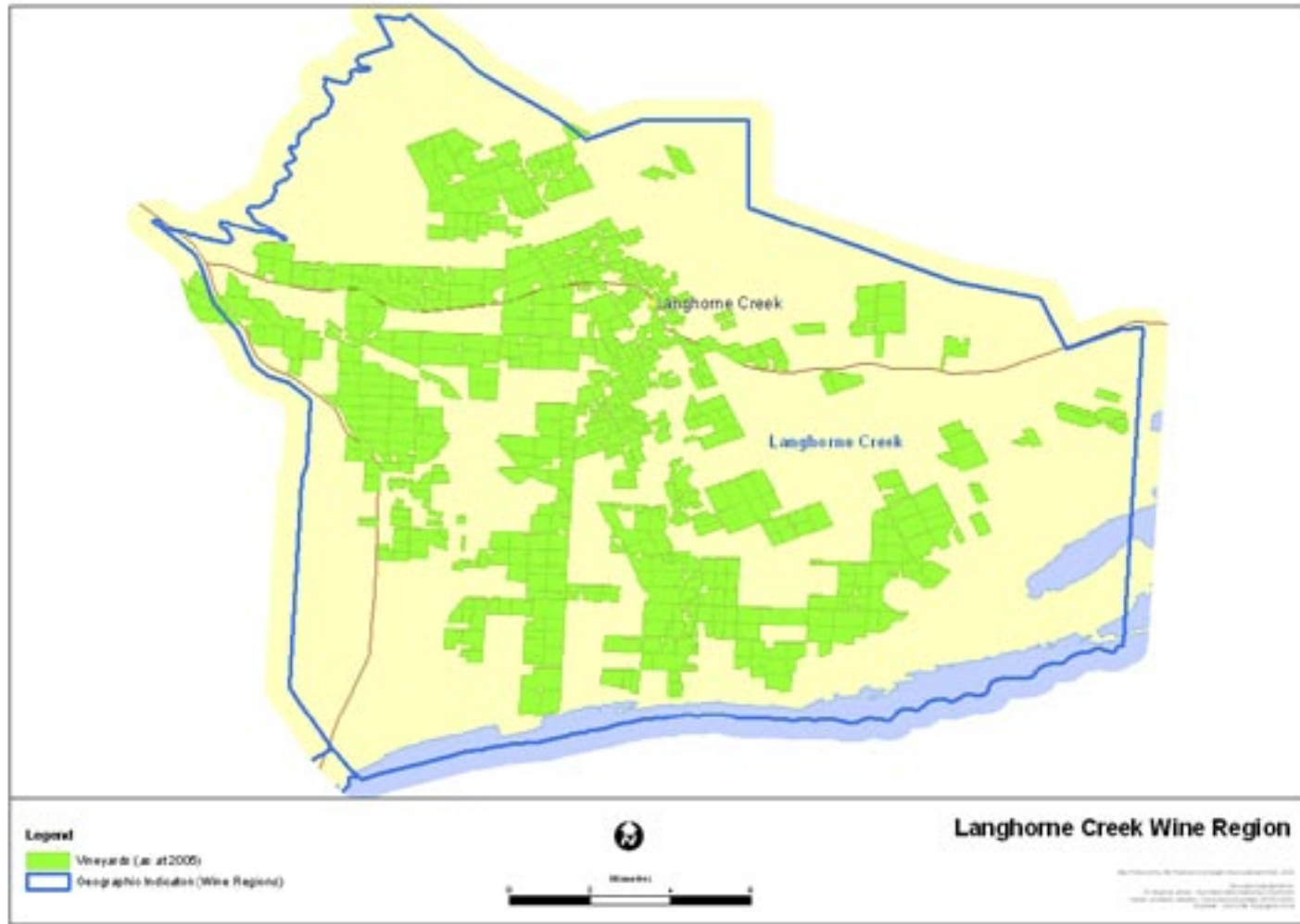


Langhorne Creek Wine Region Regional summary report 2007



Langhorne Creek

Vintage overview

Vintage report

A dry, mild season resulted in very low disease pressures, though rust mite was prevalent this year due to reduced use of sulphur sprays. However this was not a cause for concern.

Good consistent sunny days followed by cool nights allowed for ideal ripening, particularly red varieties.

Most vineyards (particularly reds) showed smaller canopies and low yields (district average around 2-3 tonne per acre, and up to 60% down in some vineyards), with small bunches and berry size. Most crops appeared reasonable but weight was lacking resulting in reported difficulties with fruit estimates.

