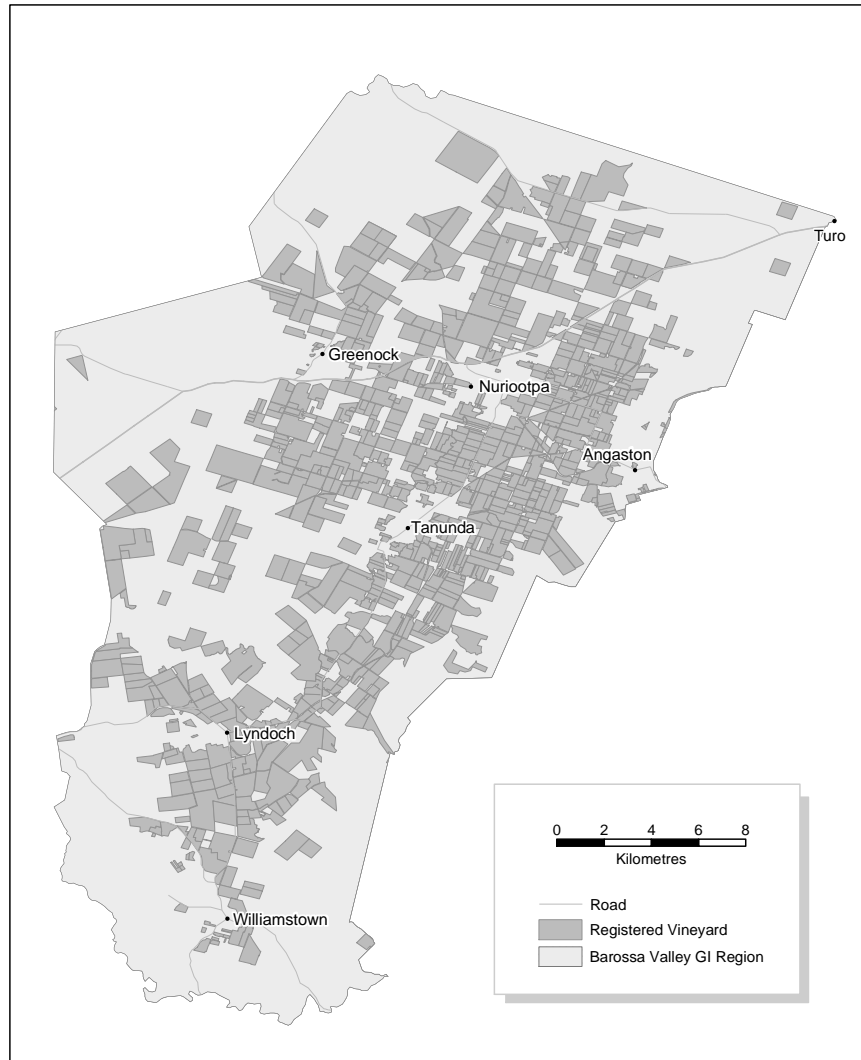


BAROSSA VALLEY VINTAGE OVERVIEW



Vintage report

A heavy fruitset initially had predictions for high yields in the Barossa, but bunch thinning around veraison brought crop levels back to manageable levels with promising quality. A mild January was excellent for optimal colour production and flavour development. Heatwave conditions in mid-February saw acidity decline at a rapid rate in conjunction with rising baume levels. Harvest began earlier than first predicted, with the earliest Shiraz being picked in late February. Quality expectations returned to high after the February scare – the Barossa experienced an Indian summer with no huge rainfall events and temperatures ranging between 25 and 30 degrees. Semillon is some of the best ever and Shiraz has good colour with elegant flavours.

*Reproduced from the Wine Industry Journal, July-August 2004
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Overview of vintage statistics

There were 70,574 tonnes crushed from Barossa Valley vineyards in 2004 – nearly 50% more than in 2003, and 13,000 tonnes more than the previous record vintage of 2002. Despite the record tonnage, whites were still in short supply – particularly Chardonnay – while there was a surplus of reds.

The calculated average purchase value of the major red varieties was generally lower, with Cabernet Sauvignon (down \$350 per tonne) and Merlot (down \$450 per tonne) the hardest hit. Average values of white varieties were generally similar to 2003. Overall, income to growers increased substantially (up by more than 25%) because of the extra tonnages, while the total value of grapes from the region was up from \$67.5 million last year to \$87 million this year.

The forecast is for intake of red varieties to increase from 50,000 tonnes in 2005 to 56,000 tonnes in 2008 with a surplus in each forecast year between estimated and preferred intake. White varieties are expected to remain at around 20,000 tonnes, with a shortfall between estimated and preferred intake. The region is expected to remain dominated by Shiraz, which accounts for nearly 50% of the total intake; however, there is a surplus of over 3,000 tonnes forecast between estimated and preferred intake of Shiraz in most years.

