TREASURY
WINE ESTATES

Investor Presentation

15 February 2011

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WINE ESTATES

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Key attributes of Treasury Wine Estates

1. Attractive long term demand trends for wine
2. Global scale and diversification
3. Strong brand portfolio
4. Sales and marketing capability
5. Flexible and efficient production model
6. Improving underlying financial performance
7. Clear strategic priorities
8. Experienced board and management

TREASURY WINE ESTATES

Agenda

- Wine market overview
- Company overview
- Strategic priorities
- Financial overview
- Investment highlights

TREASURY WINE ESTATES

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Wine market overview

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TREASURY WINE ESTATES

Wine market overview

- Treasury Wine Estates competes in the wine category of the global alcohol beverage sector

Longer term industry growth trends remain attractive	Factors negatively impacting category value
• Longer term growth in total wine consumption • Favorable demographic trends and population growth • Per capita consumption of wine growing faster than other alcohol beverage categories • Longer term trends favour higher priced products in developed markets • Strong growth in wine consumption in emerging markets	• Subdued economic conditions in key markets • Surplus wine supply in Australia, with increased competition from private label wine, particularly at lower price points • Foreign exchange rates impacting the competitiveness of the Australian category in offshore markets

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Key markets

- Treasury Wine Estates focuses on:
  - North American and Australian markets where it sells domestically produced and imported wine
  - Markets with a high proportion of imports and acceptance of new world wine styles
  - Emerging markets such as China with higher growth in annual consumption

	US	Australia	UK	Canada	Cont. Europe(1)	Nordics(2)	Asia(3)	NZ
Treasury Wine Estates								
FY10 pro forma sales volume (million 9LE cases)	15.9	7.3	4.9	2.0	2.0	1.6	0.9	0.6
Key market statistics								
Total market volume (million 9LE cases)	294	55	152	48	300	35	130	10
CAGR(4)	*2.5%*	*2.4%*	*1.7%*	*5.4%*	*0.0%*	*3.9%*	*13.5%*	*3.1%*
Consumption per capita (Litres/yr)(5)	8.7	22.6	22.4	13.1	25.8	16.5	0.4	21.5

(1) Continental Europe includes Germany, Netherlands and Denmark only
(2) Nordics includes Sweden, Norway and Finland
(3) Asia includes China, Hong Kong, Taiwan, South Korea, Japan, Singapore, Malaysia, Thailand, Philippines, India, Vietnam and Indonesia
(4) 5 year CAGR from 2004 to 2009 for all regions other than the Nordics(2) and Asia(3) which are 4 year CAGRs from 2005 to 2009
(5) Calculated using total population
Source: Wine Australia, New Zealand Wine Annual Report 2010, Australian Bureau of Statistics, IWSR 2009, Population Reference Bureau 2009 World Population Data Sheet

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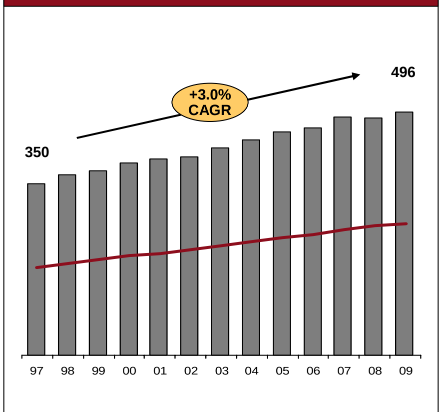
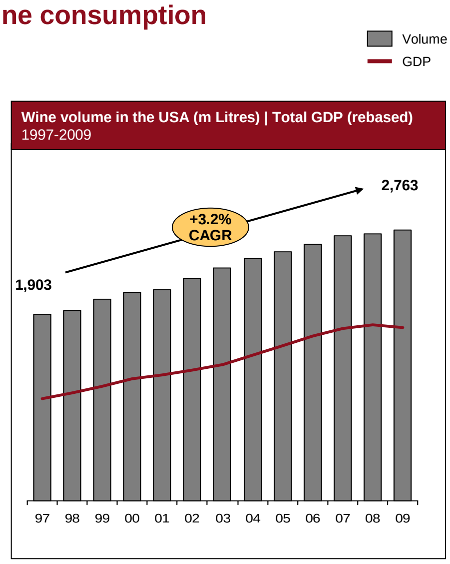
Long term growth in wine consumption

