

LANGHORNE CREEK VINTAGE OVERVIEW

Vintage report

Vintage started early, in the first weeks of February. There was a strong feeling throughout the industry that this vintage was not going to come up to scratch due to the unseasonably hot summer. This did not prove to be the case in Langhorne Creek.

The vintage overall in the region was outstandingly good. Crops were ripe but not overly, and the timing of removal of grapes from the vine became the most critical aspect. Most growers in the region were able to achieve this timing.

The feedback from winemakers on the fruit quality has been positive. In most cases the grapes were of high quality and little damage or loss was caused due to the hot weather.

The region's Shiraz crop was affected by some heat stress and wind burn, but quality appears to be better than expected. The Cabernet Sauvignon crops were slightly larger than expected and were perhaps not as affected by the heat and winds as the Shiraz.

Chardonnay tonnages were above average and because most were picked at the early stages of vintage, the Chardonnay quality appears to be very good for both sparkling base and table wine.

Overview of vintage statistics

The 2001 vintage of 51,309 tonnes was almost double last year's. Rather than reflecting a very poor vintage in 2000, this is the latest in a line of steady growth in the region since 1996. This year Langhorne Creek almost matched the production of the more established regions – McLaren Vale and the Barossa Valley.

86% of this production was red varieties – the highest red proportion of any region apart from Wrattenbully..

While demand and supply of red grapes was balanced this year, there was a 33% surplus of white grapes, with preferred tonnages for almost all the major white varieties except Riesling being below the actual tonnages. This indicates that the desired proportion of white varieties is even lower than the 14% achieved!

Weighted average weighbridge prices were very similar to last year's. Cabernet Sauvignon and Chardonnay prices were slightly higher, while Shiraz was lower.

Projections for the region are for further steady growth over the forecast period, with a total 30% increase in reds and whites by 2006. Demand for reds is still expected to exceed supply by 5000 tonnes in five years' time.

New plantings have slowed considerably since the planting boom in 1998 and 1999. There are currently 4752 hectares planted, which means an estimated production of approximately 55,000 tonnes in 2003 (based on an average yield of 11.5 tonnes/ha). The estimated supply figure for 2003 (table 9.3) is 58,000 tonnes, and the demand is for 63,000 tonnes – therefore there is likely to be a shortfall in production, unless yields are very high. A further 1000 hectares at least is required by 2003 to meet the projected demand in 2006 (see page 19 of this report).

LANGHORNE CREEK TONNES CRUSHED BY VARIETY - VINTAGE 2001

Variety	Total winery grown	Total other growers	Total crushed	Total preferred	Tonnes from other growers as % of total	% of demand supplied	Number of wineries reporting tonnages (> 0) for		
							Own	Purchased	Preferred
RED									
Cabernet Franc	90	103	192	186	53%	103%	3	6	8
Cabernet Sauvignon	8562	12592	21153	22669	60%	93%	12	25	27
Grenache	339	126	465	411	27%	113%	4	4	6
Malbec	222	199	421	495	47%	85%	4	9	10
Merlot	1661	1475	3136	3096	47%	101%	11	15	21
Muscat Brown (Red Front)	10	0	10	17	0%	59%	1	0	1
Nebbiolo	0	1	1	10	100%	11%	0	1	1
Other red	0	12	12	0	100%		0	1	0
Petit Verdot	187	148	336	316	44%	106%	9	3	12
Pinot Noir	394	39	433	416	9%	104%	3	1	3
Ruby Cabernet	0	18	18	0	100%		0	1	0
Sangiovese	68	598	666	357	90%	186%	2	3	3
Shiraz	6166	11348	17513	16718	65%	105%	11	25	26
Tinta Madiera	6	0	6	5	0%	120%	1	0	1
Total RED	17704	26658	44362	44696	60%	99%			
WHITE									
Chardonnay	2287	2903	5190	4372	56%	119%	5	10	12
Chenin Blanc	13	0	13	13	0%	101%	1	0	1
Colombard	0	18	18	0	100%		0	1	0
Doradillo	0	6	6	0	100%		0	1	0
Muscadelle (Tokay)	0	4	4	0	100%		0	1	0
Muscat Blanc (Frontignac)	6	4	10	6	40%	167%	1	1	1
Other white	0	24	24	0	100%		0	2	0
Palomino	0	7	7	0	100%		0	1	0
Pedro Ximenes	0	7	7	0	100%		0	1	0
Pinot Gris	0	27	27	23	100%	118%	0	2	2
Riesling	261	29	290	293	10%	99%	3	3	4
Sauvignon Blanc	10	45	55	67	82%	82%	1	3	3
Semillon	0	493	493	10	100%	4934%	0	2	1
Traminer	0	16	16	0	100%		0	1	0
Verdelho	204	569	773	412	74%	188%	3	7	7
Viognier	4	9	13	22	68%	57%	1	2	3
Total WHITE	2784	4163	6947	5218	60%	133%			
Grand Total	20489	30821	51309	49914					

