "This will be our 34th consecutive cash dividend. Our strong capital base and continued profitability afford us the opportunity to pay another consecutive quarterly cash dividend. Such action demonstrates our commitment to and confidence in our future prospects."

The Bank, in its 71st year, conducts business from 15 full-service branch locations and 24 ATMS located in Northcentral and Northwest Arkansas. At March 31, 2005, the Corporation had total assets of $782.0 million, total liabilities of $706.5 million and stockholders' equity of $75.6 million.