Wine volume in Australia (m Litres) | Total GDP (rebased) 1997-2009



Wine volume in the USA (m Litres) | Total GDP (rebased) 1997-2009



Source: Australian Bureau of Statistics, IWSR. Australian GDP based on Chain Volume; US GDP based on Chained 2005 dollars. GDP rebased to mid point of 1997 volume

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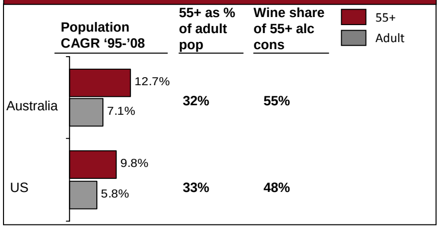
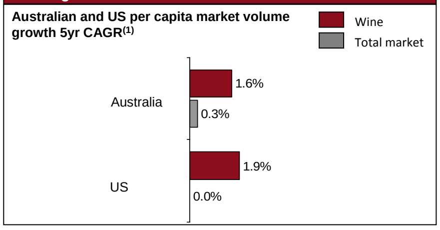
The wine category has room for growth in mature markets

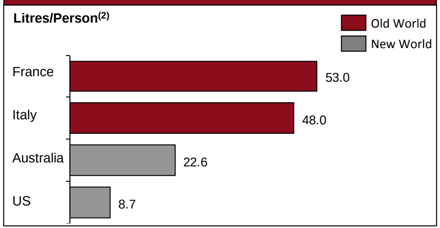
Favorable demographic shift from an ageing population



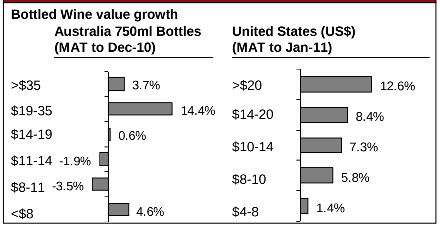
Per capita consumption growth ahead of total alcohol beverage market



Per capita consumption in the 'New World' has upside relative to the 'Old World'



Consumer demand is growing faster in the premium category



(1) Australia: 2003/04 to 2008/09 CAGR litres/capita (population 15 yrs and over), US: CAGR 2003-2008 litres/capita (population 21yrs and over adult)
(2) France and Italy relates to 2009/10 period and Australia and the US related to calendar 2009. Total population is used for per capita calculations
Source: ABS, US Census Bureau, Wine Australia, IMPACT Databank, Treasury Wine Estates calculations based in part on data reported by Nielsen through its ScanTrack Liquor Service for the Liquor Category for the Australian total off premise liquor market (Copyright © 2011, The Nielsen Company)

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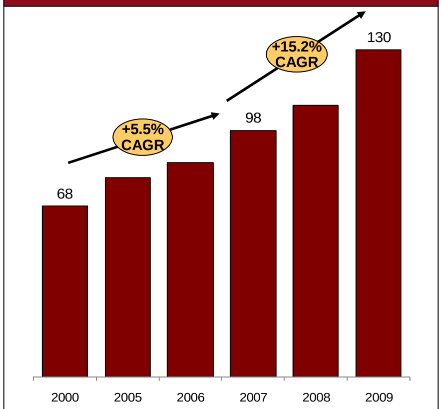
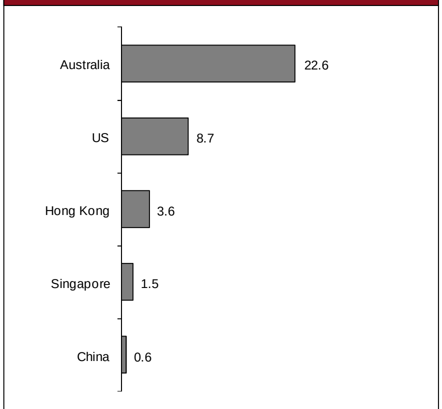
Untapped potential across Asia

Asia wine market growth
Million 9LE cases(1)



Comparative Wine Per capita consumption
Litres/Person (total population)



(1) Represents still wine market sales in China, Japan, Hong Kong, Taiwan, South Korea, Singapore, Thailand, Malaysia, Philippines, India, Vietnam and Indonesia
Source: IWSR, Australian Bureau of Statistics, Wine Australia

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Economic conditions have impacted key wine markets

