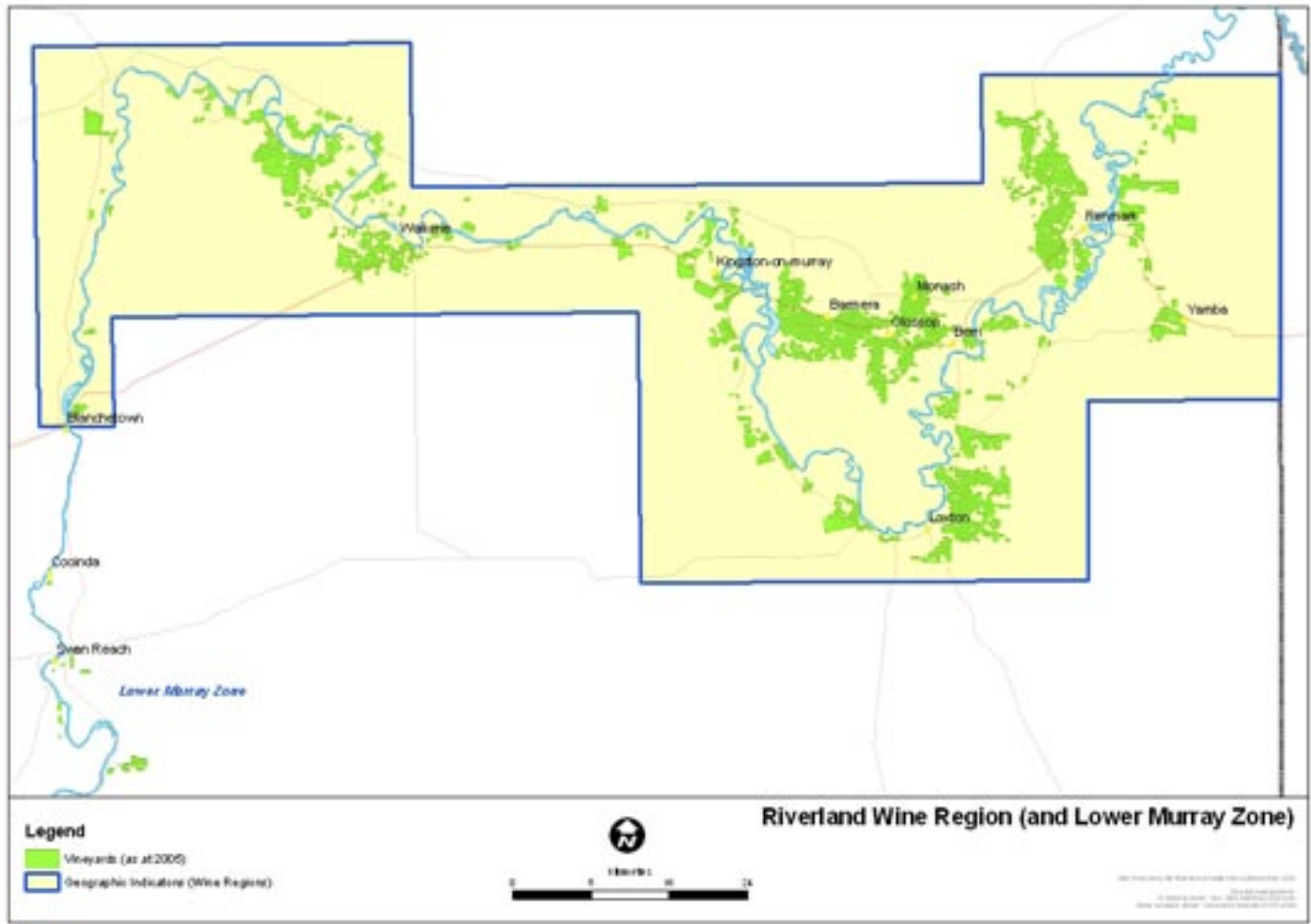


Riverland wine region

Regional summary report 2007



Riverland

Vintage overview

Vintage report

2007 was a year of challenges, with low water allocations, frosts, dry spring and early budburst - all of which combined to produce one of the lowest vintages for some time.

