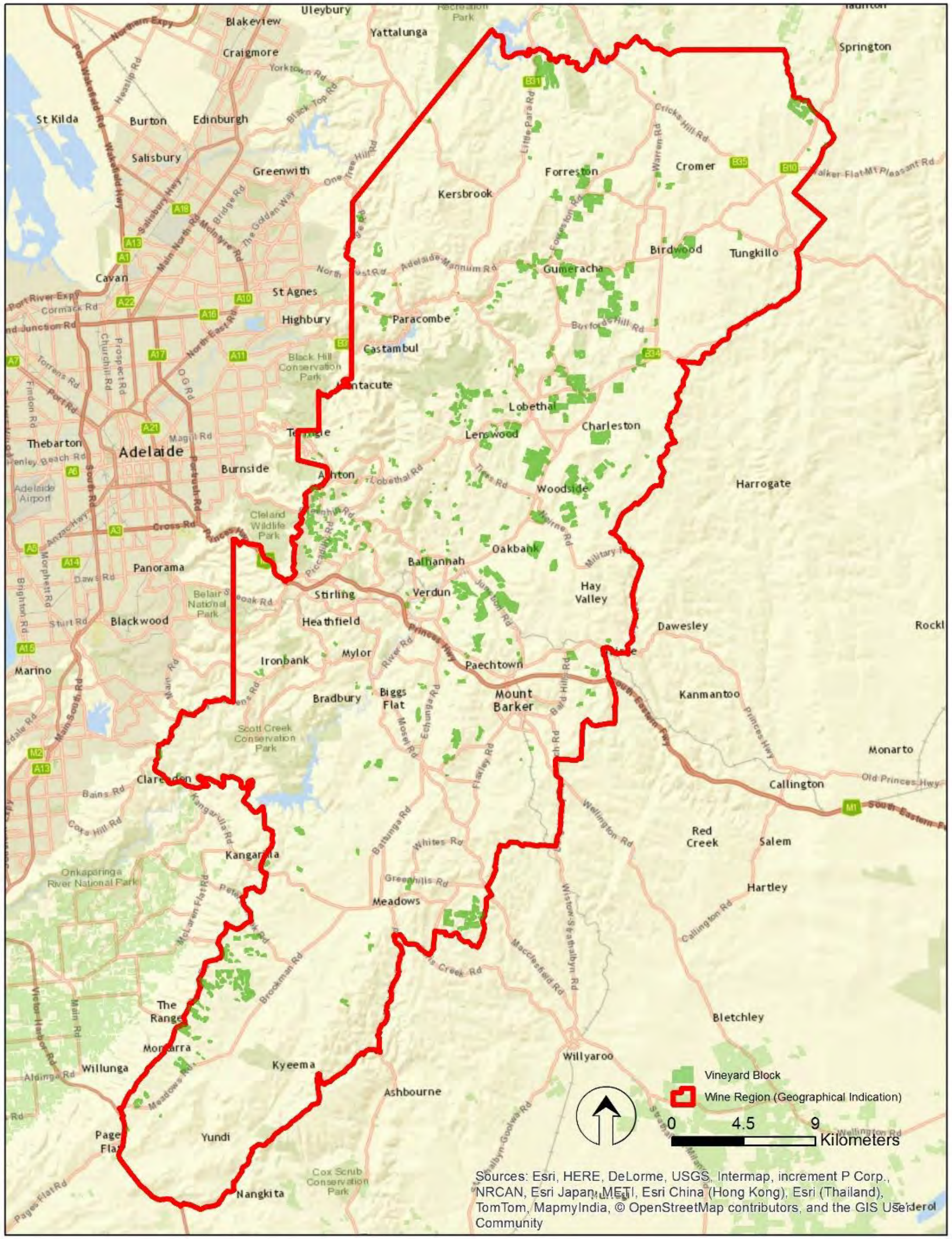


DATUM: GDA94
PROJECTION: MGA Zone 54
DATE: 8th March 2017
SOFTWARE: ESRI ArcGIS v10.4
DATA SOURCE:
Vineyard Block - Vinehealth Australia
Wine Region - Wine Australia

Adelaide Hills Wine Region

Vinehealth Australia

DISCLAIMER: Although every effort has been made to ensure the accuracy of the information displayed, Vinehealth make no representations, either express or implied, that the information displayed is accurate or fit for any purpose and expressly disclaims all liability for loss or damage arising from reliance upon the information displayed.