LANGHORNE CREEK PRICE AND BAUME DATA - VINTAGE 2001

Table 9.2

Variety	weighted average weighbridge price*		weighted average baumé		lowest price**	highest price**	estimated total value	
	price*						purchased grapes	total grapes
RED								
Cabernet Franc	\$999	89%	13.9	89%	\$791	\$1,250	\$102,480	\$192,053
Cabernet Sauvignon	\$1,539	95%	13.7	93%	\$800	\$2,239	\$19,380,169	\$32,558,010
Grenache	\$1,032	59%	13.5	59%	\$740	\$1,260	\$129,542	\$479,793
Malbec	\$1,170	87%	13.1	74%	\$1,050	\$1,350	\$232,804	\$491,942
Merlot	\$1,359	93%	13.5	90%	\$800	\$1,620	\$2,004,907	\$4,262,291
Nebbiolo	\$800	100%	13.7	100%			\$840	\$840
Other red	\$1,430	100%					\$17,246	\$17,246
Petit Verdot	\$1,663	58%	13.3	38%			\$246,649	\$558,374
Pinot Noir	\$1,250	100%	14.7	100%			\$49,350	\$541,713
Ruby Cabernet	\$1,200	100%	13.7	100%			\$21,240	\$21,240
Sangiovese	\$1,380	100%	13.6	100%	\$1,252	\$1,770	\$824,894	\$918,413
Shiraz	\$1,437	95%	13.6	93%	\$800	\$2,389	\$16,310,542	\$25,172,851
Total RED							\$39,320,663	\$65,214,766
WHITE								
Chardonnay	\$1,240	98%	11.6	98%	\$1,000	\$1,550	\$3,601,032	\$6,437,304
Colombard	\$500	100%	12.1	100%			\$9,170	\$9,170
Doradillo	\$204	100%	10.3	100%			\$1,222	\$1,222
Muscadelle (Tokay)	\$500	100%	12.2	100%			\$2,125	\$2,125
Muscat Blanc (Frontignac)	\$500	100%	14.7	100%			\$2,005	\$5,005
Other white	\$1,114	100%					\$27,144	\$27,144
Palomino	\$280	100%	11.3	100%			\$2,027	\$2,027
Pedro Ximenes	\$280	100%	11.5	100%			\$2,027	\$2,027
Pinot Gris	\$1,279	100%					\$34,735	\$34,735
Riesling	\$749	100%	12.5	100%	\$600	\$880	\$21,808	\$217,244
Sauvignon Blanc	\$944	100%	11.9	84%	\$900	\$950	\$42,382	\$51,819
Semillon	\$949	100%	11.3	100%			\$468,353	\$468,353
Traminer	\$436	100%	13.7	100%			\$6,975	\$6,975
Verdelho	\$1,082	100%	13.1	90%	\$1,000	\$1,334	\$615,631	\$836,031
Viognier	\$1,649	100%					\$14,098	\$20,661
Total WHITE							\$4,850,734	\$8,121,842

* Note: this price does not include end use or other bonuses not paid at the weighbridge