There were 250 hectares (3%) of new plantings in 2003 – more than half in Shiraz. Based on the current vineyard area, and using yield estimates of 10 t/ha for reds and 11 t/ha for whites, the estimated production from the Barossa in 2009 is approximately 93,000 tonnes. This means an approximate surplus of 20,000 tonnes of red varieties (40%) and 3,000 tonnes of whites compared with the 2009 preferred intake figures. While demand forecasts do change from year to year, this discrepancy may foreshadow some difficulties for growers without contracts in the future.

BAROSSA VALLEY* CURRENT PLANTINGS BY VARIETY AND YEAR PLANTED

Table 4.1

Current area in hectares by year planted

Variety	Pre-1999	1999	2000	2001	2002	2003	Total area	% planted in 2003
RED WINEGRAPES								
CABERNET FRANC	42	0	3	0	0	0	45	0%
CABERNET SAUVIGNON	870	137	149	185	68	6	1415	0%
GRENACHE	551	26	24	13	26	12	652	2%
MALBEC	18	0	0	0	0	0	18	0%
MATARO (MOUVEDRE)	99	7	16	23	3	2	150	1%
MERLOT	147	31	30	60	43	12	323	4%
NEBBIOLO	0	5	10	0	0	0	16	0%
PETIT VERDOT	6	4	4	13	0	0	28	1%
PINOT NOIR	70	2	1	0	0	0	74	1%
SANGIOVESE	12	1	6	0	0	0	19	0%
SHIRAZ	2501	408	330	397	424	151	4210	4%
TEMPRANILLO	0	0	2	18	10	3	32	8%
OTHER RED	33	2	7	4	6	2	55	4%
TOTAL RED WINEGRAPES	4349	625	582	713	580	188	7036	3%
WHITE WINEGRAPES								
CHARDONNAY	512	0	10	8	23	40	593	7%
CHENIN BLANC	48	0	0	0	0	0	48	0%
MARSANNE	1	1	0	0	2	1	5	27%
MUSCAT BLANC	45	0	0	0	0	1	46	1%
RIESLING	338	5	11	6	28	17	405	4%
SAUVIGNON BLANC	90	0	0	0	25	0	115	0%
SEMILLON	688	6	4	5	3	0	705	0%
TRAMINER	8	0	0	0	0	0	8	0%
VERDELHO	3	1	1	0	0	0	5	0%
VIOGNIER	1	1	5	14	10	2	33	6%
OTHER WHITE	110	0	0	2	2	1	115	1%
TOTAL WHITE WINEGRAPES	1843	15	31	35	93	62	2078	3%
ROOTSTOCK BLOCK	0	15	0	0	0	0	15	0%
TOTAL ALL VARIETIES	6121	639	613	734	674	250	9030	3%

Also includes plantings in "Barossa Zone - other" (99ha)



BAROSSA VALLEY TONNES CRUSHED BY VARIETY (RED) - VINTAGE 2004

Table 4.2

Variety	Total winery	Total other	Total crushed	Total preferred	Tonnes from other	% of demand	Number of wineries reporting tonnages (> 0) for		
	grown	growers			growers as % of total	supplied	Own	Other	Preferred
Barbera	3	0	3	0	0%		1	0	0
Cabernet Franc	77	233	310	246	75%	126%	6	10	12
Cabernet Sauvignon	2183	6855	9038	6932	76%	130%	28	26	36
Dolcetto	7	0	7	5	0%	140%	1	0	1
Grenache	820	3849	4668	4328	82%	108%	18	22	28
Malbec	61	70	131	100	53%	132%	7	4	7
Mataro (Mouvedre)	308	572	880	799	65%	110%	8	14	17
Merlot	574	1716	2290	2099	75%	109%	16	17	26
Meunier	0	0	0	0	0%	100%	1	0	1
Nebbiolo	68	2	70	32	3%	220%	2	1	2
Other red (group together)	25	14	39	29	36%	135%	2	4	4
Petit Verdot	48	76	124	46	61%	271%	4	8	6
Pinot Noir	55	644	699	479	92%	146%	4	14	14
Sangiovese	25	143	168	149	85%	112%	3	5	5
Shiraz	5736	25409	31145	25836	82%	121%	36	37	50
Tempranillo	2	68	70	71	97%	99%	1	4	5
Tinta Cao	0	25	25	0	100%		0	1	0
Tinta Molle	0	10	10	10	100%	98%	0	1	1
Touriga	25	129	154	148	84%	104%	3	3	5
Zinfandel	16	89	105	107	84%	99%	4	4	8
Total RED	10033	39905	49939	41416	80%	121%			