Winter and spring were very dry, which caused an early budburst and – together with the frosty weather – some headaches for growers, although damage was confined to known frost pockets. The low water allocation meant growers had to manage water very carefully and it was difficult to make up for the low winter and spring rainfall.

Harvest started in January and the heavens opened with 60 - 70mm of rain, which reduced some crops by splitting berries, but good weather allowed the split to dry up and not go rotten. The low crops and good weather that followed allowed a smooth intake that had one of the earliest finishes for a long time.

Due to a combination of low bunch numbers and water restrictions, crops were down by about 25% for whites and 35% for reds.

Jim Caddy
Phylloxera and Grape Industry Board

Overview of vintage statistics

The harvest from the Riverland was 323,171 tonnes in 2006, around 30% below the 2006 harvest. The total value of purchased grapes also decreased by 30% - from \$175 million to \$124 million – a drop of over \$50 million in income to growers in the region. The average purchase value for Shiraz and Chardonnay decreased slightly, while Cabernet Sauvignon increased from \$324 per tonne to \$399 per tonne.

There were 344 hectares of new plantings in the Riverland in spring 2006 (including top-working and replacements) compared with 509 hectares in the previous year. Most of the new plantings were in Muscat Gordo Blanco, Shiraz and Sauvignon Blanc.

The estimated production from the Riverland for 2008 is 325,000 tonnes (this estimate assumes a water allocation of 40% for irrigators in the region). This is well below the wineries' committed intake of around 421,000 tonnes, so there are likely to be significant shortfalls.

By 2012, assuming a return to normal water allocations and growing conditions, the estimated production is 516,000 tonnes, of which 69% (360,000 tonnes) is already under contract or winery grown fruit. This leaves an estimated 158,000 tonnes to be sold on the open market. There is likely to be a return to over-supply on the open market across the state by 2012, if growing conditions return to "normal" (see State Summary section for details).

