



PRESS RELEASE: FOR IMMEDIATE PUBLICATION

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Timberland Bancorp Announces Quarterly Cash Dividend of \$0.11 Per Share

HOQUIAM, Wash. – January 27, 2009 – The Board of Directors of Timberland Bancorp, Inc. (NASDAQ: TSBK) has declared a quarterly cash dividend of \$0.11 per share. The dividend will be paid on February 27, 2009 to shareholders of record February 12, 2009. This payment will be the 44th consecutive quarterly cash dividend that Timberland has paid on its common stock.

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.”