

Pendleton Grain Growers, Inc. Restructures for Stronger Member Focus *Pendleton Grain Growers, Inc. looks to return the agricultural cooperative to core business units with an outlook of profitability.*

PENDLETON, Ore., (May 2, 2014) — Member-owned agricultural marketing and supply cooperative, Pendleton Grain Growers, Inc. (PGG^{*}) will be restructuring multiple business units to return the organizations focus to the needs of the members. Restructuring will include exit strategies for the AG Supply Retail division along with the Pendleton Automotive Service Center in addition to reducing internal costs and maximizing efficiencies.

The necessary, but difficult decisions were made by the cooperatives board of directors following the development of a business plan that supports the long-range goals of the board. These changes in the business model come from significant research of the local economy and the current marketplace. Targeting the core areas of business: Grain, Seed, Energy, Agronomy and Fleet will allow for the cooperative to improve operations while growing the earnings profile. Restructuring the business units will allow PGG to focus on the areas of the cooperative most utilized by the membership.

"These decisions have not come easy, as the board recognizes the vast impact that these changes will bring to the agricultural and community members throughout the region," said Tim Hawkins, Board Chairman. "As we work through these changes, we are dedicated to providing support to those affected, while still being focused on delivering value to the membership today and in the future."

Pendleton Grain Growers, Inc. is a member-owned agricultural cooperative proudly rooted in its history of serving the communities of eastern Oregon and Washington. Since it's founding over 80 years ago, PGG has continually worked to deliver our members and communities a superior network of agricultural products and services. Together, PGG will provide its members and the communities the resources to cultivate the future.