

**Alliance Financial Corporation to Participate in the Keefe, Bruyette & Woods
12th Annual Community Bank Investor Conference**

Syracuse, NY, July 28, 2011 - Alliance Financial Corporation (the “Company”) (NASDAQ: ALNC), the holding company for Alliance Bank, N.A., announced today that representatives of the Company will present at the Keefe, Bruyette & Woods 12th Annual Community Bank Investor Conference on Wednesday, August 3, 2011 at 1:30 PM EST.

A live webcast of the presentation, as well as the materials used in the presentation, will be available via the Internet at: <http://www.kbw.com/news/conferenceCommunity2011.html> The presentation may contain forward looking statements and other material information.

With approximately \$1.5 billion in assets, Alliance Financial Corporation is an independent financial holding company with Alliance Bank, N.A. as its principal subsidiary that provides retail and commercial banking, and trust and investment services through 29 offices in Cortland, Madison, Oneida, Onondaga and Oswego counties. Alliance also operates an investment management administration center in Buffalo, N.Y. and an equipment lease financing company, Alliance Leasing, Inc.

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