

GLACIER WATER SERVICES, INC. *Press Release*

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For Release Immediately
September 24, 2008

GLACIER WATER ANNOUNCES DIVIDEND ON COMMON STOCK

VISTA, Calif., September 24, 2008 – Glacier Water Services, Inc. (Pink Sheets: GWSV) announced today that it would pay a dividend on its common stock.

The Board of Directors of Glacier Water Services, Inc. announced today that it will pay a dividend on its common stock to holders of record on October 16, 2008 in an amount of \$0.50 per share. The dividend will be payable on October 30, 2008 and is expected to be treated as a non-taxable return of capital. The Board has not adopted a formal policy with respect to the amount or frequency of future dividends, but intends to continue to evaluate on a quarterly basis the appropriateness of paying a dividend for each such period.

With approximately 17,000 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. 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.