** The absence of lowest and highest prices means that fewer than three wineries supplied pricing data for each variety.

LANGHORNE CREEK ESTIMATED AND PREFERRED FUTURE INTAKE OF GRAPES 2002 TO 2006

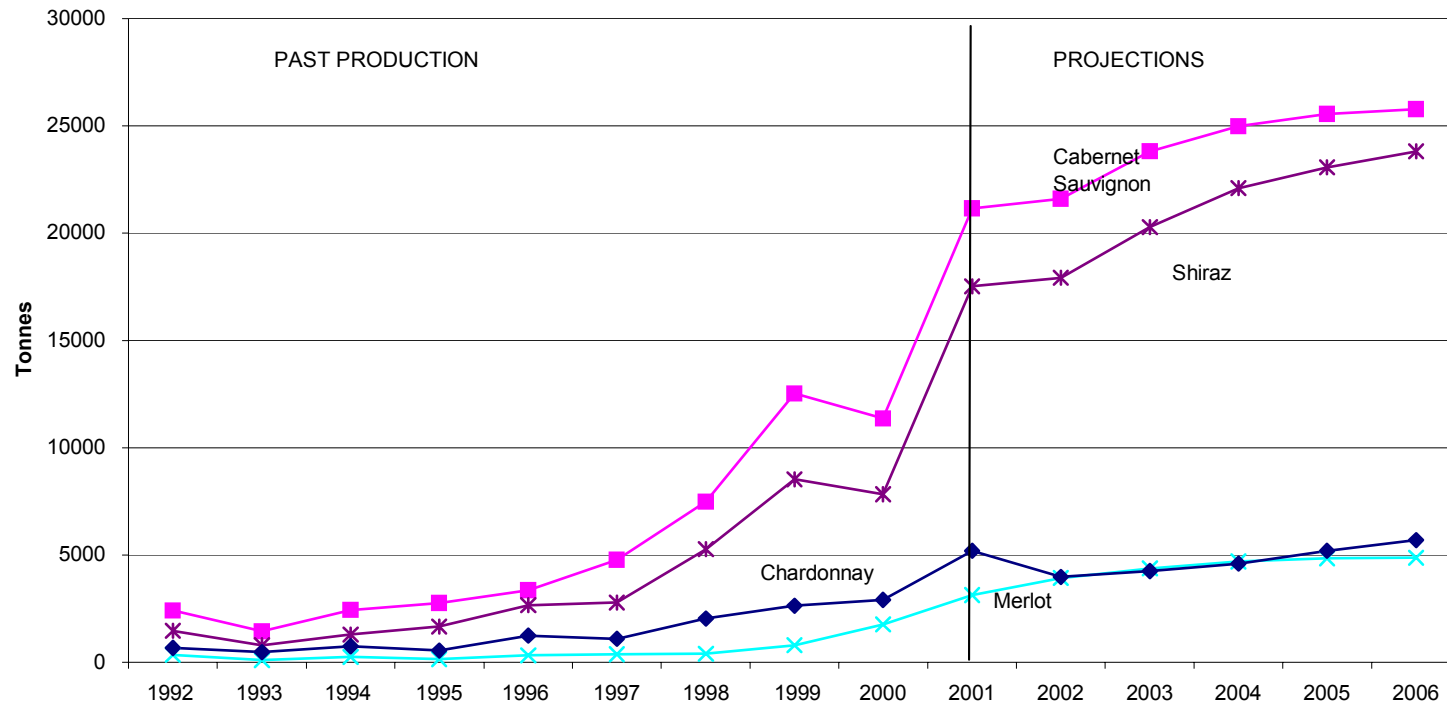
Table 9.3

Variety	2002		2003		2004		2005		2006	
	estimated	preferred	estimated	preferred	estimated	preferred	estimated	preferred	estimated	preferred
RED										
Cabernet Franc	226	207	251	232	254	235	254	235	253	235
Cabernet Sauvignon	21589	24349	23811	27970	24977	29028	25563	29634	25783	29949
Grenache	636	514	1014	902	1426	1339	1744	1691	1844	1816
Malbec	445	408	499	418	529	445	529	445	529	445
Mataro (Mouvedre)	1	1	4	4	6	6	6	6	6	6
Merlot	3933	3701	4373	4176	4707	4510	4835	4648	4880	4774
Muscat Brown (Red Front)	14	14	14	14	14	14	14	14	14	14
Nebbiolo	30	20	55	30	56	31	56	31	56	31
Other red	20	0	25	0	25	0	25	0	25	0
Petit Verdot	452	377	528	446	589	492	609	505	609	515
Pinot Noir	462	381	628	511	736	606	916	786	1021	1021
Ruby Cabernet	18	0	18	0	18	0	18	0	18	0
Sangiovese	583	372	593	372	593	372	593	372	413	372
Shiraz	17925	19134	20277	22833	22103	24405	23076	25329	23812	26117
Tinta Madiera	5	5	7	7	10	10	10	10	10	10
Total RED	46339	49483	52096	57915	56043	61493	58248	63706	59273	65305
WHITE										
Chardonnay	3984	3611	4256	3851	4607	4252	5203	4876	5683	5371
Chenin Blanc	18	18	20	20	20	20	20	20	20	20
Doradillo	5	0	5	0	5	0	5	0	5	0
Muscadelle (Tokay)	4	0	4	0	4	0	4	0	4	0
Muscat Blanc (Frontignac)	10	6	10	6	10	6	10	6	10	6
Other white	30	0	30	0	30	0	30	0	30	0
Palomino	7	0	7	0	7	0	7	0	7	0
