

News Release

Contact: James D. Moll, CFO
Wells Financial Corp.
507-553-3151

For Immediate Release
July 29, 2005

**WELLS FINANCIAL CORP. ANNOUNCES
CASH DIVIDEND**

Wells, Minnesota - - July 29, 2005 - - Lonnie R. Trasamar, President of Wells Financial Corp. (the Company), Wells, Minnesota, the holding company of Wells Federal Bank, fsb, (the Bank), announced that on July 26, 2005, the Company's Board of Directors declared a quarterly cash dividend of \$0.24 per share to shareholders of record on August 12, 2005, payable on August 26, 2005.

Wells Financial Corp. and Wells Federal Bank are headquartered in Wells, Minnesota. The Bank operates nine full service offices located in Wells, Blue Earth, Mankato, Fairmont, North Mankato, Albert Lea, St. Peter, Owatonna, Minnesota and Mason City, Iowa and a loan origination office located in Farmington, Minnesota. The Bank is a community oriented, full service retail savings bank offering traditional mortgage, consumer, commercial and agricultural loan products.