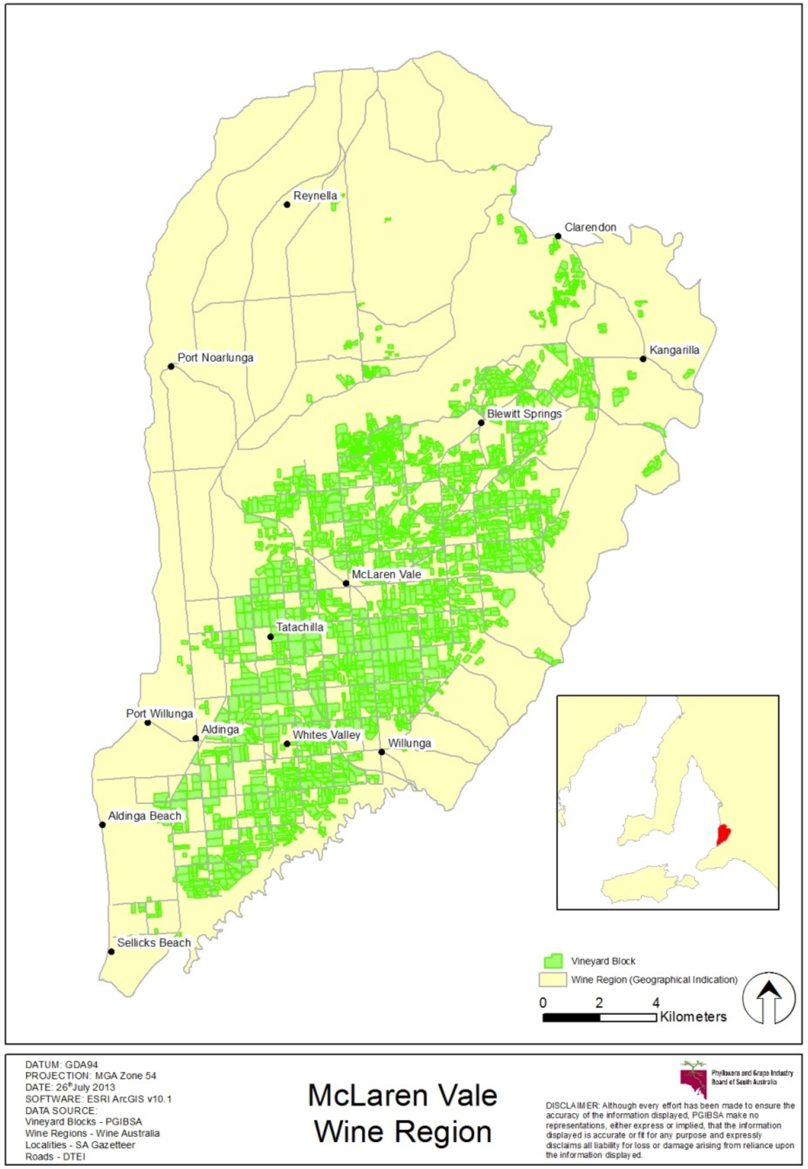


SA Winegrape Crush Survey

Regional Summary Report – 2015

McLaren Vale Wine Region

Explanations and Definitions

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 90%; however, individual regions may vary. 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 2015).

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.

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. Therefore the average price should not be compared directly with an individual grower's arrangement. It should also be noted that in minor varieties there may sometimes be very few purchases contributing towards a calculated average purchase value.

Price dispersion data (shaded columns in Intake Summary tables)

All purchases for each variety are grouped into categories according to the price paid for that fruit. The tonnes in each category are converted into a percentage of the total tonnes purchased, giving an indication of what share of fruit was purchased in each price range category. The categories are given nominal titles of A to E for convenience but these do not correspond with grades used by any particular winery.

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 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 cont.

PLANTING DATA

Source of planting data tables

Planting data is not collected by the 2015 Australian Wine Sector Survey. The information is obtained from the vineyard register maintained by the Phylloxera and Grape Industry Board of South Australia.

The Board is required under the Phylloxera and Grape Industry Act 1995 to maintain a complete and accurate register of grapegrowers in the state. All vineyard owners with more than 0.5 hectares are required by law to register with the Board, and to report details of their plantings on an annual basis. This information is kept strictly confidential.

Vineyard plantings are recorded by Geographical Indication. Planting details for smaller regions not included in the survey report are available on request from the Board.

For more information on registration of vineyards, please contact the Phylloxera and Grape Industry Board office on (08) 8273 0550.

Explanatory notes for planting data tables

1. Planting data tables are current as at April 2015 and include all plantings from the 2014 planting season.
2. Vines planted in a particular year may include topworked 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 2015 report compared with previous reports.
3. 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 a slight error in totals or percentages.