GDP
Wine Volume

Total Wine Volume vs. Real GDP Growth(1)
Australia

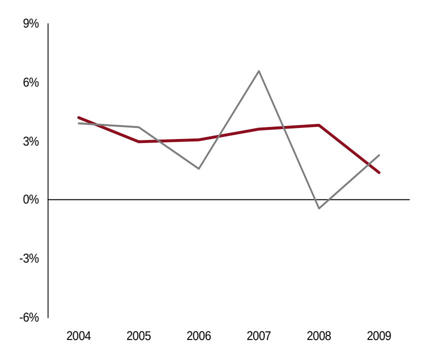
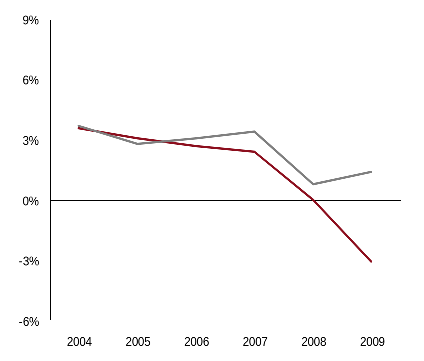


Table Wine Volume vs. Real GDP Growth(1)
United States



(1) Gross Domestic Product: Chain volume measures – Seasonally Adjusted
Source: Australian Bureau of Statistics, IWSR, Bureau of Economic Analysis

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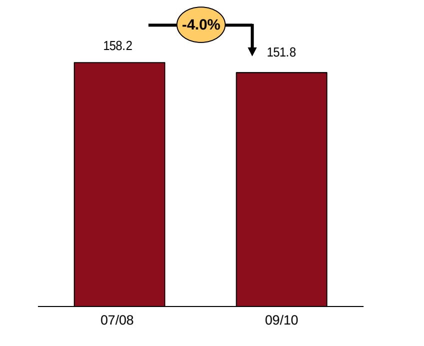
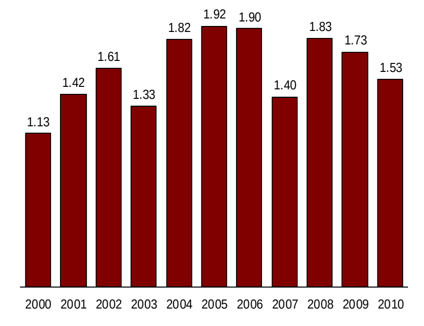
Australian industry is reacting to correct recent over supply

Total Bearing Area
2007/08 to 2009/10, 000's Ha



Total Industry Crush
Million tonnes



Source: Australian Bureau of Statistics Vineyard Estimates, abare, Winemakers' Federation of Australia

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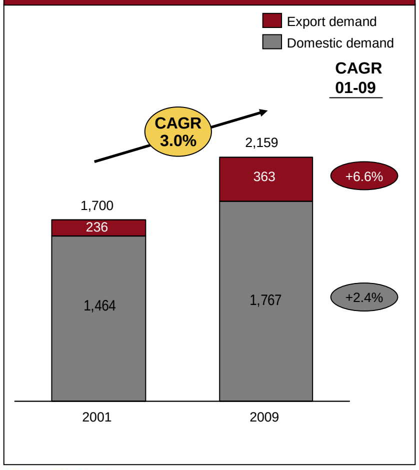
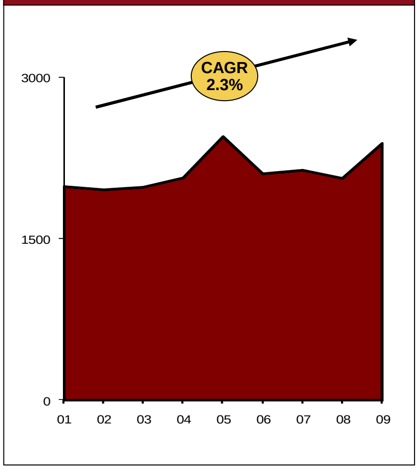
California demand and supply are broadly aligned

Demand - Californian origin wine sales volume
Million litres



Supply - Californian wine volume
Million litres



Source: Gomberg-Fredrikson, Wine Institute

TREASURY WINE ESTATES

Agenda

- Wine market overview
- **Company overview**
- Strategic priorities
- Financial overview
- Investment highlights

Introduction

- Treasury Wine Estates is a leading international wine business with a portfolio of luxury, premium and commercial wines, selling approximately 35 million 9LE cases of wine and generating net sales revenue of approximately $1.9 billion annually

	ANZ	Americas	EMEA	Asia
Production volume(1)	23.4	11.4	0.8	Nil
Sales volume(2)	7.9	17.9	8.9	0.9
NSR (A$ millions)(3)	554.5	933.0	336.4	66.3
EBITS (A$ millions)(4)	84.1	107.4	15.0	23.1

