

FOR IMMEDIATE RELEASE

NEWS

FROM



Contact: Bank Mutual Corporation
NASDAQ: BKMU
Michael T. Crowley Jr.
Chairman, President and Chief Executive Officer
414-354-1500

Rick B. Colberg
Chief Financial Officer
866-705-2568

Bank Mutual Corporation Announces New Stock Repurchase Program

Milwaukee, Wisconsin
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Bank Mutual Corporation (NASDAQ-BKMU) announced that its board of directors today approved a fifth stock repurchase program whereby the Company may repurchase up to 3.0 million shares of its common stock, which amount represents 5.4% of its currently outstanding shares. Repurchases will be made from time to time and will be effectuated through open market purchases, unsolicited negotiated transactions, or in such other manner deemed appropriate by management. The repurchase program does not specify the timing of purchases or the prices to be paid. The Company's repurchase activities will take into account SEC safe harbor rules and guidance for issuer repurchases.

Since its conversion to a fully-shareholder owned company in October 2003, Bank Mutual Corporation has repurchased 25,642,521 shares of its common stock which reflects the completion earlier this month of the fourth stock repurchase program, as amended, of 6.0 million shares.

CORPORATE HEADQUARTERS

4949 West Brown Deer Road • P.O. Box 245034 • Milwaukee, Wisconsin 53224-9534 • Telephone 414-354-1500

Bank Mutual Corporation is the fourth largest financial institution holding company headquartered in the state of Wisconsin and its stock is quoted on The Nasdaq Global Select MarketSM under the symbol "BKMU." Its subsidiary bank, Bank Mutual, operates 76 offices in the state of Wisconsin and one office in Minnesota.

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Cautionary Statements

The discussions in this news release which are not historical statements contain forward-looking statements that involve risk and uncertainties. Statements which are not historical statements include those regarding possible future stock purchase. There can be no assurance that Bank Mutual Corporation will, in fact, repurchase shares, nor of the timing, amounts or pricing of any such repurchases. Also, Bank Mutual Corporation's actual future results could affect its ability to repurchase shares. Factors which could affect future results include changing interest rates, changes in demand for loans or other services, competition from other institutions, changes in OTS regulations or interpretations, the results of our lending activities and loan loss experience, general economic and political developments, and other factors discussed in our filings with the Securities and Exchange Commission.

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