SA Winegrape Crush Survey

Regional Summary Report 2018

Adelaide Hills Wine Region

Wine Australia August 2018

Adelaide Hills

Vintage overview

VINTAGE REPORT

Despite the extremes in weather during the V2018 growing season, the final stages of both flavour development and sugar ripening combined to result in wines that will reflect the advantages of growing grapes in the Adelaide Hills.

Dry conditions in June 2017 threatened depleted soil moisture levels, not seen since the drought conditions experienced in the late 2000s. However, welcome rains in July corrected this deficit which was fortunate as the growing season rainfall was only 69% of the long-term average.

Bud-burst was late for the V2018 season, almost as late as recorded in the wet and cold conditions in the unusually late V2017. However, soil temperatures rose steadily resulting in an even budburst, although shoot growth was significantly slower than usual. For the second consecutive season the fruit zone was compact and shaded and it was not until the second week of November that the rate shoot growth returned to normal. Fortunately, rainfall was below average, and most vineyards reported minimal disease pressure.

Fruit set throughout the region was average to above average. Canopies developed to be as large as V2016 with full capacity to ripen crop loads. January, February (equal to V2013 and V2015) and April were the warmest recorded in the last eight seasons. Fortunately, a cooler than average March enabled ideal night temperatures for colour and flavour development. A long slow ripening, particularly for red varieties, resulted in wines that will be remembered for their depth of flavour and colour.

Richard Hamilton, Adelaide Hills Wine

OVERVIEW OF VINTAGE STATISTICS

A total of 27,318 tonnes of Adelaide Hills winegrapes was crushed in 2018, almost identical to the 2017 crush of 27,335 tonnes.

The 2018 crush is 10% above the five-year average crush from the region (24,876 tonnes). The maximum over that timeframe was 28,559 tonnes in 2013 and the minimum was 17,873 tonnes in 2014.

The total value of winegrapes increased very slightly to $37.6 million as there was also little change in the overall average price.

The minimal overall change in average price was a result of increases in some major varieties offsetting decreases in others. The average price paid for Adelaide Hills' largest variety, Sauvignon Blanc, decreased by 2% to $1193 per tonne, while Chardonnay increased by 3% to $1427 per tonne. In the reds, decreases for Pinot Noir (down 2% to $1522 per tonne) and Shiraz (down 4% to $1791 per tonne) were offset by increases in Cabernet Sauvignon (up 5% to $1601 per tonne), Merlot (up 7% to $855 per tonne) and other smaller varieties.

The price dispersion data shows that 43% of red varieties were purchased at $1500 and above compared with 48% in 2017. For the whites, the proportion sold at $1500 and above remained at 30%.

There were 33 hectares of new vines planted in the 2017 planting season – a planting rate of less than 1%. Two thirds of these new plantings were white varieties, with Sauvignon Blanc (11ha) and Pinot Gris (5ha) the largest contributors. The total area planted in the region as at 30 April 2018 is 3,830 hectares, very similar to the area 5 years ago of 3,931 hectares.

