



Media Release

GrainCorp Limited ABN 60 057 186 035

IMMEDIATE RELEASE

Thursday May 29th 2008

GrainCorp Announces Restructure

GrainCorp Managing Director Mark Irwin today announced a restructure of the GrainCorp business units and his senior executive team.

Mr Irwin said, "With the combination of our off market bid for Ridley Corporation, our recent five year rail deal with Pacific National and the removal of the bulk wheat export monopoly, GrainCorp is entering a new phase in its development."

"The key to the new GrainCorp strategy is value creation. We want to leverage the expertise and existing resources within the company to create a better performing organisation, increase the return on our assets, and improve our focus on grower and customer service and shareholder returns."

"The rationale for the restructure is simple. There are a range of opportunities opening up in the Australian agribusiness sector and it's our vision to become a leading player. To achieve our vision, we need to reposition and realign the company. Our restructure will place a greater emphasis on leveraging our core competence as a handler of bulk commodities," Mr Irwin said.

The new business unit structure is;

- **Storage and Handling** headed by Kevin Lloyd, which will focus on integrating AG Haul Road and Rail with upcountry grain handling sites; creating an efficient, customer focused, storage, outturn and transport operation.
- **Ports and New Business** headed by Nigel Hart, incorporating our 9 ports, containerised grain exports, AG Plus and Hunter Grain.
- **Marketing** headed by Sam Tainsh, incorporating a new grain international sales and marketing desk and a new freight trading function.
- **Functional areas** of the business will be restructured to reflect these and other changes.
 - Account Management headed by Graham Mathason, focusing on managing our relationships with customers across products and services.
 - The elevation of Human Resources Manager, Robyn Porcheron, to the Executive team.
 - Responsibility for Information Technology moving to CFO Tony Scott.
 - The creation of a new General Counsel and Company Secretary role.

"The creation of a more integrated supply chain focus in the **Storage and Handling** business unit brings our transport operations, AG Haul and our Pacific National train operations, under a single operating structure. The new structure provides a logical single contact point for customers," Mr Irwin said.

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"The restructure provides us with an opportunity to develop 'value added' logistics solutions for our customers, outturning and delivering grain more efficiently to where they want it, when they want it," he said.

"Our **Ports and New Business** unit brings our 9 ports, our containerised grain exports, AG Plus merchandise and the Hunter Grain protein meal importing businesses together. This new business unit will have a dual role; growth and improving return on capital employed."

"An important first task for the new business unit is a strategic infrastructure review. This will study a range of options, ranging from ownership structures to expanding alternative use of our current infrastructure," Mr Irwin said.

"We will support the growth of the Hunter Grain protein meal and feed grain marketing business by increasing our market penetration into the intensive livestock sector."

"The **Marketing** business unit incorporates our existing grain acquisition activities, including bulk and container exports and grain trading. We will be looking for new domestic and international customers that will help us drive returns, not volumes."

The new operating structure will be fully in place by July 1st 2008.

GrainCorp is a leading Australian agribusiness, with extensive bulk handling infrastructure on the east coast and a national and international grain marketing operation. It provides transport and finance services to the rural sector and has a network of farm input service centres.

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