



WSB Holdings, Inc. Announces First Quarter Results

April 2010

TO OUR SHAREHOLDERS:

WSB Holdings, Inc. (Nasdaq: "WSB"), the parent company of Washington Savings Bank, F.S.B., (the "Bank") today announced results of operations for its first quarter period ending March 31, 2010. WSB reports net earnings of \$254,000 or \$0.03 per basic and diluted share for the three months ended March 31, 2010, compared to net loss of \$1.5 million or \$(0.20) per basic and diluted share for the comparable period of the prior year.

"While we continue our efforts on improving asset quality for the Bank, we are pleased to announce our second consecutive quarterly profit with a 117% increase in net earnings compared to the same period last year. Net interest income increased by \$272,000, or 10% compared to the same period last year. This increase is primarily the result of a 29% decrease in the Cost of Funds, which was a result from our ongoing effort to reduce the average rate paid on our borrowings and CDs. It is expected that this will continue to benefit WSB for the remainder of 2010," said Phillip C. Bowman, Chief Executive Officer. "While we continue to see the stress of the market there are early signs of economic improvement, and we are optimistic that WSB is putting itself in position with its strong capital base to improve asset quality and to continue to show improved performance."

About The Washington Savings Bank, F.S.B.

The Washington Savings Bank, F.S.B. is a \$430 million full service community bank serving the business and consumer needs of the Washington, Baltimore, Annapolis, and Southern Maryland communities.

Headquartered in the Baltimore-Washington corridor, WSB serves the banking needs of growing businesses with commercial lending facilities, commercial real estate financing, residential mortgages, and residential construction financing for both developers and individual home owners. The Bank offers a full range of deposit services and products for both consumers and businesses, through internet banking and its branches located in Anne Arundel, Prince George, and Charles counties. Remote deposit capture services for our commercial customers now allow us a commercially viable means to serve the depository needs of businesses beyond our branch network. The Bank continues to offer temporary FDIC insurance coverage of \$250,000 per depositor through December 31, 2013. This is an extension from the original date of December 31, 2009. The relevant legislation provides that the FDIC coverage insurance will return to \$100,000 on January 1, 2014.

For more information, visit <http://www.twsb.com> or call 301-352-3120.

William J. Harnett
Chairman of the Board

Phillip C. Bowman
Chief Executive Officer

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FINANCIAL HIGHLIGHTS
WSB Holdings, Inc.

Unaudited	Three Months Ended March 31,		
	2010	2009	% Change
Net Interest Income.....	\$ 3,023,000	\$ 2,750,000	10
Provision for Loan Losses.....	\$ 0	\$ 2,500,000	100
Net Interest Income After Provision for Loan Losses.....	\$ 3,023,000	\$ 250,000	1109
Non-Interest Income.....	\$ 466,000	\$ 513,000	(9)
Non-Interest Expenses.....	\$ 3,429,000	\$ 3,155,000	9
Net Earnings.....	\$ 254,000	\$ (1,533,000)	117
Basic Earnings Per Share.....	\$ 0.03	\$ (0.20)	115
Diluted Earnings Per Share.....	\$ 0.03	\$ (0.20)	115
Dividends Declared Per Share.....	\$ 0.00	\$ 0.04	(100)
Average Shares Outstanding.....	7,855,732	7,845,299	0
Average Diluted Shares Outstanding.....	7,879,472	7,845,299	(0)

	As of March 31,		As of December 31,	
	2010	2009	2009	% Change
Cash and Cash Equivalents.....	\$ 29,537,000	\$ 9,069,000		226
Mortgage-Backed Securities.....	\$ 90,472,000	\$ 105,409,000		(14)
Investment Securities.....	\$ 30,292,000	\$ 31,053,000		(2)
Loans Receivable - net.....	\$ 245,881,000	\$ 249,358,000		(1)
Total Assets.....	\$ 437,825,000	\$ 437,954,000		(0)
Deposits.....	\$ 260,227,000	\$ 253,821,000		3
Borrowings.....	\$ 121,000,000	\$ 129,000,000		(6)
Other Liabilities.....	\$ 2,449,000	\$ 2,597,000		(6)
Total Stockholders' Equity.....	\$ 54,148,000	\$ 52,857,000		2
Book Value Per Share.....	\$ 6.89	\$ 6.73		2
Return on Average Assets.....	0.23 %	(1.26) %		118
Return on Average Equity.....	1.88 %	(10.58) %		118
Total non performing loans to total loans held-for-investmen	10.38 %	10.80 %		(4)
Allowance as a percentage of total gross loans held-for-investmen	2.88 %	3.28 %		(12)
Total non-performing loans to total asset:	5.89 %	6.15 %		(4)
Total non-performing assets to total asset:	7.08 %	7.45 %		(5)

The Washington Savings Bank's ("WSB's") actual ratios, and the amount over which WSB's ratios exceed regulatory ratio's, as of March 31, 2010, are shown below. WSB's regulatory capital and regulatory assets below also reflect increases of \$1.6 million and \$2.7 million respectively, which represents unrealized losses (after-tax for capital deductions and pre-tax for asset deductions, respectively) on MBS and investment securities classified as available-for-sale.

Capital Category	Regulatory Ratios Required	WSB's Ratios	WSB's Excess of Requirements	Calculations Based Upon	
Leverage	\$ 17,321,819 4.00%	\$ 47,118,264 10.88%	\$ 29,796,445 6.88%	\$ 47,118,264 \$ 433,045,467	Regulatory Capital Regulatory Assets
Tangible	\$ 6,495,682 1.50%	\$ 47,118,264 10.88%	\$ 40,622,582 9.38%	\$ 47,118,264 \$ 433,045,467	Regulatory Capital Regulatory Assets
Risk-based	\$ 21,204,571 8.00%	\$ 46,629,938 17.59%	\$ 25,425,367 9.59%	\$ 46,629,938 \$ 265,057,138	Regulatory Capital Regulatory Assets

Forward-Looking Statements: The statements in this release regarding the impact during the remainder of 2010 of the company's efforts to reduce the cost of funds, future improvements in asset quality and continued improved performance are forward-looking statements within the meaning of and pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on current expectations and assessments of potential developments affecting market conditions, interest rates and other economic conditions, and are subject to risks and uncertainties that could cause actual results to differ materially from future results expressed or implied by such forward-looking statement made in this release. Potential risks and uncertainties include, but are not limited to, further deterioration in the housing market or in general economic conditions in our market areas, the impact of new governmental regulations, and unexpected changes in interest rates, deposit flows, loan demand and real estate values, as well as other risks and uncertainties, as described by the Bank in its Annual Report on Form 10-K for the year ended December 31, 2009, and in such other reports filed with the Securities and Exchange Commission and Office of Thrift Supervision, which are available on the Bank's website at www.twsb.com. WSB will not update forward-looking statements to reflect events or developments after a forward-looking statement was made.