Riverland

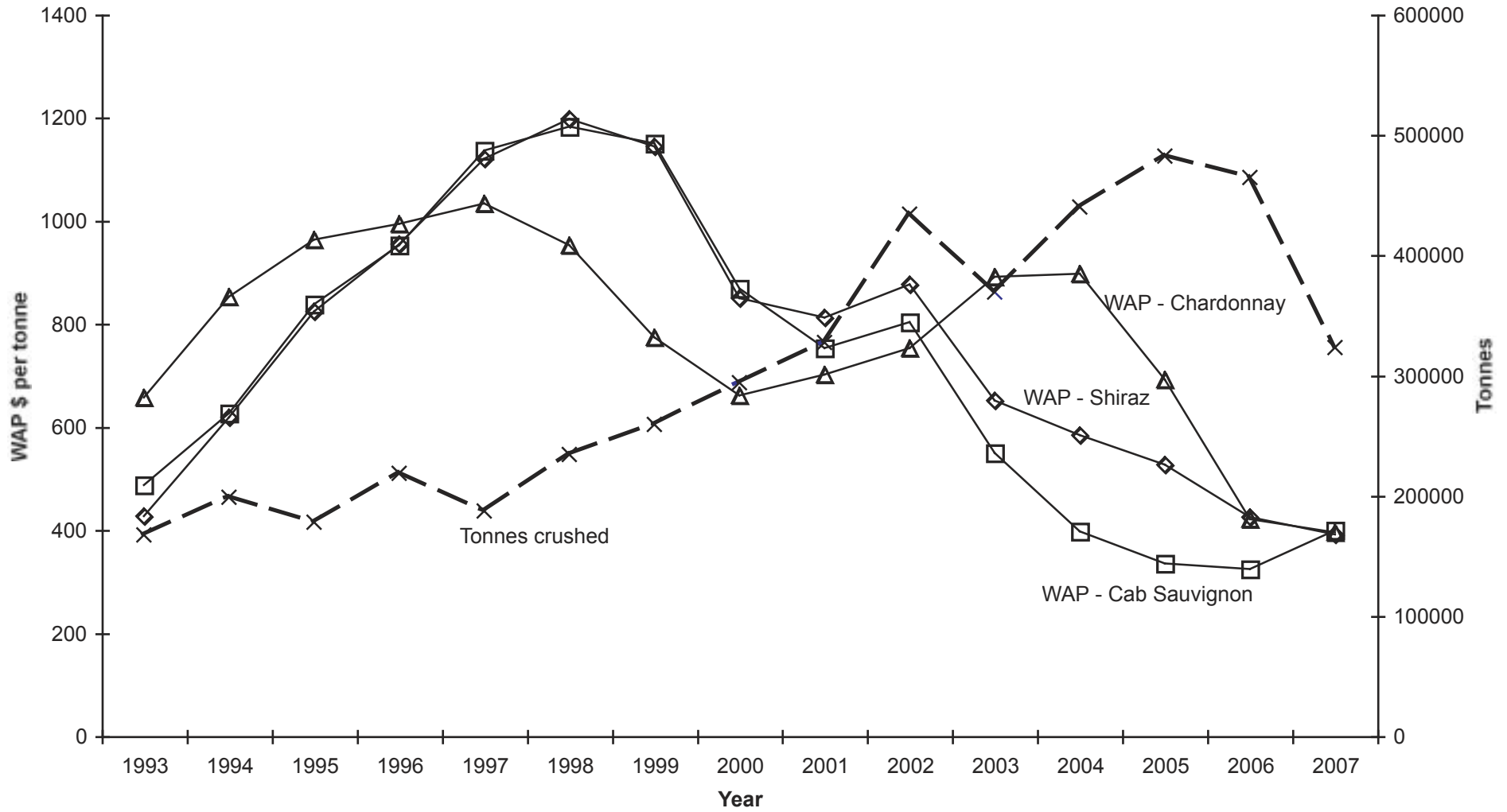
Winegrape intake summary – vintage 2007

Variety	Tonnes purchased	Lowest price ¹	Highest price	Total value purchased grapes	Calc avg. purchase value per tonne	Winery grown fruit	Total crushed	Est total value ALL grapes
RED								
Cabernet Franc	49			\$14,560	\$297	24	73	\$21,765
Cabernet Sauvignon	39,243	\$250	\$650	\$15,645,276	\$399	4,201	43,443	\$17,320,001
Grenache	5,820	\$100	\$525	\$1,747,211	\$300	566	6,386	\$1,917,108
Malbec	220			\$64,744	\$294	86	306	\$90,036
Mataro	2,635	\$100	\$881	\$887,119	\$337	1	2,636	\$887,456
Merlot	12,927	\$225	\$650	\$5,126,264	\$397	3,030	15,957	\$6,327,884
Other Red	613	\$150	\$600	\$235,679	\$384	244	858	\$329,578
Petit Verdot	5,779	\$225	\$650	\$1,862,472	\$322	1,476	7,255	\$2,338,162
Pinot Noir	4,960	\$300	\$900	\$2,739,479	\$552	201	5,161	\$2,850,500
Ruby Cabernet	2,792	\$169	\$650	\$791,377	\$283	607	3,398	\$963,337
Sangiovese	177	\$195	\$425	\$39,278	\$222	118	295	\$65,537
Shiraz	62,685	\$195	\$750	\$24,478,848	\$391	5,233	67,918	\$26,522,199
Tempranillo	245	\$295	\$425	\$74,530	\$305	10	255	\$77,700
Total red winegrapes	138,144			\$53,706,836		15,797	153,941	\$59,711,262
WHITE								
Chardonnay	88,849	\$175	\$850	\$35,088,830	\$395	7,389	96,239	\$38,007,029
Chenin Blanc	2,503	\$175	\$385	\$727,103	\$291	357	2,860	\$830,709
Colombard	22,181	\$200	\$400	\$6,695,990	\$302	1,325	23,506	\$7,096,079
Muscat Gordo Blanco	18,431	\$240	\$470	\$6,858,311	\$372	291	18,722	\$6,966,499
Other White	2,921	\$175	\$1,000	\$1,024,064	\$351	1,784	4,705	\$1,649,480
Pinot Gris	90			\$49,708	\$552	0	90	\$49,708
Riesling	3,302	\$250	\$414	\$1,259,607	\$381	725	4,027	\$1,536,069
Sauvignon Blanc	2,925	\$300	\$650	\$1,740,926	\$595	1,893	4,817	\$2,867,533
Semillon	4,334	\$200	\$550	\$1,588,315	\$366	3,513	7,847	\$2,875,842
Sultana	908	\$100	\$325	\$222,730	\$245	0	908	\$222,730
Traminer	1,206	\$400	\$514	\$523,136	\$434	922	2,128	\$923,204
Verdelho	1,491	\$250	\$454	\$513,555	\$345	463	1,954	\$673,213
Viognier	1,112	\$350	\$1,700	\$801,149	\$720	315	1,427	\$1,027,974
Total white winegrapes	150,253			\$57,093,423		18,977	169,229	\$64,726,069
Total all winegrapes	288,397			\$110,800,259		34,774	323,171	\$124,437,332

