

FIRST FEDERAL BANCSHARES

FOR
IMMEDIATE
RELEASE

of Arkansas, Inc.

P. O. Box 550
200 West Stephenson
Harrison, AR 72601

FOR FURTHER INFORMATION CONTACT:
Larry J. Brandt/President-CEO
Tommy Richardson/Executive Vice President-COO
870-741-7641

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

Harrison, Arkansas - February 26, 2002 - (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 at their meeting this morning, declared a \$.12 (twelve cent) cash dividend on the common stock of the Corporation payable on March 26, 2002 to the stockholders of record at the close of business on March 11, 2002.

Larry J. Brandt, President/CEO of the Corporation, stated, "This will be our 21st consecutive cash dividend and we are pleased to increase it 9.1% from eleven cents to twelve cents for this quarter. 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 68th year, conducts business from 16 offices in Northcentral and Northwest Arkansas. At December 31, 2001, the Corporation had total assets of \$680.3 million, total liabilities of \$609.2 million and stockholders' equity of \$71.1 million.