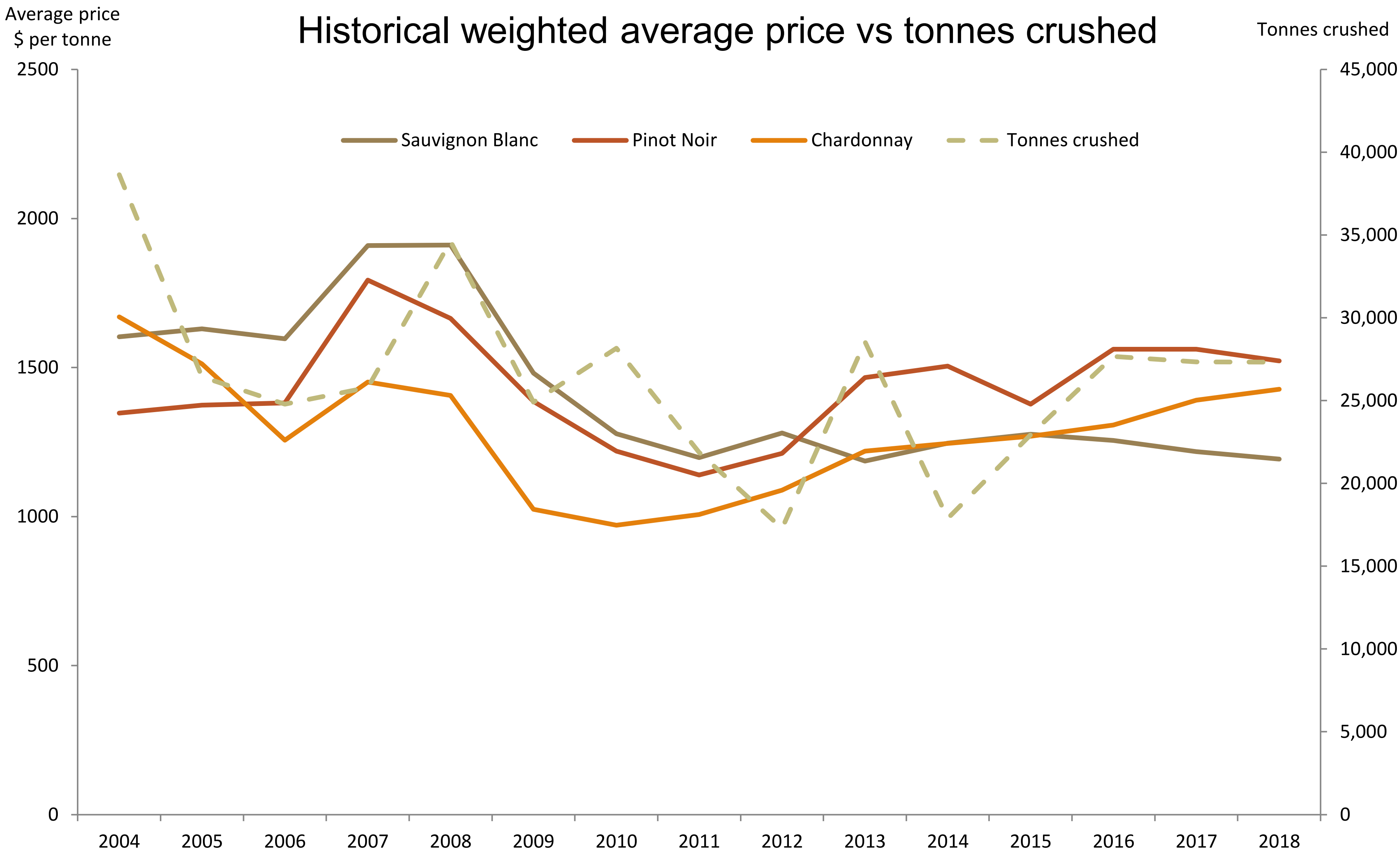
Adelaide Hills

Winegrape intake summary table

	Total tonnes purchased	Price dispersion - number of tonnes in each price range					Total value purchased grapes	Average purch. value per tonne	Change in price YoY	Winery grown fruit	Share of winery grown	Total crushed	Est total value ALL grapes
		< $300	$300 to <$600	$600 to <$1500	$1500 to <$2000	$2000+							
Red													
Barbera	7				2	5	$14,899	$2,093	6%	16	69%	23	$48,045
Cabernet Franc	3				3					37	93%	40	$60,542
Cabernet Sauvignon	400			209	130	62	$641,055	$1,601	5%	216	35%	616	$987,014
Dolcetto										4	100%	4	$3,441
Lagrein										6	100%	6	$7,246
Malbec	6				6						0%	6	$8,892
Mataro/Mourvedre										3	100%	3	$4,733
Merlot	623			598	17		$532,816	$855	7%	46	7%	669	$572,270
Montepulciano	13				9	4	$26,494	$2,023	-1%		0%	13	$26,494
Nero d'Avola	7				7						0%	7	$14,760
Pinot Meunier	182			62	118	2	$275,207	$1,516	3%		0%	182	$275,207
Pinot Noir	4,396			2,491	1,354	519	$6,692,820	$1,522	-2%	766	15%	5,162	$7,858,585
Sangiovese	45			30	15		$61,306	$1,364	21%		0%	45	$61,306
Shiraz	914			383	237	284	$1,636,588	$1,791	-4%	669	42%	1,583	$2,834,380
Tempranillo	90			16	62	11	$151,523	$1,691	4%	63	41%	153	$258,299
Other red	28				6	21	$56,322	$2,045	4%	57	67%	85	$172,944
Red total	**6,714**			**3,789**	**1,965**	**910**	**$10,118,848**	**$1,507**	**0%**	**1,884**	**22%**	**8,597**	**$13,194,159**
White													
Chardonnay	5,924		109	3,782	1,153	869	$8,453,206	$1,427	3%	1,102	16%	7,027	$10,026,280
Fiano										10	100%	10	$16,621
Gewurztraminer	84			76	8		$71,207	$843	10%	7	7%	91	$76,907
Muscat Blanc a Petits Grains	10			10							0%	10	$7,768
Pinot Gris/Grigio	1,625			849	574	153	$2,347,468	$1,445	1%	881	35%	2,506	$3,620,621
Prosecco	32			32						32	50%	63	$56,988
Riesling	220			150	45	25	$249,344	$1,134		51		270	$306,646
Sauvignon Blanc	6,006		48	4,501	1,339	74	$7,164,287	$1,193	-2%	2,157	26%	8,163	$9,736,791
Semillon	185		128	48	9		$108,701	$587	-24%	115	38%	300	$176,202
Vermentino	10			10							0%	10	$8,080
Viognier	20			19	1		$21,482	$1,063	5%	29	59%	49	$52,064
Other white	95			22	49	25	$149,079	$1,563	7%	125	57%	220	$343,904
White total	**14,212**		**285**	**9,498**	**3,179**	**1,145**	**$18,606,300**	**$1,309**	**1%**	**4,508**	**24%**	**18,720**	**$24,428,873**
Grand total	**20,925**		**285**	**13,287**	**5,144**	**2,055**	**$28,725,024**	**$1,373**	**0%**	**6,392**	**23%**	**27,318**	**$37,623,032**

