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FOR IMMEDIATE RELEASE

Penford Corporation Declares Quarterly Dividend of \$0.06 Per Share

CENTENNIAL, CO, October 31, 2005 – Penford Corporation (Nasdaq: PENX) today announced that its Board of Directors declared the Company’s regular quarterly dividend following their October 28, 2005 meeting.

The Board declared a regular \$0.06 per share quarterly dividend payable December 2, 2005 to shareholders of record at the close of business November 11, 2005.

About Penford Corporation

Penford Corporation develops, manufactures and markets specialty natural-based ingredient systems for various applications, including papermaking, textiles and food products.

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