



PRESS RELEASE: FOR IMMEDIATE PUBLICATION

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Timberland Bancorp Announces Quarterly Cash Dividend of \$0.10 Per Share

HOQUIAM, Wash. – October 30, 2007 – The Board of Directors of Timberland Bancorp, Inc. (NASDAQ: TSBK) has declared a quarterly cash dividend of \$0.10 per share for shareholders of record November 13, 2007, payable November 27, 2007. This will be the 39th consecutive quarter that Timberland has paid a cash dividend on its common stock.

“Regular cash dividends are one of the ways we can share our success with our shareholders,” said Michael Sand, President and CEO.

Timberland Bancorp, Inc. is the holding company for Timberland Bank, a western Washington-based financial institution since 1915. The Bank operates branches in the state of Washington in Hoquiam, Aberdeen, Ocean Shores, Montesano, Elma, Lacey, Tumwater, Olympia, Yelm, Puyallup, Edgewood, Tacoma, Bethel Station (Spanaway), Gig Harbor, Silverdale, Poulsbo, Auburn, Winlock and Toledo. Timberland Bancorp, Inc. stock trades on the NASDAQ global market under the symbol “TSBK”.