

## GraceKennedy Announces New Corporate Structure

GraceKennedy Limited has established a new corporate structure aimed at promoting growth and creating a platform for greater competitiveness. This is the result of a process initiated some months ago when the group undertook a comprehensive study of its competitive status locally and internationally.

Explaining the company's response, Chairman & CEO Douglas Orane said "It was clear that in order to continue to compete effectively in the local and international marketplace, we would have to take swift and effective action to adjust our operational and management structures. We undertook this project, which we called 'Designing GraceKennedy for the 21<sup>st</sup> Century' mindful of the need to be thorough and methodical while recognizing the urgency demanded by our highly competitive environment."

The new structure becomes effective on December 1, 2006. It groups the company's subsidiaries under two business entities, instead of the four current divisions. The two entities are GK Foods and GK Investments. GK Foods will incorporate all of the food-related businesses, and will be headed by Erwin Burton. GK Investments will include all of the other businesses such as insurance, banking, remittances, hardware and other investments, and will be headed by Don Wehby.

Douglas Orane continues as Chairman & CEO of GraceKennedy Limited. The new structure includes the following changes to the Executive Management team:

- Erwin Burton – CEO, GK Foods, and Deputy Chief Executive Officer, GraceKennedy Ltd. (formerly Chief Operating Officer, Food Trading Division and Retail & Trading Division)
- Don Wehby – CEO, GK Investments, and Deputy Chief Executive Officer, GraceKennedy Ltd. (formerly Chief Financial Officer)
- Fay McIntosh – Chief Financial Officer (formerly Deputy Chief Financial Officer) GraceKennedy Limited
- Joe Taffe – Deputy Chief Executive Officer, GK Investments (formerly Chief Operating Officer, Financial Services Division and Information Services Division)

The Group has also reduced the size of its corporate offices as part of its bid to lower the costs associated with running the organization. As a result, services such as HR and Information Technology, which had largely been provided centrally, have been moved out into the subsidiary companies where they can be delivered more effectively.

The Chairman & CEO said the restructuring would give greater autonomy to the two new business entities and their related subsidiaries, thus enabling them to compete more effectively in their respective industries.

With the GK Investments side of the business, Don Wehby and his team have been charged with the mandate of adding to Grace Kennedy's bottom line through the effective management of a profitable portfolio of investment businesses. This will be achieved through mergers and acquisitions locally and internationally, new-venture development and the organic expansion of entities currently held.

GK Foods is also poised for further growth. The Erwin Burton-led team has already begun a consolidation of the food manufacturing, distribution and retail companies announced earlier this year. With the implementation of SAP, a world class information management system, which has facilitated streamlining of operating processes and enabled faster decision making, GK Foods has signaled its intention to intensify its pursuit of opportunities in markets locally and overseas.

"We are confident that these changes will allow us to be more vibrant and profitable in the future," said

Mr. Orane.

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