

PRESS RELEASE
FOR IMMEDIATE RELEASE

Contact:

Louise A. Walker, President/CEO
FIRST NORTHERN BANK
P.O. Box 547
Dixon, California
(707) 678-3041

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**First Northern Participates in Small Business Lending Fund
and Pays Off CPP**

Dixon, Calif. – First Northern Community Bancorp (FNRN:OTCQB), the parent company of First Northern Bank, announced today that it has received an investment of \$22.8 million in the Company's preferred stock from the U. S. Department of Treasury under the Small Business Lending Fund (SBLF).

The SBLF is a voluntary program intended to encourage small-business lending by providing capital to qualified community banks at favorable rates. The initial dividend rate on the preferred stock is 5%. Depending on the Bank's success in meeting certain loan growth targets, the dividend rate could go as low as 1% for a period of time. Based on current loan levels, First Northern will continue to pay the 5% rate. The Bank's participation in the SBLF was authorized by shareholders at a special meeting on September 14.

"We are pleased to have been selected among healthy financial institutions to participate in this important program. We have completed the SBLF capital infusion in support of our small-business lending operations and have repaid the CPP investment," said Louise A. Walker, President and CEO of First Northern. "Our participation in the SBLF program is a great opportunity for our company to continue to meet the credit needs of small businesses in the communities we serve."

Simultaneously with the receipt of the SBLF funds, the Bank redeemed \$17.4 million of shares of preferred stock issued to the Treasury in March 2009 under the Capital Purchase Program (CPP), a part of the Troubled Asset Relief Program (TARP). "Funding under CPP allowed added protection to shareholders and depositors at a time when there was much uncertainty in the financial markets," Walker explained.

The Treasury continues to hold a warrant to purchase 352,977 shares of the Company's common stock at a price of \$7.39. "The Bank will attempt to repurchase these warrants from Treasury in the coming weeks," she added.

More details regarding the transactions described above can be found in the Bank's Current Report on Form 8-K that was filed with the Securities and Exchange Commission (www.sec.gov) earlier today.

About First Northern Bank

First Northern Bank (FNRN:OTCQB), an independent community bank headquartered in Solano County since 1910, serves Solano, Yolo, Sacramento, Placer and the west slope of El Dorado County. First Northern has 11 branches located in Dixon, Davis, West Sacramento, Fairfield, Vacaville (2), Winters, Woodland, Downtown Sacramento, Roseville, and Auburn, and has a full service Trust Department in Sacramento. First Northern Bank also offers 24/7 real estate mortgage loans, SBA loans, and non-FDIC insured Investment & Brokerage Services at each branch location. Real Estate Mortgage Loan offices are located in Davis, Roseville and Folsom, and real estate loan representatives are available to meet customers at any of the Bank's branches by appointment. The Bank specializes in relationship banking and employs experts in the area of small business, commercial, agribusiness, and real estate lending, as well as wealth management. The Bank can be found on the Web at www.thatsmybank.com and on [Facebook](#).

Forward-Looking Statements

This press release may include certain "forward-looking statements" about First Northern Community Bancorp (the "Company"). These forward-looking statements are based on management's current expectations and are subject to certain risks, uncertainties and changes in circumstances. Actual results may differ materially from these expectations due to changes in global political, economic, business, competitive, market and regulatory factors. More detailed information about these risk factors is contained in the Company's most recent reports filed with the Securities and Exchange Commission on Forms 10-K, 10-Q and 8-K, each as it may be amended from time to time, which identify important risk factors that could cause actual results to differ materially from those contained in the forward-looking statements. The financial information contained in this release should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's most recent reports on Form 10-K and Form 10-Q. The Company undertakes no obligation to update these forward-looking statements to reflect events or circumstances arising after the date on which they are made. For further information regarding the Company, please read the Company's reports filed with the SEC and available at www.sec.gov.

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