

GLACIER WATER SERVICES, INC. *Press Release*

For More Information, Call:
Steve Stringer, Chief Financial Officer
(760) 560-1111

For Release Immediately
December 11, 2008

GLACIER WATER ANNOUNCES COMMON STOCK DIVIDEND POLICY

VISTA, Calif., December 11, 2008 – The Board of Directors of Glacier Water Services, Inc. (Pink Sheets: GWSV) announced today that effective immediately the Company will evaluate the appropriateness of paying a common stock dividend on an annual basis, rather than the quarterly basis previously employed. As a result, the Company will make its 2009 dividend determination in the fourth quarter of 2009. The Company has experienced strong growth in 2008, both through an increase in sales per machine and through expansion of new machine placements. On the latter point, the Company expects to close the year operating more than 17,100 machines, an increase of almost 900 machines from the end of 2007. The Company anticipates that its growth trends will continue in 2009 as it pursues placement of additional machines and other efforts to accelerate growth. The Board believes that annual consideration of the dividend will ensure the Company's ability to support opportunities for new business next year.

With approximately 17,100 machines located in 43 states throughout the United States and Canada, Glacier is the leading provider of high quality, low-priced drinking water dispensed to consumers through self-service bottled water machines located at supermarkets and other retail locations.

Statements in this announcement that are not purely historical are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to risks and uncertainties that could cause actual results to materially differ from present expectations indicated in any forward-looking statement. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. The Company undertakes no obligation to publicly update or revise any forward-looking statements made herein. A copy of the Company's audited financial statements for the year ended December 30, 2007 are available on the Company's website, www.glacierwater.com, or can be obtained by contacting Steve Stringer at (760) 560-1111.