

## **Idaho Bancorp Reports Mid-Year Results**

Boise, Idaho -- (Market Wire) – July 16, 2007 -- Today Idaho Bancorp (OTCBB: IDBC) reported net income for the first six months of 2007 of \$738,000, a 20% increase over the \$616,000 reported in the first half of 2006. Diluted earnings per share of \$.40 compared favorably to the \$.34 per share reported in the first half of last year.

The most significant factor driving the year-to-year earnings improvement was a 9% increase in net interest income, a result of a 16% growth in the average loan portfolio, and an increase of 18% in other non-interest income. Net interest margin decreased slightly from 4.43% in the first half of 2006 to 4.34% in the first half of 2007 as a result of increasing cost of funds and continued pressure on loan rates due to intense market competition.

Net income for the second quarter of 2007 was \$345,000, a 6% increase over the \$326,000 reported in the second quarter of 2006. Diluted earnings per share were \$.19 per share, compared to \$.18 per share in the same quarter last year.

Credit quality continues to be excellent. There were no nonperforming assets at June 30, 2007. The allowance for loan losses was 1.38% of total loans on June 30, 2007. Book value per share at June 30, 2007 was \$9.15, an increase of 12% from the June 30, 2006 level.

“The second quarter of this year presented a challenging operating environment for our Bank,” said Mike Johnston, President and CEO. “Although overall the Treasure Valley’s economy remains strong, the slow down in single family residential sales affected volumes in both our residential construction and mortgage origination units. We’ve also experienced some net interest margin compression this quarter as a direct result of the increasing number of competitors emerging in the financial services sector in Ada and Canyon Counties. However we remain cautiously optimistic that 2007 will be another great year for our Bank’s shareholders and employees.”

Idaho Bancorp is the holding company of Idaho Banking Company. Idaho Banking Company, a state-chartered commercial bank and member of the Federal Reserve, was organized in 1996 and operates four branch offices, and a construction & mortgage home loan center. The Bank serves clients throughout southwestern Idaho.

Source: Idaho Bancorp

Contacts: Michael K. Johnston, President and CEO at 208-472-4702, Mary E. Brimson, SVP Shareholder Relations at 208-472-4705, or Wendi L. Stalder, EVP and CFO at 208-947-1873

**Idaho Bancorp and Subsidiary**  
**Consolidated Financial Highlights (unaudited)**

(Dollars in thousands, except per share)

<b>For the six months ended June 30:</b>	<u>2007</u>	<u>2006</u>	<u>\$ Change</u>	<u>% Change</u>
Net interest income	\$ 4,475	\$ 4,102	\$ 373	9%
Provision for loan losses	40	220	(180)	-82%
Mortgage banking income	333	501	(168)	-34%
Other noninterest income	264	224	40	18%
Noninterest expense	3,920	3,724	196	5%
Net income before taxes	1,112	883	229	26%
Income taxes	374	267	107	40%
Net income	738	616	122	20%
Earnings per share				
Basic	0.41	0.35	0.06	17%
Diluted	0.40	0.34	0.06	18%
<b>At June 30:</b>	<u>2007</u>	<u>2006</u>	<u>\$ Change</u>	<u>% Change</u>
Loans	\$ 177,890	\$ 161,058	\$ 16,832	10%
Allowance for loan losses	2,456	2,258	198	9%
Assets	231,650	216,651	14,999	7%
Deposits	188,581	176,576	12,005	7%
Shareholders' equity	16,683	14,732	1,951	13%
Nonperforming loans	0	0	0	N/A
Other real estate owned	0	0	0	N/A
Book value per share	9.15	8.20	0.95	12%
Shares of common stock outstanding	1,823,722	1,796,850	26,872	1%
Allowance to loan ratio	1.38%	1.40%		
Allowance to nonperforming loans	N/A	N/A		
Nonperforming loans to total loans	0.00%	0.00%		
<b>Averages for the six months ended June 30:</b>	<u>2007</u>	<u>2006</u>	<u>\$ Change</u>	<u>% Change</u>
Loans	\$ 174,727	\$ 150,130	\$ 24,597	16%
Earning assets	211,309	190,064	21,245	11%
Assets	223,334	201,665	21,669	11%
Deposits	182,806	159,119	23,687	15%
Shareholders' equity	16,415	14,532	1,883	13%
<b>For the six months ended June 30:</b>				
Return on average assets	0.67%	0.62%		
Return on average equity	9.07%	8.55%		
Average loans to deposits	95.58%	94.35%		
Net interest margin - tax equivalent	4.34%	4.43%		
Net loan charge-offs (recoveries)	3	(23)		
Net charge-offs (recoveries) to loans	0.00%	-0.03%		

**Idaho Bancorp and Subsidiary**  
**Quarterly Consolidated Financial Highlights (unaudited)**  
(Dollars in thousands, except per share)

	<u>2007 Q2</u>	<u>2007 Q1</u>	<u>2006 Q4</u>	<u>2006 Q3</u>	<u>2006 Q2</u>
Net interest income	\$ 2,277	\$ 2,198	\$ 2,297	\$ 2,288	\$ 2,185
Provision for loan losses	30	10	0	140	160
Mortgage banking income	136	197	233	231	226
Other noninterest income	131	133	130	138	117
Noninterest expense	1,995	1,925	2,077	1,978	1,876
Net income before taxes	519	593	583	539	492
Income taxes	174	200	191	177	166
Net income	345	393	392	362	326
Earnings per share					
Basic	0.19	0.22	0.22	0.20	0.18
Diluted	0.19	0.21	0.21	0.20	0.18
Average loans	177,699	171,723	168,428	165,755	158,930
Average earning assets	216,409	206,152	210,018	204,802	198,582
Average assets	228,472	218,140	221,942	216,575	210,649
Average deposits	188,822	176,722	182,953	176,920	175,582
Average shareholders' equity	16,632	16,197	15,714	15,282	14,931
Return on average assets	0.61%	0.73%	0.70%	0.66%	0.62%
Return on average equity	8.32%	9.84%	9.90%	9.40%	8.76%
Average loans to deposits	94.11%	97.17%	92.06%	93.69%	90.52%
Net interest margin - tax equivalent	4.28%	4.39%	4.40%	4.50%	4.48%
Nonperforming loans - period end	\$ -	\$ -	\$ -	\$ -	\$ -
Other real estate owned - period end	-	-	-	-	-
Loans - period end	177,890	175,100	171,188	172,623	161,058
Allowance for loan losses - period end	2,456	2,435	2,419	2,413	2,258
Net charge-offs (recoveries) - quarterly	9	(6)	(6)	(15)	(12)
Allowance to loans	1.38%	1.39%	1.41%	1.40%	1.40%
Allowance to nonperforming loans	N/A	N/A	N/A	N/A	N/A
Nonperforming loans to total loans	0.00%	0.00%	0.00%	0.00%	0.00%
Net charge-offs to loans - annualized	0.02%	-0.01%	-0.01%	-0.04%	-0.03%