ANZ
- Key markets are Australia and New Zealand
- Sells Australian, New Zealand, Californian and European wines
- Production facilities located in Australia and New Zealand

Americas
- Key markets are the United States and Canada
- Sells Californian, Australian, European, New Zealand and South American wines
- Production facilities located in California, United States

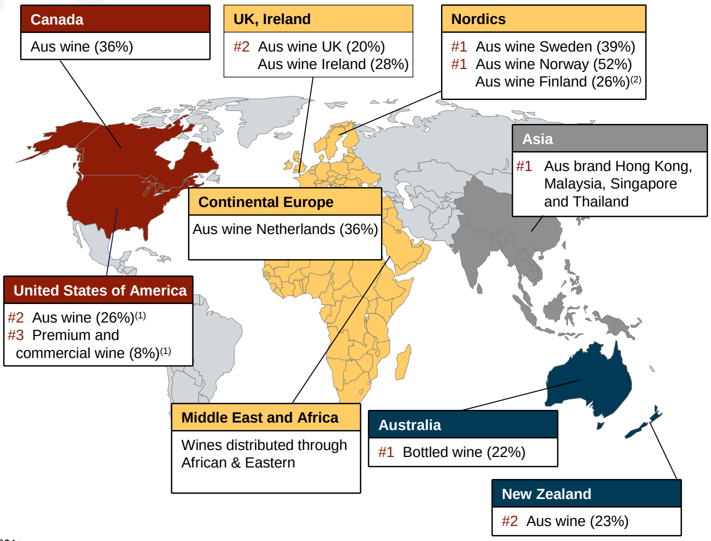
EMEA
- Key markets are the Nordics, Continental Europe and UK/Ireland
- Sells Australian, Californian, New Zealand, Italian, South African and South American wines
- Production facilities located in Tuscany, Italy

Asia
- Key markets are China, Japan, Hong Kong, Malaysia, Singapore, South Korea, Thailand and Taiwan
- Sells Australian, Californian, New Zealand and European wines

(1) Million 9LE cases of wine sold globally for the year ended 30 June 2010 which was produced within the region
(2) Million 9LE cases
(3) Pro forma net sales revenue for the year ended 30 June 2010
(4) Pro forma EBITS before unallocated corporate costs and individually material items for the year ended 30 June 2010

Global scale and diversification

- ✓ Over 3,000 employees across 17 countries
- ✓ Wine sold in more than 70 countries
- ✓ Portfolio of over 50 brands including global and regional brands
- ✓ 3 production regions (ANZ, Americas & EMEA)
- ✓ Significant market positions in key new world wine markets



(1) Table wine US$4+
(2) By retail sales volume, all other market shares shown on value of retail sales
Source: August 2010 Canada Redbook, Monopoly Data, IWSR, Treasury Wine Estates calculations based in part on data reported by Nielsen through its ScanTrack Liquor Service for the Liquor Category for the Australian total off premise liquor market (Copyright © 2011, The Nielsen Company)

Strong portfolio of brands

- Five global foundation brands represent ~65% of FY10 net sale revenues
- Treasury Wine Estates believes brands are important drivers of customer traffic for retailers and enabling producers to diversify sources of grapes and production, facilitating improved margins and reduced reliance on any single product

Global Foundation Brands

#1 Wine brand in US(1)	Australia's pre-eminent red wine producer	#3 Wine brand in Australia	#1 Wine brand in AUS category in Sweden and Norway	Exported to approx. 50 countries

Regional Foundation Brands

#2 Wine brand in Australia	Award winning Sonoma County brand

(1) Table wine US$4+
Source: 2010 Wine Handbook, Treasury Wine Estates calculations based in part on data reported by Nielsen through its ScanTrack Liquor Service for the Liquor Category for the Australian total off premise liquor market (Copyright © 2011, The Nielsen Company)

Brand portfolio strategy

Build and accelerate Foundation Brands + **Develop and leverage Regional Brands**

Wolf Blass
Penfolds
Beringer
Rosemount
Lindeman's

Yellowglen, Matua Valley, Saltram, Annie's Lane, Secret Stone, Coldstream Hills, Gabbiano, Metala, Fifth Leg, Devil's Lair, Wynns Coonawarra Estate, T'Gallant, Greg Norman, Stags' Leap, Chateau St Jean, Seppelt, Etude, Souverain

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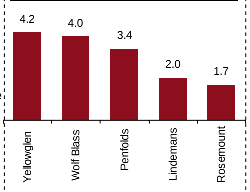
The brand portfolio has room to grow