Note: Where there are fewer than three purchasers of a variety, the average price and total value are not reported to protect confidentiality.

Adelaide Hills



Adelaide Hills

Current plantings by variety and year planted

	Year planted					
Variety	**Pre-2015**	**2015**	**2016**	**2017**	**Total area**	**% planted in 2017**
Red winegrapes						
Cabernet Franc	7	0	0	0	8	0%
Cabernet Sauvignon	189	0	3	0	192	0%
Grenache	2	0	0	0	2	0%
Merlot	143	0	0	0	143	0%
Meunier (Pinot Meunier)	25	0	0	0	25	0%
Nebbiolo	10	0	0	0	10	0%
Pinot Noir	663	3	10	4	681	1%
Sangiovese	13	0	0	0	13	2%
Shiraz	355	1	8	4	368	1%
Tempranillo	29	0	1	2	31	5%
Other red	32	2	1	0	35	0%
Total red varieties	**1,468**	**6**	**23**	**10**	**1,508**	**1%**
White winegrapes						
Chardonnay	809	6	7	3	825	0%
Gruner Veltliner	17	1	0	1	19	5%
Pinot Gris	250	0	0	5	255	2%
Riesling	61	0	0	1	62	2%
Sauvignon Blanc	975	0	2	11	989	1%
Semillon	50	0	0	0	50	0%
Traminer (Gewurztraminer)	22	0	0	0	22	0%
Viognier	23	0	0	0	23	0%
Other white	36	1	1	2	40	5%
Total white varieties	**2,243**	**8**	**10**	**23**	**2,285**	**1%**
Rootstock Block	2	0	0	0	2	0%
Unknown variety	34	0	1	0	35	0%
Total all varieties	**3,747**	**14**	**34**	**33**	**3,830**	**1%**

Source: Vinehealth Australia

Explanations and definitions

AUSTRALIAN NATIONAL VINTAGE SURVEY

The information for this report has been collected and analysed by Wine Australia as part of the Australian National Vintage Survey. The SA Winegrape Crush Survey Report has been prepared by Wine Australia on behalf of the South Australian Wine Industry Association, Wine Grape Growers South Australia and Primary Industries and Regions SA.

Maps and planting data tables are provided by Vinehealth Australia (see notes on planting data tables pg 20).

The survey publication is available on Wine Australia's website wineaustralia.com, the Vinehealth Australia website vinehealth.com.au and via links from the Wine Grape Council SA website wgcsa.com.au and the South Australian Wine Industry Association website winesa.com.au

Photo credits

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Image pg 6: Ian Routledge / Wine Australia

Disclaimer

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Note: data published in this report supercedes that in earlier reports. Minor variations in reported figures can occur due to data revisions.

