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FOR IMMEDIATE RELEASE

Penford Corporation Declares Quarterly Dividend of \$0.06 Per Share

CENTENNIAL, CO, January 27, 2009 – Penford Corporation (Nasdaq: PENX) today announced that its Board of Directors declared the Company’s regular quarterly dividend following their January 26, 2009 meeting.

The Board declared a regular \$0.06 per share quarterly dividend payable March 6, 2009 to shareholders of record at the close of business February 13, 2009.

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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