Brand Portfolio – Australia
Market Share (MAT to Dec 2010)

Share of AUS Wine: **27%**

Share of Total Wine: **22%**

Foundation Brands (% share of total wine)



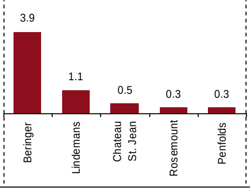
Brand Opportunities: Wynns Coonawarra Estate, Matua Valley, Fifth Leg, Pepperjack

Brand Portfolio – United States
Market Share (MAT to Jan 2011)(1)

Share of AUS Wine: **26%**

Share of Total Wine: **8%**

Foundation Brands (% share of total wine)



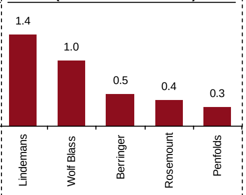
Brand Opportunities: Matua Valley, Cellar No 8, Stags' Leap, Gabbiano

Brand Portfolio – Canada
Market Share (MAT to Aug 2010)

Share of AUS Wine: **36%**

Share of Total Wine: **4%**

Foundation Brands (% share of total wine)



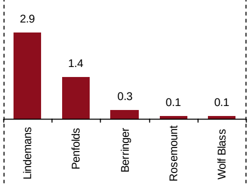
Brand Opportunities: Chateau St. Jean, Gabbiano, Coldstream Hills, Devil's Lair, Etude

Brand Portfolio – Sweden
Market Share (MAT to Dec 2010)

Share of AUS Wine: **39%**

Share of Total Wine: **5%**

Foundation Brands (% share of total wine)



Brand Opportunities: Etude, Gabbiano, Stags' Leap, Matua Valley

(1) Table wine US$4+
Source: August 2010 Canada Redbook, Monopoly Data, Treasury Wine Estates calculations based in part on data reported by Nielsen through its ScanTrack Liquor Service for the Liquor Category for the Australian total off premise liquor market (Copyright © 2011, The Nielsen Company)

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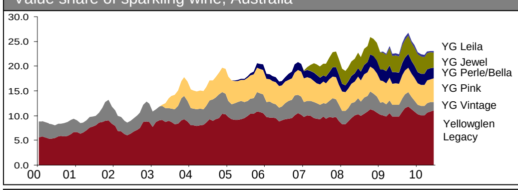
Focus on innovation

Why is innovation important?

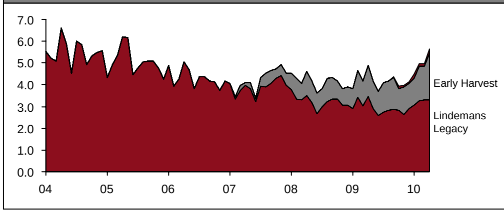
1. Grow brand franchise
   - In Australia SKUs launched in the last 2 years generated $265m in total category value sales or 9.4% of total retail sales
2. Reshape product and brand portfolios towards growth varieties and higher priced products
   - Early Harvest Semillon Sauvignon Blanc realises a higher net margin for Treasury Wines Estates and retailers compared to Lindemans Bin 65(1)
3. Keeps both brand and category fresh
   - e.g. Yellowglen's value share has been supported by a number of new ranges

Examples

Evolution of Yellowglen brand
Value share of sparkling wine, Australia



Early Harvest revitalisation of Lindemans
Retail sales A$m, Australia



(1) Based on Treasury Wine Estates Shelf RRP and WLP published effective 1 Feb 2011
Source: Treasury Wine Estates calculations based in part on data reported by Nielsen through its ScanTrack Liquor Service for the Liquor Category for the Australian total off premise liquor market (Copyright © 2011, The Nielsen Company)

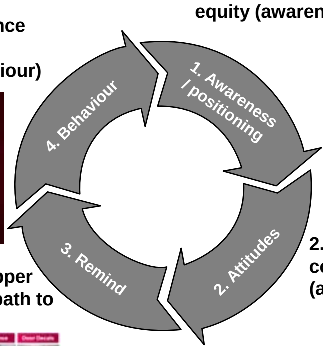
Sales and marketing capability

- Sales employees in more than 16 countries
- Tailored sales and distribution models in key markets
  - **Australia:** Sales and marketing functions with dedicated wine sales force
  - **United States:** Sales and marketing functions recently restructured
    - Dedicated key account, luxury and distributor management teams
    - Stage 1 of distributor re-alignment completed
    - Progressively this program will be extended to other states
  - **EMEA:** Sales and marketing recently restructured with direct distribution adopted in the Nordics and to major retailers in Denmark, the Netherlands, Germany and the United Kingdom
  - **Asia:** Treasury Wine Estates relocated its Asian head office and leadership team to Singapore in 2010 and expanded its in-market sales and marketing capability