¹ Lowest and highest prices paid are only reported where there are at least three purchasers

Riverland

Historical WAP vs tonnes crushed



Riverland

Current plantings and projected production 2008 - 2012

Variety	Current area in hectares by year planted						Estimated production 2008 - 2012				
	Pre-2004	2004	2005	2006	Total	% planted in 2006	2008	2009	2010	2011	2012
Red winegrapes											
Cabernet Sauvignon	3345	5	2	22	3374	1%	40211	47083	67593	67759	67759
Grenache	438	2	1	0	441	0%	5284	6173	13227	13227	13227
Malbec	39	0	0	0	39	0%	467	545	974	974	974
Mataro (Mourvedre)	347	0	0	0	347	0%	4170	4864	8687	8687	8687
Merlot	1176	15	6	10	1206	1%	17898	19221	25390	25471	25471
Other red	111	1	4	1	117	1%	1367	1630	2467	2479	2479
Petit Verdot	599	0	0	0	599	0%	7192	8390	14983	14983	14983
Pinot Noir	223	11	8	4	247	2%	2862	3424	5199	5230	5230
Ruby Cabernet	360	0	4	0	364	0%	4342	5094	9096	9096	9096
Sangiovese	22	0	0	0	22	0%	266	313	469	469	469
Shiraz	5184	164	130	44	5522	1%	64954	88003	121737	122104	122104
Tempranillo	27	0	0	0	27	0%	326	381	571	571	571
Total red winegrapes	11871	198	155	82	12307	1%	149340	185120	270393	271050	271050
White winegrapes											
Chardonnay	4246	394	201	50	4892	1%	90080	107066	122609	123080	123080
Chenin Blanc	159	0	0	0	159	0%	3030	3030	3987	3987	3987
Colombard	942	10	11	9	972	1%	22993	25165	29242	29345	29345
Doradillo	138	0	0	0	138	0%	2630	2630	3460	3460	3460
Muscat Blanc (Frontignac)	61	5	7	26	99	26%	1327	1638	2639	2881	2881
Muscat Gordo Blanco	1045	18	55	83	1202	7%	21815	27838	34227	35102	35102
Other white	167	0	1	4	172	2%	3016	3056	4316	4351	4351
Pinot Gris	0	0	6	15	21	71%	31	204	371	454	454
Riesling	237	10	0	6	254	2%	4461	5022	5627	5679	5679
Sauvignon Blanc	175	36	12	47	269	17%	4116	4922	7029	7467	7467
Semillon	365	10	3	4	381	1%	9024	9111	10708	10747	10747
Sultana	398	0	2	1	401	0%	7986	8013	10033	10041	10041
Traminer	109	1	4	0	114	0%	2232	2273	2842	2842	2842
Trebbiano	29	0	0	0	29	0%	573	573	717	717	717
Verdelho	115	1	1	0	117	0%	2342	2350	2937	2937	2937
Viognier	71	9	28	16	125	13%	945	1751	1932	2022	2022
Total white winegrapes	8259	495	331	261	9346	3%	176600	204641	242675	245113	245113
Rootstock Block	33	3	12	0	48	0%					
Multi-purpose	134	5	11	0	153	0%					
Tablegrapes	65	0	0	0	65	1%					
Total all varieties	20361	702	509	344	21916	2%	325940	389761	513068	516163	516163

