Press Release

FIRST FINANCIAL FUND, INC. PAID STOCK DIVIDEND

Boulder, CO (Business Wire) – January 8, 2007 – First Financial Fund, Inc. (NYSE: FF) paid a common stock dividend of $1.63 per share on December 27, 2006 to holders of record on December 8, 2006. Unless stockholders opted for cash, the dividend was paid in shares of the Fund at an equivalent price of $14.9632 per share, which was an average of the open market purchases and the net asset value (NAV) at which shares were issued.

Because the Fund was trading at a discount to its NAV on the dividend payment date, the Fund purchased shares in the open market for a three day period. Once the Fund's shares began trading at a premium to NAV, in accordance with the terms of the stock dividend, the Fund ceased its open market purchases and issued the remaining shares at NAV. The Fund did not issue fractional shares. Due to timing issues associated with distributing shares to brokerage houses (and then on to stockholders), stockholders should contact their brokers for information as to when the shares were or will be posted to their accounts. Regardless of when shares are posted to a stockholders account, the dividend is to be considered a taxable dividend in 2006. The dividend consisted of $0.20 net investment income, $0.25 short-term capital gain, and $1.18 long-term capital gain.

The Fund issued 1,138,731 new shares of common stock as a result of this stock dividend. The total number of shares outstanding is now 29,200,628.

First Financial Fund, Inc. is a closed-end, diversified management investment company. As of Friday, January 5, 2007 the Fund's NAV was $14.86 per share and the closing market price was $14.41, which is a 3% discount to NAV.

2344 Spruce Street
Suite A
Boulder, CO 80302
www.firstopportunityfund.com
[303] 444.5483
[303] 245.0420 Fax