Vintage Overview

Vintage report

In general the 2014/2015 season was notable for month long periods where no rain fell. The McLaren Vale Wine Region experienced an average winter rainfall, although it fell in a strange pattern. June and July were wetter than average, but no significant rain fell during August. Temperatures in late August were notably cold overnight, which delayed budburst (EL-4) in general.

It continued to be very dry across our district through September, October and November with the lowest spring rainfall in the last 20 years. This led to very low fungal disease pressure, but also reduced the natural vigour of the grapevines and canopies grew to a smaller size than typical.

Flowering began early. The weather was warm and the winds were mild. Berry set was not affected by the weather but it was reduced by the widespread presence of Eutypa lata, which has become the most economically damaging disease in the region.

December passed with rainfall continuing to be low. Several locations recorded their lowest total December rainfall for at least 20 years.

Despite hot days through the first week of January, cooler than normal conditions from the second week onwards resulted in the coolest January days experienced across the state since 1992. Nights were generally near average.

February began with mild weather but hot weather coincided with the start of harvest, and temperatures throughout much of February were above average. In particular daytime temperatures were 2 to 3 °C warmer than average.

Harvesting for the 2015 vintage was completed earlier than expected. Picking was extremely compressed and took just over seven weeks to complete.

Yields for 2015 were generally average or below average. Lower yields and warm weather did cause a spike in sugar levels in berries. The notion of hanging fruit out in the vineyard to develop flavour and seed ripeness was replaced by the urgent need to pick fruit before sugar levels got too high and berry skins began to break down.

Reports so far are indicating strong regional characters reds with early harvested Shiraz again standing out, joined by the varieties that traditionally fare well in dry seasons, Mouvedre and Grenache, along with those recently planted for drought tolerance, Fiano, Montepulciano and Tempranillo.

James Hook
McLaren Vale Grape Wine & Tourism Crop Watch - Editor

Overview of vintage statistics

The reported harvest from McLaren Vale was 28,434 tonnes in 2015, 14% below the 2014 harvest. The total estimated value of the fruit was $43.5 million, a decrease of 8% compared with 2014, indicating a general rise in the value of the fruit. The average price of Shiraz increased by over $100 to $1782 per tonne, its highest average price since 2008, while the price of Chardonnay also increased by over $100 from $559 to $685.

The price dispersion data shows that 50% of red tonnages were purchased at between $600 and $1500, while 45% were purchased at over $1500. For the whites, 60% were purchased between $600 and $1500 and only 6% at above $1500.

Over the past five years, the average crush was 34,806 tonnes implying that 2015 yields were down on average. This year’s vintage was the smallest in the past five years with the largest in 2011 at 45,518 tonnes. This may be partly attributable to a low regional response rate.

There were 77 hectares of new plantings in McLaren Vale in spring 2014, compared with 89 hectares in 2013. Almost all were red varieties. The net increase in area was 42 hectares.

MCLAREN VALE

Winegrape intake summary – vintage 2015

Variety	Tonnes purchased	E (less than $300)	D ($300-$600)	C ($600-$1,500)	B ($1,500-$2,000)	A (above $2,000)	Total value purchased	Calc avg. purch. Value per tonne	Winery grown fruit	Total crushed[2]	Est total value ALL grapes
Barbera	9	na	na	na	na	na	$12,606	$1,483	6	15	$21,653
Cabernet Franc	60	0%	0%	95%	5%	0%	$70,634	$1,170	3	63	$73,874
Cabernet Sauvignon	2,712	3%	1%	64%	24%	8%	$3,719,024	$1,371	2,050	4,762	$6,529,228
Durif	3	na	na	na	na	na	$3,984	$1,186	4	8	$9,201
Grenache	755	7%	2%	50%	32%	9%	$1,021,444	$1,352	928	1,683	$2,275,502
Lagrein	4	na	na	na	na	na	$3,753	$900	-	4	$3,753
Malbec	1	na	na	na	na	na	$1,440	$1,500	15	15	$23,190
Mataro	187	5%	0%	32%	39%	25%	$307,514	$1,647	150	337	$555,121
Merlot	567	0%	10%	83%	7%	0%	$470,555	$830	579	1,146	$950,723
Muscat a Petit Grains Rouge/Rose	54	0%	0%	27%	73%	0%	$72,465	$1,351	-	54	$72,465
Nero d'Avola	12	0%	0%	0%	82%	18%	$20,455	$1,740	56	68	$118,723
Petit Verdot	64	37%	0%	54%	9%	0%	$63,662	$992	142	206	$204,039
Pinot Noir	244	0%	0%	100%	0%	0%	$221,829	$911	49	293	$266,659
Ruby Cabernet	-	na	na	na	na	na	$0		7	7	$11,674
Sangiovese	170	0%	0%	50%	28%	22%	$312,526	$1,841	176	346	$636,246
Shiraz	10,014	5%	0%	44%	22%	30%	$17,848,461	$1,782	5,976	15,991	$28,500,273
Tempranillo	154	9%	0%	39%	36%	17%	$252,523	$1,641	53	207	$339,722
Other red	111	0%	0%	25%	31%	43%	$184,094	$1,654	105	217	$358,566
Red Total	15,121	4%	1%	50%	22%	23%	$24,586,968	$1,626	10,299	25,421	$40,950,612