Pedro Ximenes	7	0	7	0	7	0	7	0	7	0
Pinot Gris	20	30	25	40	25	40	25	40	25	40
Riesling	415	415	600	600	795	795	975	975	1165	1165
Sauvignon Blanc	68	68	68	68	68	68	68	68	68	68
Semillon	386	26	447	42	464	59	505	100	150	150
Traminer	10	0	10	0	110	100	150	125	190	175
Verdelho	731	424	781	459	793	459	793	459	523	459
Viognier	55	55	90	100	90	110	90	110	90	110
Total WHITE	5750	4653	6360	5186	7035	5909	7892	6779	7977	7564

LANGHORNE CREEK PAST PRODUCTION AND PROJECTIONS FOR MAJOR VARIETIES 1992 - 2006

Figure 9.1

Past production and projections (major varieties)



LANGHORNE CREEK PLANTINGS BY VARIETY*Table 9.4**Year planted - area in hectares*

<i>Variety</i>	<i>Pre-97</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>Total</i>	<i>% planted in 2000</i>
RED WINEGRAPES							
CABERNET FRANC	13	1	6	2	-	21	0%
CABERNET SAUVIGNON	1035	177	437	206	55	1911	3%
GRENACHE	7	30	-	45	41	123	33%
MALBEC	9	10	5	17	1	44	3%
MERLOT	153	55	111	16	-	335	0%
PETIT VERDOT	10	5	26	10	-	51	0%
PINOT NOIR	2	-	43	-	-	45	0%
SANGIOVESE	28	7	2	7	-	44	0%
SHIRAZ	676	107	652	178	59	1671	4%
TOURIGA	-	-	-	-	6	6	100%
OTHER RED	2	-	1	29	0	32	1%
TOTAL RED WINEGRAPES	1936	393	1284	509	162	4285	4%
WHITE WINEGRAPES							
CHARDONNAY	246	7	20	12	6	292	2%
RIESLING	11	-	14	30	-	56	0%
SEMILLON	21	-	10	3	-	34	0%
VERDELHO	41	4	1	10	-	56	0%
VIOGNIER	1	-	0	8	-	9	0%
OTHER WHITE	12	5	1	3	-	19	0%
TOTAL WHITE WINEGRAPES	332	16	46	66	6	466	1%
OTHER VARIETIES							
ROOTSTOCK BLOCK	-	-	1	-	-	1	0%
TOTAL ALL VARIETIES	2269	409	1331	575	168	4752	4%

Includes the hundreds of Bremer, Brinkley, Freeling and Strathalbyn.