It was an early start to vintage across the region with many beginning a good three weeks earlier on average. Harvest of the first fruit for sparkling base began at the end of January. Following an initial flurry of activity which saw some red varieties harvested promptly, the pace steadied resulting in most completing harvest by early-mid April.

Some excellent whites this year with good yields, balanced flavour profiles and intensity of fruit. Varietal characteristics strong with good natural acidity.

Apart from some early red harvesting (primarily Shiraz), most red varieties ripened slowly with Cabernet mid-late March across the district. Generally excellent colour in reds this year with some exceptional parcels that should translate into some very smart wines.

Chris Duffy

Langhorne Creek Wine Industry Council

Overview of vintage statistics

The harvest from Langhorne Creek was 40,393 tonnes in 2007, 40% down on the record crop of 2006, and the lowest in this region since 2000. Despite this, it was the largest crop of any South Australian region outside of the Riverland this year – exceeding the Barossa Valley by a few hundred tonnes. The total value of grapes from the region was reduced from \$64 million to \$40 million, with the average purchase value for most of the major varieties increasing slightly due to the shortage of supply (Shiraz increasing by \$100 per tonne).

New plantings in Langhorne Creek in spring 2006 (including top-working and replacements) were 66 hectares (less than half the amount in 2005), of which half were in Shiraz.

The estimated production from Langhorne Creek for 2008 is 30,000 tonnes – less than half its full potential (this estimate is based on an assumption of a 40% water allocation by February 2008). The wineries' committed intake is more than double that amount, so there is not expected to be any surplus fruit. . By 2012, assuming a return to normal growing conditions, the estimated production is 71,000 tonnes, of which 66% (47,000 tonnes) is already under contract or winery grown fruit. This leaves an estimated 23,500 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).