1 Pricing grade's share of purchases for each variety

2 It is estimated that the non-response rate (NRR) nationally is 10%, however the NRR will vary for each region. Generally, regions will have a lower NRR when there is a high proportion of purchased winegrapes within the region

MCLAREN VALE

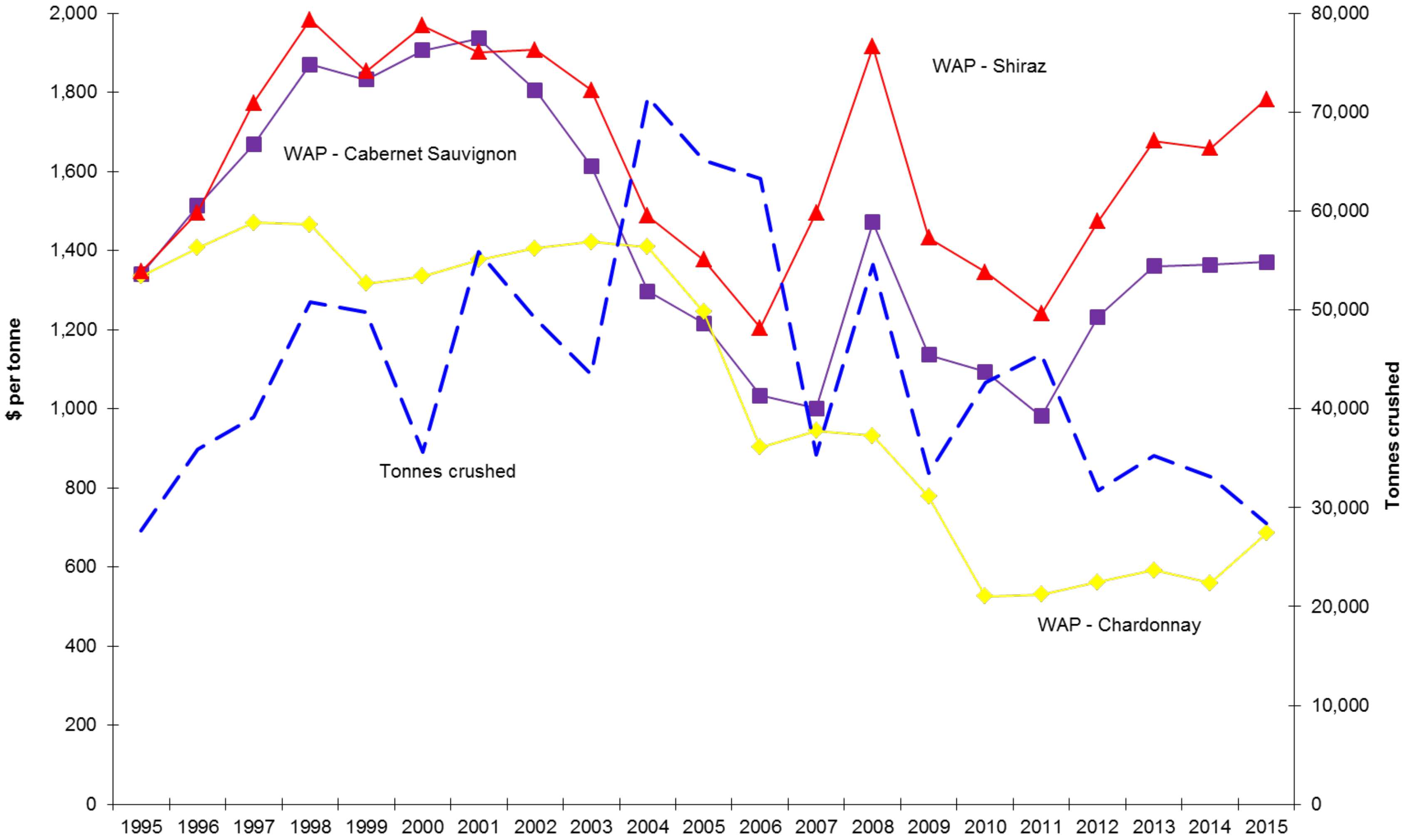
Winegrape intake summary – vintage 2015

Variety	Tonnes purchased	E (less than $300)	D ($300-$600)	C ($600-$1,500)	B ($1,500-$2,000)	A (above $2,000)	Total value purchased	Calc avg. purch. Value per tonne	Winery grown fruit	Total crushed[2]	Est total value ALL grapes
Arneis	19	0%	0%	0%	100%	0%	$34,376	$1,770	-	19	$34,376
Chardonnay	1,321	16%	37%	45%	0%	1%	$904,486	$685	330	1,650	$1,130,369
Chenin Blanc	65	0%	0%	100%	0%	0%	$68,157	$1,046	30	95	$99,154
Marsanne	50	0%	0%	100%	0%	0%	$55,990	$1,116	17	67	$75,112
Muscat a Petit Grains Blanc	6	na	na	na	na	na	$4,692	$850	5	11	$9,072
Muscat Gordo Blanco	-	na	na	na	na	na	$0		7	7	$6,308
Palomino & Pedro Ximenes	19	na	na	na	na	na	$18,800	$1,000	-	19	$18,800
Pinot Gris and Pinot Grigio	16	na	na	na	na	na	$11,455	$704	125	141	$99,171
Riesling	142	0%	0%	87%	13%	0%	$167,271	$1,175	25	167	$196,547
Sauvignon Blanc	136	0%	0%	100%	0%	0%	$145,865	$1,072	144	280	$300,724
Semillon	54	0%	21%	79%	0%	0%	$39,618	$731	134	188	$137,574
Traminer	8	na	na	na	na	na	$6,000	$750	-	8	$6,000
Verdelho	90	0%	0%	80%	20%	0%	$113,758	$1,263	7	97	$122,476
Viognier	86	0%	0%	84%	3%	13%	$128,627	$1,494	39	125	$186,434
Other white	120	14%	0%	51%	35%	0%	$153,709	$1,285	19	138	$177,822
White Total	2,132	11%	24%	60%	5%	1%	$1,852,802	$869	881	3,014	$2,599,939