BAROSSA VALLEY TONNES CRUSHED BY VARIETY (WHITE) - VINTAGE 2004

Table 4.3

Variety	Total winery	Total other	Total crushed	Total preferred	Tonnes from other	% of demand	Number of wineries reporting tonnages (> 0) for		
	grown	growers			growers as % of total	supplied	Own	Other	Preferred
Chardonnay	1014	4897	5911	6997	83%	84%	13	16	21
Chenin Blanc	12	493	505	454	98%	111%	2	7	7
Colombard	0	12	12	0	100%		0	1	0
Doradillo	9	0	9	0	0%		1	0	0
Marsanne	13	1	14	16	7%	90%	3	1	3
Muscadelle (Tokay)	4	169	172	123	98%	140%	1	8	8
Muscat Blanc (Frontignac)	74	290	365	479	80%	76%	4	6	9
Other white	16	2	18	25	10%	72%	4	1	5
Palomino	88	2	90	81	3%	111%	3	1	2
Pedro Ximenes	53	62	116	63	54%	182%	3	5	5
Riesling	948	2322	3270	2856	71%	114%	10	17	20
Roussanne	2	0	2	2	0%	100%	1	0	1
Sauvignon Blanc	389	732	1121	1160	65%	97%	5	10	10
Semillon	775	7979	8754	8859	91%	99%	19	20	30
Sylvaner	0	16	16	16	100%	100%	0	1	1
Traminer	14	58	72	79	80%	91%	1	3	3
Trebbiano	0	9	9	1	100%	631%	0	3	1
Verdelho	0	52	52	52	100%	100%	0	1	1
Viognier	37	90	127	118	71%	108%	5	4	8
Total WHITE	3449	17187	20635	21380	83%	97%			
Total for region*	13482	57092	70574	62797					

*Also includes production from "Barossa Zone - other" (365 tonnes)



BAROSSA VALLEY CROP VALUE DATA (RED) - VINTAGE 2004

Table 4.4

Variety	Grower grown	Total crushed (1)	estimated total value		lowest	highest	calc average purchase	
			purchased grapes	total grapes	price (2)	price (2)	value per tonne (3)	
RED								
Cabernet Franc	233	310	\$191,269	\$254,607	\$333	\$1,100	\$821	100%
Cabernet Sauvignon	6855	9038	\$7,688,691	\$10,137,156	\$200	\$5,730	\$1,122	92%
Grenache	3849	4668	\$4,691,471	\$5,690,645	\$383	\$4,000	\$1,219	100%
Malbec	70	131	\$80,431	\$150,396	\$400	\$1,750	\$1,145	100%
Mataro (Mouvedre)	572	880	\$813,253	\$1,251,310	\$300	\$4,000	\$1,421	100%
Merlot	1716	2290	\$1,729,236	\$2,307,774	\$175	\$3,000	\$1,008	96%
Nebbiolo	2	70	\$3,105	\$95,013			\$1,350	100%
Other red	14	39	\$14,852	\$40,940			\$1,045	100%
Petit Verdot	76	124	\$59,626	\$97,393	\$300	\$2,000	\$787	100%
Pinot Noir	644	699	\$503,692	\$546,609	\$300	\$1,688	\$782	100%
Sangiovese	143	168	\$191,527	\$224,628	\$500	\$1,800	\$1,338	100%
Shiraz	25409	31145	\$37,173,888	\$45,564,908	\$200	\$10,000	\$1,463	91%
Tempranillo	68	70	\$106,630	\$109,761	\$1,400	\$2,000	\$1,565	100%
Tinta Molle	10	10	\$7,512	\$7,512			\$768	100%
Touriga	129	154	\$106,342	\$126,526	\$300	\$1,500	\$823	100%
Zinfandel	89	105	\$127,276	\$150,837	\$550	\$2,110	\$1,433	100%
Total RED	39880	49903	\$53,488,801	\$66,756,015				

(1) Only includes varieties where some fruit was purchased. Varieties where all fruit is winery grown are not shown in this table.

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

(3) This does not include end use bonuses or other adjustments determined post-receival.