The sales and marketing proposition

1. Building strong brand equity (awareness/positioning)

4. Driving performance through customer partnerships (behaviour)



2. Enhancing equity through consumer experiences (attitudes)

3. Influencing shopper behaviour during path to purchase (remind)

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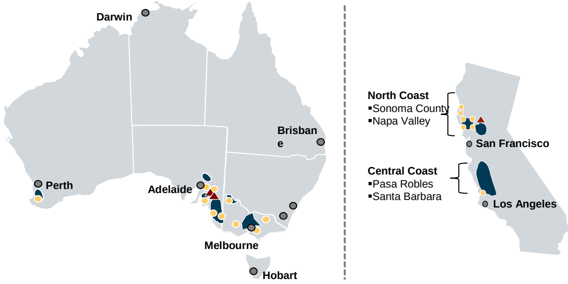
Supply and production footprint

- ✓ Treasury Wine Estates has production facilities in internationally recognised wine regions in Australia, the United States, New Zealand and Italy
- ✓ 57% of bottling in Australia and New Zealand, 30% in California and 13% in EMEA[1]
- ✓ Flexible and efficient production model



Vineyards

	AUS	US
Number	31	26
Planted (Ha)	9,404	2,435
Owned (Ha)	8,586	1,682
Leased (Ha)	818	753

Wineries

	AUS	US
Number	11	7
Crush capacity (KT)	210	82

Bottling and Packaging

	AUS	US
Number of facilities	3	1
Total bottling (million 9LE cases)	19	11




(1) Includes internal and 3rd party bottling

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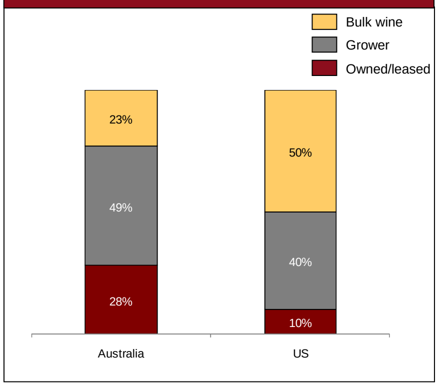
Flexible and efficient production model

- Combination of owned and third party arrangements provides flexibility to respond to changes in vintage yields, grape supply and consumer preferences
- Recent initiatives to restructure the supply and production footprint include:
  - Divestment of non-core vineyards
  - Consolidating production to most efficient facilities
  - Centralising bottling and packaging
  - Reducing bulk wine inventories
  - Increasing third party grape supply arrangements
  - Increased use of technology in viticulture and winemaking
- Further improvements are being pursued as a key strategic priority

Vintage 2010 intake sources



Experienced board and management

- The Treasury Wine Estates management team have a deep understanding of the business, and the Treasury Wine Estates board has substantial experience

Executive team

- Following the Demerger, the Treasury Wine Estates executive team will comprise:
  - David Dearie (Executive Director and Chief Executive Officer)
  - Tony Reeves (Chief Financial Officer)[1]
  - Paul Conroy (General Counsel and Company Secretary)
  - Stephen Brauer (Managing Director, Americas)
  - Peter Jackson (Managing Director, EMEA)
  - Anthony Davie (Managing Director, Asia)
  - Boyd Williams (Chief HR Officer)

Board of Directors

- Following the Demerger, the Treasury Wine Estates Board will comprise:
  - Max Ould (Chairman)
  - David Dearie (Executive Director and Chief Executive Officer)
  - Lyndsey Cattermole
  - Warwick Every-Burns (new)
  - Peter Hearl (new)
  - Paul Rayner (new)

(1) Tony Reeves will fill the CFO role until the selection process for a permanent CFO is concluded and the new CFO commences employment with Treasury Wine Estates

Agenda

- Wine market overview
- Company overview
- **Strategic priorities**
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Strategy context

Pre Wine Strategic Review	Treasury Wine Estates today	Strategic goals
• Multi beverage sales force • Portfolio and process complexity • Core brand and portfolio dilution • Misaligned brands and production assets	• Integrated production, sales and marketing • Enhanced route to market • Reshaped brand portfolio • Flexible and efficient supply • New management	• Consumer centric • Brand franchises • Partner of choice • Efficient, stand-alone operating structure • Global focus • Commercial wine culture
Inflexible, volume-driven model	**Sustainable business platform**	**Pursue profitable growth**

