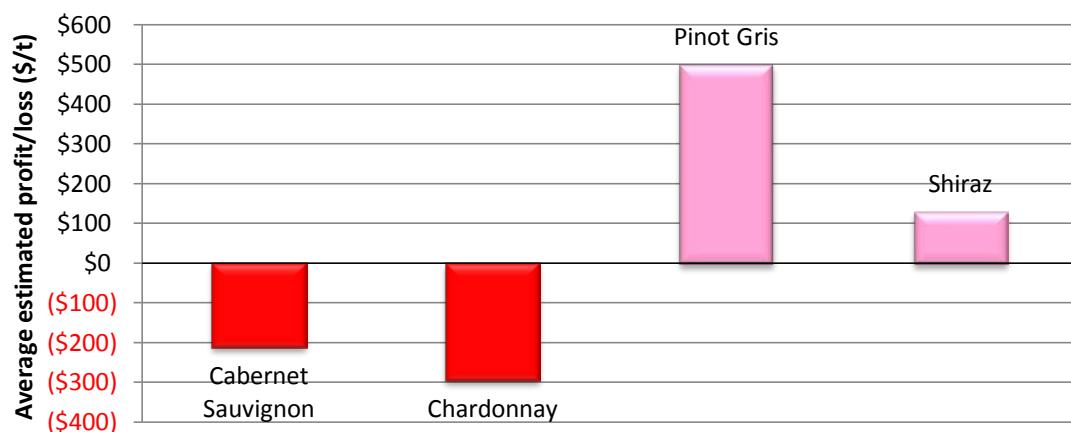




Profitability analysis by variety

	2015 Regional Harvest Outcomes							Planning for 2016		
	Average yield t/ ha* (A)	District average price \$/t (B)	Gross \$/Ha (A x B) (C)	Est cost of production (COP) \$/Ha** (D)	Profit \$/Ha (C-D) (E)	Profit/Loss \$/t in 2015 B - (D ÷ A) (F)	% tonnes sold below COP*** (G)	5 year ave yield t/ha* (H)	Break even \$/t (D ÷ H) (I)	Difference: 2015 district average & break-even price (B - I) (J)
Cabernet Sauvignon	4.7	\$1,177	\$5,532	\$6,500	-\$984	-\$210	65%	4.9	\$1,327	-\$150
Chardonnay	6.2	\$753	\$4,669	\$6,500	-\$1,822	-\$293	87%	6.5	\$1,001	-\$248
Pinot Gris	12.2	\$1,031	\$12,578	\$6,500	\$6,127	\$500	0%	12.8	\$508	\$523
Shiraz	7.3	\$1,021	\$7,453	\$6,500	\$971	\$133	48%	7.6	\$850	\$171

Profitability in 2015 - Wrattobully



Summary of key points - 2015

- ★ Yields were down 4% on the five year average
- ★ Gross returns ranged from \$4669 per hectare for Chardonnay to \$12,578 per hectare for Pinot Gris.
- ★ 87% of Chardonnay was sold below the average COP.
- ★ District average prices were down for all the major varieties.

Looking ahead to 2016

- ★ Based on average yields for the past five years, only Shiraz and Pinot Gris would be expected to cover cash costs if the price paid was equal to the 2015 average price.

Notes

* Figures derived from the SA Winegrape Crush Survey

**Cash costs only – excl. GST, water, depreciation, finance costs and return on investment

***Price dispersion information from the AGWA Price Dispersion Report 2015

This information should be used as a guide only. Production costs and returns can vary considerably. The purpose is to give vineyard owners and managers a simple financial illustration that can be adapted to their own situation to assist with planning.