

News Release

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FOR IMMEDIATE RELEASE

BALLSTON SPA BANCORP, INC. **REPORTS FIRST QUARTER EARNINGS**

BALLSTON SPA, NY – May 14, 2009—Ballston Spa Bancorp, Inc., parent company of Ballston Spa National Bank, recently reported net income of \$598 thousand or \$.81 per share for the three-month period ending March 31, 2009, a decrease of 3% from the \$617 thousand or \$.83 per share reported for the same period in 2008. Year to date earnings performance was negatively impacted by a significant increase in FDIC deposit insurance premiums and additional contributions to the allowance for loan and lease losses. Combined, these expenses increased \$387 thousand through the first quarter of 2009 as compared to the same period in 2008.

The increased costs were offset by strong growth in the bank's core earnings stream. Net interest income for the three-month period ending March 31, 2009 totaled \$3.4 million, up \$488 thousand or 17% from the same period in 2008. "Considering the external factors impacting our business, we are pleased to report such solid financial results to our shareholders and customers," stated Christopher R. Dowd, President and CEO. "While we anticipate further economic volatility and a reactive regulatory environment in 2009, BSNB maintains a strong balance sheet and staff and is well positioned to respond to new opportunities in our market."

ABOUT BALLSTON SPA BANCORP AND BALLSTON SPA NATIONAL BANK

Ballston Spa Bancorp, Inc. is the parent company of Ballston Spa National Bank and is traded under the symbol bspa.ob. With an emphasis on building long-term relationships, BSNB offers a wide range of products and services to individuals, families, municipalities and businesses. Offices are located in Ballston Spa, Milton, Galway, Stillwater, Burnt Hills, Clifton Park, Malta, Greenfield Center and Wilton. For more information, please visit Ballston Spa National Bank's web site at www.bsnb.com.

This news release contains forward-looking statements and comments on outlook. Any number of conditions may occur, which would affect important factors that may materially change expectations. These factors include, but are not limited to, customer trading activity, changes in technology, shifts in competitive patterns, decisions with regard to products and services, changes in revenues and profits, and significant changes in the market environment regionally or nationally.

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