BAROSSA VALLEY CROP VALUE DATA (WHITE) - VINTAGE 2004

Table 4.5

Variety	Grower grown	Total crushed (1)	estimated total value		lowest price (2)	highest price (2)	calc average purchase	
			purchased grapes	total grapes			value per tonne (3)	
WHITE								
Chardonnay	4897	5911	\$5,965,430	\$7,200,734	\$700	\$1,688	\$1,218	100%
Chenin Blanc	493	505	\$257,948	\$264,200	\$300	\$600	\$523	100%
Colombard	12	12	\$7,576	\$7,576			\$650	100%
Marsanne	1	14	\$1,250	\$18,000			\$1,250	100%
Muscadelle (Tokay)	168	172	\$88,994	\$90,880	\$300	\$1,567	\$528	100%
Muscat Blanc (Frontignac)	290	365	\$184,934	\$232,256	\$500	\$1,500	\$637	100%
Other white (group)	2	18	\$2,492	\$25,284			\$1,400	100%
Palomino	2	90	\$570	\$22,285			\$248	100%
Pedro Ximenes	62	116	\$20,782	\$38,554	\$250	\$750	\$334	100%
Riesling	2322	3270	\$2,341,595	\$3,297,640	\$450	\$1,800	\$1,009	100%
Sauvignon Blanc	732	1121	\$710,121	\$1,087,302	\$475	\$1,125	\$970	100%
Semillon	7979	8754	\$6,274,944	\$6,884,530	\$400	\$1,430	\$786	100%
Sylvaner	16	16	\$4,782	\$4,782			\$300	100%
Traminer	58	72	\$46,244	\$57,447	\$550	\$800	\$795	100%
Trebbiano	9	9	\$3,348	\$3,348	\$195	\$500	\$379	100%
Verdelho	52	52	\$54,726	\$54,726			\$1,050	100%
Viognier	90	127	\$145,935	\$205,817	\$1,200	\$2,250	\$1,618	100%
Total WHITE	17186	20624	\$16,111,671	\$19,495,360				

(1) Only includes varieties where some fruit was purchased. Varieties where all fruit is winery grown are not shown in this table.

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

(3) This does not include end use bonuses or other adjustments determined post-receival.



BAROSSA VALLEY ESTIMATED AND PREFERRED FUTURE INTAKE OF GRAPES 2005 TO 2009

Table 4.6

Variety	2005		2006		2007		2008		2009	
	estimated	preferred	estimated	preferred	estimated	preferred	estimated	preferred	estimated	preferred
RED										
Barbera	4	0	8	0	10	0	10	0	10	0
Cabernet Franc	264	205	237	190	246	209	193	156	193	176
Cabernet Sauvignon	10154	8342	10413	8429	10382	8786	9516	8359	8951	7912
Grenache	4377	4240	4474	4341	4669	4652	4834	4946	4905	5226
Malbec	112	67	117	67	142	67	115	67	115	67
Mataro (Mouvedre)	904	879	1043	1016	1080	1052	1114	1093	1124	1093
Merlot	2663	2562	3012	2857	3310	3230	3594	3557	3598	3633
Nebbiolo	82	32	82	32	82	32	82	32	82	32
Other red	69	34	116	81	118	83	118	83	118	83
Petit Verdot	132	68	139	74	139	75	113	49	113	49
Pinot Noir	583	442	556	414	511	369	453	311	364	222
Sangiovese	152	137	152	137	134	119	136	121	136	121
Shiraz	30441	26866	32149	28698	34168	30984	35531	32955	34470	31992
Tempranillo	188	184	254	246	292	283	300	288	300	288
Touriga	113	111	116	114	116	114	116	114	116	114
Zinfandel	104	78	84	83	84	83	84	83	84	83
Total for RED	50341	44247	52951	46779	55483	50138	56308	52214	54678	51090
WHITE										
Chardonnay	6090	7394	6404	7615	6560	7944	6144	7535	5881	7211
Chenin Blanc	373	367	338	367	312	336	214	238	214	238
Marsanne	17	17	27	27	27	27	27	27	27	27
Muscadelle (Tokay)	107	77	92	74	92	74	92	74	92	74
Muscat Blanc	343	419	363	425	363	419	363	418	363	418
Other white	64	67	73	76	80	83	80	83	58	61
Palomino	94	94	96	96	94	94	96	96	96	96
Pedro Ximenes	95	65	94	64	89	64	89	64	89	64
Riesling	3316	3395	3438	3587	3750	3948	3645	3741	3664	3705
Sauvignon Blanc	1002	1125	982	1110	987	1126	918	1065	923	1075
Semillon	7949	8300	7847	8156	7547	7787	6518	6793	6371	6706
Traminer	87	92	87	94	87	98	62	73	47	58
Verdelho	36	36	36	36	42	42	42	42	42	42
Viognier	178	193	236	245	282	282	288	283	293	283
Total for WHITE	19751	21641	20113	21972	20312	22324	18578	20532	18160	20058
Total for region	70092	65888	73064	68751	75795	72462	74886	72746	72838	71148

BAROSSA VALLEY PAST PRODUCTION AND PROJECTIONS FOR MAJOR VARIETIES 1997 - 2009

Figure 4.1 Past production and projections (major varieties)