Any questions about the report should be directed to:

Wine Australia Market Insights
+618 8228 2000
market/insights@wineaustralia.com

Explanations and definitions - continued

INTAKE (CURRENT VINTAGE) DATA

Definition of regions

Regions have been defined in accordance with Geographical Indication (GI) boundaries. If a GI region has not been declared, or produces less than 5,000 tonnes, then the data is aggregated into the relevant GI zone. Disaggregation of data into smaller regions such as Southern Fleurieu and Mount Benson is available on request from Wine Australia.

Total crush

The total crushed is the total tonnes of grapes crushed from a particular source region, whether processed in that region, another region in SA or interstate. All wineries in Australia are included in the survey collection process. However, not all wineries respond to the survey - therefore the total tonnage reported may underestimate the true crush. It is estimated that the overall response rate for the survey is 85 per cent; however, individual regions may vary. Generally, regions will have a higher response rate when there is a high proportion of purchased winegrapes within the region.

Reported fruit is separated into fruit produced from the winery's own or associated vineyards ("own grown") and from independent vineyards ("purchased").

Calculated average purchase value

The survey requests wineries to provide the total amount paid for each parcel of fruit purchased (or the price per tonne). This is the price paid for fruit of a particular variety at the point of receival – NOT including freight. It includes any penalties or bonuses (eg Baumé) applied at the weighbridge, but DOES NOT INCLUDE other bonuses or adjustments such as end use quality bonuses, which are not available at the time the survey is conducted (May-June 2018).

The calculated average purchase value per tonne is the average amount paid per tonne of fruit across all wineries.

Winery grown grapes are not included in the calculation of average purchase value; nor are grapes grown by companies connected with the winery or under lease arrangements.

Average and total purchase values are not reported where there are fewer than three purchasers of a variety in a particular region.

Important note on average purchase value

There is considerable variation in the pricing arrangements made by different wineries. For example, some wineries make adjustment payments based on the average value per tonne reported in this survey and some pay quality bonuses based on the end use of the product. These additional payments are not included in the reported figures. The average price also does not give any indication of the distribution of prices, or variables that go into individual contracts.

Price dispersion data (shaded columns in Intake Summary tables)

All purchases for each variety are grouped into price segments according to the price paid for that batch of fruit. The sum of tonnes in all the price segments may not match the total tonnes purchased where there are tonnes reported without an associated price.

Estimated total value of all grapes

The estimated total value of all grapes is calculated by multiplying the average purchase value per tonne by all tonnes crushed. If there is a variety where there are no purchases, then the average purchase value for the same variety across similar regions, or across all other varieties of the same colour in the same region is used to determine an estimated value for the own grown grapes.

Explanations and definitions continued

PLANTING DATA

Source of planting data tables

Planting data is not collected by the 2018 Australian Wine Sector Survey. The information is obtained from the vineyard register maintained by Vinehealth Australia.

Vinehealth Australia is required under the *Phylloxera and Grape Industry Act 1995* to maintain a complete and accurate register of vineyard owners in the state. Vineyard owners with plantings of 0.5 hectares or more are required to register with Vinehealth Australia, and provide details of any changes made to these vineyard plantings within three months of any such change. This information is kept strictly confidential and provided for this survey in a deidentified and aggregated manner.

Explanatory notes for planting data tables

Regions are defined according to the Register of Australian Geographical Indications.

To protect confidentiality, the following rules are applied to reporting varieties:

- where there are fewer than 10 registered owners with plantings of a particular variety across the state, that variety is not separately identified in either the state or the regional reports but is grouped with “other red/white”, AND
- where there are fewer than three registered owners with a particular grape variety in a given region, that variety is not separately identified in the regional report but is grouped with “other red/white” unless it is a white variety listed in the top six, or red variety in the top five by planted area for the state for the current year.

- Planting data tables are current as at 30 April 2018 and include all plantings from the 2017 planting season.
- Reference to “other varieties” includes rootstock, multi-purpose and table-grape plantings.
- Vines planted in a particular year may include top-worked or replaced vines, as well as new plantings in virgin ground. Where vines have been replaced or topworked, the old variety record is removed. This explains why the area planted for earlier years may be different in the 2018 report compared with previous reports.
- Where a zero (0) appears in a table, this may indicate the presence of a planting of less than 0.5 hectares, or it may indicate zero plantings. Rounding may produce slight discrepancies in totals.

For more information on the planting data in this report or about registration of vineyards, please contact the Vinehealth Australia office on (08) 8273 0550.

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