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FOR IMMEDIATE RELEASE

Penford Corporation Declares Quarterly Dividend of \$0.06 Per Share

CENTENNIAL, CO, November 1, 2006 – Penford Corporation (Nasdaq: PENX) today announced that its Board of Directors declared the Company’s regular quarterly dividend following their October 31, 2006 meeting.

The Board declared a regular \$0.06 per share quarterly dividend payable December 1, 2006 to shareholders of record at the close of business November 10, 2006.

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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