Grand Total	17,254	5%	4%	51%	20%	20%	$26,439,770	$1,532	11,181	28,434	$43,550,551

1 Pricing grade's share of purchases for each variety

2 It is estimated that the non-response rate (NRR) nationally is 10%, however the NRR will vary for each region. Generally, regions will have a lower NRR when there is a high proportion of purchased winegrapes within the region

MCLAREN VALE **Historical Weighted Average Price vs tonnes crushed**



MCLAREN VALE

Current plantings by variety and year planted

Current area in hectares

Variety	Pre-2012	2012	2013	2014	Total area	% planted in 2014
Red winegrapes						
Barbera	13	0	1	0	14	0%
Cabernet Franc	27	0	0	0	27	0%
Cabernet Sauvignon	1,261	20	13	18	1,312	1%
Grenache	448	7	1	0	456	0%
Mataro (Mourvedre)	65	7	5	6	83	7%
Merlot	250	0	0	0	251	0%
Other Red	71	11	7	5	94	5%
Petit Verdot	52	0	0	0	52	0%
Pinot Noir	62	0	0	0	62	0%
Sangiovese	58	0	0	0	58	0%
Shiraz	3,804	43	55	45	3,947	1%
Tempranillo	55	3	3	0	61	0%
Total red varieties	**6166**	**91**	**87**	**73**	**6417**	**1%**
White winegrapes						
Chardonnay	436	0	0	2	438	1%
Chenin Blanc	20	0	0	0	20	0%
Marsanne	12	0	0	0	12	0%
Muscat A Petit Grains Blanc (White Frontignac)	8	4	0	0	13	3%
Other White	32	3	2	0	37	0%
Pinot Gris	20	0	0	0	20	0%
Riesling	41	0	0	0	41	0%
Sauvignon Blanc	97	0	0	0	97	0%
Savagnin	5	0	0	0	5	0%
Semillon	59	0	0	0	59	0%
Verdelho	19	0	0	0	19	3%
Vermentino	7	2	0	0	9	0%
Viognier	67	0	0	0	67	0%
Total white varieties	**823**	**9**	**2**	**3**	**837**	**0%**
Rootstock Block	4	0	0	0	4	0%
Multi-purpose white	3	0	0	0	3	0%
Unknown variety	203	0	0	0	203	0%
Total all varieties	**7199**	**99**	**89**	**77**	**7464**	**1%**

Source: Phylloxera and Grape Industry Board of South Australia