Langhorne Creek

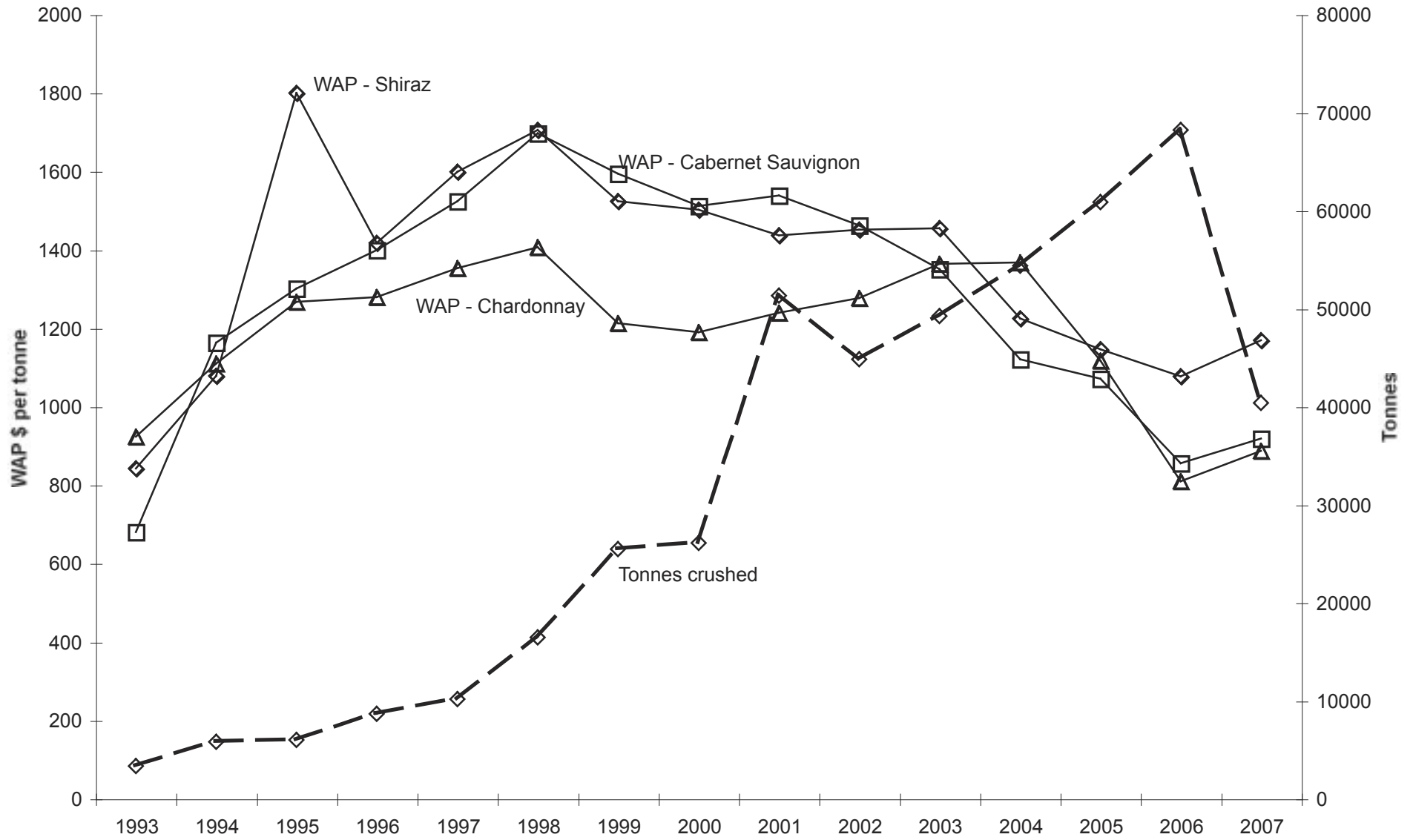
Winegrape intake summary – vintage 2007

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	35			\$28,116	\$807	36	71	\$57,460
Cabernet Sauvignon	10,106	\$500	\$2,300	\$9,283,596	\$919	2,386	12,492	\$11,475,145
Grenache	312	\$600	\$1,000	\$258,767	\$831	843	1,154	\$958,798
Malbec	140	\$500	\$1,600	\$145,174	\$1,034	24	165	\$170,414
Mataro	68			\$75,031	\$1,100	5	73	\$80,531
Merlot	1,780	\$400	\$1,941	\$1,802,993	\$1,013	1,196	2,977	\$3,014,446
Other Red	214	\$650	\$1,800	\$273,985	\$1,280	3	218	\$278,335
Petit Verdot	331	\$740	\$1,200	\$298,758	\$904	117	448	\$404,687
Pinot Noir	328	\$684	\$1,550	\$372,589	\$1,136	223	551	\$626,018
Ruby Cabernet	0					52	52	\$53,668
Sangiovese	394	\$700	\$1,800	\$374,522	\$951	40	434	\$412,773
Shiraz	9,573	\$400	\$5,000	\$11,203,383	\$1,170	3,026	12,599	\$14,744,435
Tempranillo	10			\$13,938	\$1,441	0	10	\$13,938
Total red winegrapes	23,291			\$24,130,851		7,952	31,243	\$32,290,650
WHITE								
Chardonnay	4,948	\$400	\$1,787	\$4,388,226	\$887	1,202	6,150	\$5,453,908
Chenin Blanc	0			\$0	\$0	11	11	\$10,465
Pinot Gris	161	\$1,372	\$2,500	\$291,363	\$1,813	0	161	\$291,363
Riesling	529			\$529,687	\$1,002	1,037	1,566	\$1,568,339
Sauvignon Blanc	114	\$1,000	\$1,900	\$160,635	\$1,412	113	227	\$320,761
Semillon	280			\$192,035	\$687	44	323	\$221,979
Traminer	189			\$170,379	\$900	0	189	\$170,379
Verdelho	353	\$500	\$1,599	\$369,942	\$1,047	102	455	\$476,657
Viognier	64	\$1,400	\$1,700	\$99,849	\$1,558	3	67	\$104,836
Total white winegrapes	6,638			\$6,202,115		2,512	9,150	\$8,618,686
Total all winegrapes	29,929			\$30,332,965		10,464	40,393	\$40,909,336