- Treasury Wine Estates aims to build sustainable shareholder value with a focus on improving margins and asset efficiency and maintaining strong cash conversion by:
  - Embedding a sustainable business platform through a series of shorter term priorities
  - Pursuing profitable growth through a series of longer term priorities

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Shorter term priorities

Embedding a sustainable business platform

1 Drive profitable share growth

- Bias towards premium segments in existing markets
- Repositioning of Beringer portfolio
- Line extensions and new product development
- Targeted innovation to drive "trade-up" differentiated opportunities
- Allocation process for Penfolds

2 Leverage the flexible and efficient production model

- Manage variability in the wine supply cycle
- Best practice integrated planning
- Knowledge sharing between production regions
- Maintain leadership in cutting edge viticulture practices
- Implementation of Continuous Improvement in production

3 Continue performance improvement initiatives

- Complete US distributor re-alignment program
- Build scale in China
- Improved production efficiencies including through continued technological innovation
- Preferred business partner across the value chain
- Apply proven FMCG practices to lead the wine category

4 Realise the benefits of the Demerger

- Deliver a more efficient stand-alone operating structure
- Broad areas of focus include acceleration of wine making and vineyard operations efficiencies; optimisation of marketing and promotional spend; continued process improvements; reduction in global administrative and selling costs; and benefits arising from the implementation of new IT systems
- Expect cost reductions to materially exceed additional costs being incurred as a result of the Demerger within 24 months
- Cost reductions in excess of additional costs will directly flow through to increased profit. A portion of this may be reinvested in the business.

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Longer term priorities

Pursuing profitable growth

1. **Maintain exceptional brand franchises**
   - Focussed brand management and innovation program
   - Leverage market position to be the partner of choice with key customers
2. **Evolve the flexible and efficient production model**
   - Further improvements in viticulture, winery and bottling automation and acceleration of the Continuous Improvement program to provide a cost advantage in the wine category
   - Focus on inventory and working capital management
3. **Pursue longer term growth opportunities**
   - Focus on Asia and other core markets
   - Support growth through supply of core products (eg, Penfolds into China)
   - Maintain multi-brand strategy
4. **Explore profitable portfolio expansion opportunities**
   - Use global platform to access new geographic markets
   - Consider different brand/market combinations
   - Invest in brand portfolio through new product development, varietal and country of origin
5. **Embed a dedicated commercial wine culture**
   - Single minded wine ethos focussed on financial outcomes
   - Cultivate cultural terroir
   - Act as a leader in the industry, being the partner of choice with key customers
   - Focus on building people and capability

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Agenda

Financial highlights

Historical performance

- Historic financial performance has been impacted by subdued consumer demand environment in key international markets, currency movements, oversupply in Australia and New Zealand, fluctuations in grape prices and implementation of Treasury Wine Estates' performance improvement program

Recent improvements

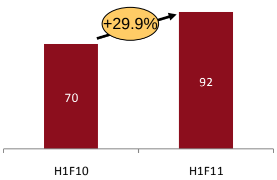
- Financial performance on a constant currency basis has recently improved despite challenging market conditions
  - 2 consecutive halves of greater than 20% EBITS growth
  - Positive net sales revenue per case trends
  - Cash conversion greater than 95% from FY 09
  - Performance driven by: continued focus on quality; flexible production, realisation of efficiencies; improved mix; route to market initiatives; improved resource allocation; and upgraded capability throughout the organisation
- Rate of earnings growth is expected to moderate as Treasury Wine Estates cycles recent improved performance and efficiency gains
  - Key international wine markets are expected to remain challenging, however the flexible production model and management of the wine cycle will position Treasury Wine Estates to take advantage of future improvements

Capital structure

- Conservative balance sheet to be established with low gearing
- Target dividend payout ratio of 55% to 70% of normalised NPAT

Improving underlying financial performance

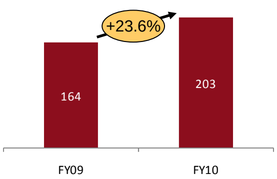
Pro forma EBITS 1H 11 vs 1H 10 (constant currency)



Margin(1) 7.4% 9.9%

- On a constant currency basis
  - EBITS increased 29.9%
  - NSR per case increased 3.4%
- On reported currency basis EBITS was flat due to unfavourable currency movements

Pro forma EBITS FY 10 vs FY 09 (constant currency)



