

News Release: IMMEDIATE RELEASE

For further information, contact:

Suzie Singer, Corporate Communications: 812.376.1917

**IRWIN FINANCIAL CORPORATION ANNOUNCES
THIRD QUARTER DIVIDEND**

(Columbus, IN, August 30, 2006) Irwin Financial Corporation (NYSE: IFC) today announced a dividend of \$0.11 per share to be paid on September 29, 2006, to all shareholders of record on September 15, 2006. The dividend rate is a \$0.01 per share or 10 percent increase as compared with the dividend paid in the same quarter a year earlier.

Irwin® Financial Corporation (<http://www.irwinfinancial.com>) is a bank holding company with a history tracing to 1871. The Corporation provides a broad range of financial services to consumers and small businesses in selected markets in the United States and Canada.

###