

FOR IMMEDIATE RELEASE

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FROM



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**Bank Mutual Corporation Announces
Quarterly Cash Dividend**

Milwaukee, Wisconsin
May 7, 2007

Bank Mutual Corporation (NASDAQ - BKMU) today announced that the Board of Directors has declared a quarterly cash dividend of \$0.08 per share. This cash dividend of \$0.08 per share, on an annualized basis, represents a 10.3% increase over the cash dividends paid in 2006. The cash dividend will be payable June 1, 2007 to shareholders of record on May 17, 2007.

The quarterly cash dividend of \$0.08 is the twenty-sixth cash dividend paid by Bank Mutual Corporation since becoming a capital stock organization in November 2000.

Bank Mutual Corporation is traded on The NASDAQ Global Select MarketSM under the symbol "BKMU." The Company is the fourth largest banking institution headquartered in the state of Wisconsin, with assets at March 31, 2007 of \$3.6 billion. Its subsidiary bank, Bank Mutual, operates 76 offices in the state of Wisconsin and one office in Minnesota.

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CORPORATE HEADQUARTERS

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