Riverland

Estimated supply and fruit availability 2008 - 2012

Variety	2008				2010				2012			
	Est Supply ¹	Winery grown grapes ²	Contract purchases ²	Un-contracted fruit ³	Est Supply ¹	Winery grown grapes ²	Contract purchases ²	Un-contracted fruit ³	Est Supply ¹	Winery grown grapes ²	Contract purchases ²	Un-contracted fruit ³
Red winegrapes												
Cabernet Franc	0	25	57	-82	0	25	57	-82	0	25	57	-82
Cabernet Sauvignon	40,211	7,028	49,006	-15,823	67,593	7,411	44,934	15,248	67,759	7,952	40,897	18,910
Grenache	5,284	540	6,293	-1,550	13,227	561	5,563	7,104	13,227	561	4,646	8,021
Malbec	467	170	322	-25	974	170	322	482	974	170	322	482
Mataro	4,170	0	4,155	15	8,687	0	2,975	5,711	8,687	0	2,366	6,321
Merlot	17,898	6,536	16,392	-5,030	25,390	6,687	13,551	5,152	25,471	6,946	10,891	7,634
Other Red	1,367	403	778	186	2,467	486	753	1,229	2,479	490	518	1,470
Petit Verdot	7,192	4,244	5,836	-2,888	14,983	4,244	4,495	6,244	14,983	4,244	3,597	7,142
Pinot Noir	2,862	303	6,116	-3,557	5,199	303	6,346	-1,450	5,230	303	6,602	-1,674
Ruby Cabernet	4,342	822	2,785	735	9,096	974	1,664	6,458	9,096	974	1,625	6,497
Sangiovese	266	238	167	-139	469	198	202	69	469	198	202	69
Shiraz	64,954	11,994	87,395	-34,435	121,737	13,276	79,339	29,122	122,104	13,498	70,703	37,903
Tempranillo	326	21	234	71	571	26	234	311	571	26	10	535
Total red winegrapes	149,340	32,325	179,536	-62,522	270,393	34,361	160,435	75,597	271,050	35,387	142,436	93,227
White winegrapes												
Chardonnay	90,080	11,276	99,365	-20,561	122,609	12,314	88,600	21,695	123,080	12,905	74,844	35,331
Chenin Blanc	3,030	334	3,298	-602	3,987	284	2,785	918	3,987	284	2,268	1,436
Colombard	22,993	1,781	32,207	-10,995	29,242	2,084	28,960	-1,802	29,345	2,125	27,375	-156
Muscat Gordo Blanco	21,815	753	24,333	-3,271	34,227	2,672	22,963	8,593	35,102	3,064	18,421	13,618
Other White	7,546	1,541	4,205	1,800	11,132	1,490	5,047	4,595	11,409	1,584	4,551	5,274
Pinot Gris	31	0	311	-280	371	64	514	-207	454	223	615	-384
Riesling	4,461	755	3,561	145	5,627	755	3,548	1,325	5,679	915	3,373	1,391
Sauvignon Blanc	4,116	2,229	5,474	-3,588	7,029	2,382	9,111	-4,464	7,467	2,804	8,614	-3,951
Semillon	9,024	4,522	5,428	-926	10,708	4,573	5,141	994	10,747	4,629	4,642	1,476
Sultana	7,986	15	2,468	5,503	10,033	15	1,863	8,155	10,041	15	1,622	8,404
Traminer	2,232	1,052	997	183	2,842	1,052	1,015	775	2,842	1,054	948	840
Verdelho	2,342	919	1,411	11	2,937	919	836	1,181	2,937	919	625	1,392
Viognier	945	349	1,721	-1,125	1,932	369	2,148	-585	2,022	437	1,873	-288
Total white winegrapes	176,600	25,525	184,781	-33,706	242,675	28,972	172,530	41,173	245,113	30,960	149,771	64,383
Total all winegrapes	325,940	57,850	364,317	-96,227	513,068	63,332	332,966	116,770	516,163	66,347	292,207	157,610

¹ Supply forecast derived from planting details recorded on PGIB vineyard register (see planting report)

² A raising factor of 1.01 has been applied to these figures to allow for non-respondents

³ A negative number indicates supply forecast is below wineries' estimated commitment