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

Langhorne Creek

Historical WAP vs tonnes crushed



Langhorne Creek

Current plantings and projected production 2008 - 2012

Variety	Current area in hectares by year planted					% planted in 2006	Estimated production 2008 - 2012				
	Pre-2004	2004	2005	2006	Total		2008	2009	2010	2011	2012
Red winegrapes											
Cabernet Franc	14	0	0	0	14	0%	71	100	142	142	144
Cabernet Sauvignon	2007	7	0	0	2014	0%	10061	16115	22158	22158	22380
Dolcetto	5	0	9	0	13	0%	23	73	130	130	132
Grenache	126	0	0	0	126	0%	630	882	1385	1385	1399
Lagrein	1	0	9	1	12	13%	6	52	112	126	128
Malbec	43	0	1	1	45	2%	216	306	443	450	455
Mataro (Mourvedre)	7	0	0	0	7	0%	37	52	74	74	75
Merlot	398	0	9	0	407	0%	1990	3234	4477	4477	4522
Nebbiolo	13	0	0	0	14	0%	67	96	138	138	139
Other red	15	2	3	0	20	1%	82	133	200	203	205
Petit Verdot	51	0	0	0	51	0%	257	359	513	513	519
Pinot Noir	52	0	0	0	52	0%	259	363	518	518	524
Sangiovese	53	0	0	0	53	0%	266	372	532	532	537
Shiraz	2057	20	4	35	2116	2%	10357	16643	23165	23544	23780
Zinfandel	7	1	1	5	14	35%	38	60	121	168	170
Total red winegrapes	4851	30	35	42	4958	1%	24361	38840	54109	54561	55107
White winegrapes											
Chardonnay	698	102	5	10	814	1%	3844	8025	10543	10677	10784
Other white	9	0	1	5	14	32%	46	76	154	209	211
Pinot Gris	2	11	16	0	30	0%	51	198	355	355	359
Riesling	149	26	0	0	175	0%	838	1404	2106	2106	2127
Sauvignon Blanc	6	0	37	5	48	10%	31	255	555	614	620
Semillon	29	0	0	0	29	0%	147	234	352	352	355
Traminer	15	0	0	0	15	0%	75	120	180	180	182
Verdelho	55	8	3	4	70	6%	304	654	900	954	964
Viognier	24	0	18	0	41	0%	118	288	496	498	503
Total white winegrapes	988	147	78	24	1237	2%	5453	11253	15641	15945	16104
Total all varieties	5839	177	114	66	6195	1%	29814	50093	69750	70506	71211

Langhorne Creek

Estimated production and committed intake 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	71	58	92	-79	142	58	92	-8	144	58	0	85
Cabernet Sauvignon	10,061	6,316	11,712	-7,967	22,158	6,449	9,736	5,973	22,380	6,520	5,056	10,805
Grenache	630	899	784	-1,053	1,385	1,095	784	-494	1,399	1,181	735	-517
Malbec	216	62	145	9	443	67	123	254	455	67	123	265
Mataro	37	9	72	-44	74	9	72	-6	75	9	72	-6
Merlot	1,990	1,977	3,393	-3,381	4,477	2,239	3,082	-844	4,522	2,362	1,963	197
Other Red	217	4	327	-115	700	5	349	346	774	5	259	510
Petit Verdot	257	99	172	-14	513	138	172	203	519	138	172	209
Pinot Noir	259	307	525	-573	518	378	378	-238	524	450	378	-305
Ruby Cabernet	0	41	0	-41	0	41	0	-41	0	41	0	-41
Sangiovese	266	51	496	-281	532	51	307	174	537	51	82	404
Shiraz	10,357	4,627	15,484	-9,754	23,165	4,918	14,436	3,811	23,780	4,959	9,045	9,776
Tempranillo	0	0	0	0	0	0	0	0	0	0	0	0
Total red winegrapes	24,361	14,451	33,203	-23,293	54,109	15,450	29,530	9,129	55,107	15,841	17,883	21,382
White winegrapes												
Chardonnay	3,844	1,817	8,062	-6,035	10,543	1,969	6,630	1,944	10,784	1,965	5,829	2,991
Chenin Blanc	0	15	0	-15	0	15	0	-15	0	15	0	-15
Pinot Gris	51	0	135	-84	355	0	221	134	359	0	257	102
Riesling	838	1,470	911	-1,543	2,106	1,470	911	-276	2,127	1,470	911	-255
Sauvignon Blanc	31	360	301	-630	555	654	700	-800	620	654	757	-791
Semillon	147	27	519	-399	352	159	652	-460	355	180	652	-477
Traminer	75	0	0	75	180	0	0	180	182	0	0	182
Verdelho	304	131	631	-458	900	131	661	108	964	131	417	416
Viognier	118	5	209	-96	496	48	300	149	503	91	341	70
Total white winegrapes	5,453	3,825	10,768	-9,139	15,641	4,447	10,075	1,118	16,104	4,507	9,163	2,434
Total all winegrapes	29,814	18,275	43,970	-32,432	69,750	19,897	39,606	10,247	71,211	20,348	27,047	23,816

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

² A raising factor of 1.022 has been applied to these figures to allow for non-respondents

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