Margin(1) 8.6% 10.7%

- On a constant currency basis
  - EBITS increased 23.6%
  - NSR per case increased 1.2% (4.7% 2H 10)
- On reported currency basis EBITS reduced by 29% due to unfavourable currency movements

Note: Numbers subject to rounding
(1)Pro forma constant currency EBITS divided by pro forma constant currency NSR

TREASURY WINE ESTATES

Pro forma financial performance

Summary pro forma income statement (reported currency)

A$m (unless stated)	**FY 08**	**FY 09**	**FY 10**	**1H 11 (6 months)**
Volume (m 9L cases)	39	37	36	18
Sales revenue	2,085	2,145	1,890	924
Other revenue	20	12	15	8
Total revenue	**2,106**	**2,156**	**1,905**	**932**
Operating and corporate costs(1)	1,802	1,872	1,702	841
EBITS before individually material items	**304**	**284**	**203**	**92**
EBITS/ NSR margin	*15%*	*13%*	*11%*	*10%*
SGARA	2	(22)	(18)	(5)
EBIT before individually material items	**306**	**263**	**185**	**86**
EBIT/NSR margin	*15%*	*12%*	*10%*	*9%*
Selected average exchange rates:				
A$/US$	*0.8960*	*0.7504*	*0.8814*	*0.9434*
A$/£	*0.4473*	*0.4623*	*0.5579*	*0.6025*

Note: Numbers are subject to rounding

(1) Pro forma adjustments include: FY 08 operating costs have been increased by $60m to provide consistent cost allocation methodology; adding costs of $1.4m in FY 08 and reducing costs by $7.3m, $8.3m and $5.1m in FY 09, FY 10 and 1H 11 respectively to reflect pricing methodology for logistics services and sales and marketing under the transitional services arrangements; and adding $27.0m of annual operating and corporate costs necessary to operate Treasury Wine Estates as a separate listed entity

TREASURY WINE ESTATES

Pro forma cash flow statement

Summary pro forma cash flow information (reported currency)

A$m	**FY 08**	**FY 09**	**FY 10**	**1H 11 (6 months)**
Pro forma EBITS(1)	304	284	203	92
Depreciation	92	104	95	38
Amortisation	3	2	-	-
Pro forma EBITDAS(1)	**400**	**390**	**298**	**130**
Change in working capital	(85)	101	123	(1)
Other non-cash items	(3)	(13)	(16)	-
Net operating cash flows, before financing costs and tax	**312**	**478**	**404**	**129**
Capital expenditure(2)	(79)	(98)	(78)	(19)
Net operating cash flows after capex before financing costs and tax	**233**	**380**	**327**	**110**
Cash conversion(3)	*79%*	*123%*	*136%*	*99%*

Note: Numbers are subject to rounding

(1) Before individually material items

(2) Net of any dividends received

(3) Defined as net operating cash flows before financing costs and tax divided by earnings before interest, tax, depreciation and amortisation and SGARA multiplied by 100%

TREASURY WINE ESTATES

Pro forma balance sheet

Summary pro forma balance sheet as at 31 December 2010	
A$m	
Cash	60
Receivables	453
Inventories	1,047
Property, plant and equipment	913
Agricultural assets	180
Intangible assets	920
Other assets	205
Total assets	**3,777**
Payables	368
Borrowings	201
Other liabilities	318
Total liabilities	887
Net assets	**2,890**

- New $500m syndicated multi-currency facility with revolving 3 and 5 year tranches
- Conservative balance sheet with net debt of approximately $140m at Demerger
  - $200m of gross debt (drawn in USD from new facility) and cash of $60m
  - Gross debt less than 0.7x pro forma FY10 EBITDAS
- Target dividend payout ratio of 55% to 70% of consolidated NPAT(1)(2)
  - Dividends to be franked to the extent practicable - expected to be less than 100% due to offshore earnings

Note: Numbers are subject to rounding
(1) Dividend policies will be determined by the Treasury Wine Estates' Board and may change over time and is subject to the Corporations Act
(2) Consolidated NPAT excludes individually material items

TREASURY WINE ESTATES

Agenda

- Wine market overview
- Company overview
- Strategic priorities
- Financial overview
- **Investment highlights**

TREASURY WINE ESTATES

Key attributes of Treasury Wine Estates

1. Attractive long term demand trends for wine
2. Global scale and diversification
3. Strong brand portfolio
4. Sales and marketing capability
5. Flexible and efficient production model
6. Improving underlying financial performance
7. Clear strategic priorities
8. Experienced board and management