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Evans & Tate
MARGARET RIVER

10 June 2003

EVANS & TATE LIMITED - RECORD PROFIT FORECAST

	30 June 2003 (F)	30 June 2002	% Growth
EBITDA	$13.3m	$8.6m	55%
Net Profit after Tax	$4.3m	$2.9m	48%
Earnings Per Share	7.5c	6.3c	19%

Evans & Tate Limited is pleased to advise of an anticipated record net profit of at least $4.3 million for the year ended 30 June 2003.

The June 2003 forecast represents an increase on June 2002 of approximately 48% and includes approximately 3½ months trading contribution from Cranswick Premium Wines. EBITDA is forecast to be approximately $13.3 million, up some 55% on the last year.

The acquisition of Cranswick by Evans & Tate was completed in mid March 2003. The integration continues to progress smoothly with the Company now managing operations in Margaret River - Western Australia, Yarra Valley and Mildura – Victoria and Griffith - New South Wales.

"The company has completed a number of asset sales to reduce bank debt and will pursue this strategy in the future so as to continue to strengthen the Company's balance sheet," said Chairman and Chief Executive Officer of Evans & Tate Limited, Mr. Franklin Tate.

Comments on the specific components of the business follow:-

Evans & Tate Limited

Sales of Evans & Tate products have continued to grow despite challenging marketing conditions being experienced throughout the industry. The new "*Salisbury by Evans & Tate*" range was launched in Australia in May 2003 and has received a strong response from the market. On completion of the acquisition of Cranswick, the Group assumed responsibility for managing additional Buyers Own Brands in Australia, including "*Brookridge*" for Liquorland.

Evans & Tate/Cranswick Premium Wines Europe

Evans & Tate/Cranswick Premium Wines Europe was established to manage the UK and European sales and marketing requirements of the Cranswick group. Its customer base is principally supermarket chains and multiples. As part of the business integration process, it has now assumed sales and marketing responsibility for the Evans & Tate branded range throughout the UK and Europe.

Group management attending the recent London Wine Trade Fair were delighted by the response from customers to Evans & Tate's expanded presence in the UK.

Management is confident the existing sales platform can be further developed, particularly in the area of Buyers Own Brands and Exclusive Labels for large supermarket customers keen to extend their own market brands.

"Our extended supply capability and our regionally diversified production base following the Cranswick acquisition makes this a very exciting prospect for us" said Franklin Tate.

Australian Wineries UK Limited, Evans & Tate's majority owned distribution entity based in the UK is responsible for the distribution to retail and on-trade customers of a portfolio of wines from Australia, New Zealand, South Africa, Chile and USA. Understandably, as a significant shareholder, Evans & Tate's range of wines will continue to enjoy a very high level of focus.

<u>Australian Premium Wines Ltd.</u>

Formerly a listed entity, Australian Premium Wines was acquired by Cranswick in 1999 and accordingly is now part of the Evans & Tate Wine Group. The entity's residual income stream is a contract with Southcorp Wines to process some 12,000 tonnes of grapes annually. Evans & Tate are pleased to advise that these contractual arrangements were fulfilled again this year to the satisfaction of all parties.

<u>Oakridge Vineyards Pty. Ltd.</u>

Oakridge Vineyards is currently releasing its *New Generation* range of wines, the first produced since acquisition by Evans & Tate in October 2001. The Oakridge branded wines are already receiving critical acclaim and should see further sales growth in the coming year.

<u>Scott Street Portfolio Inc.</u>

As for other Australian producers the US market continues to present many worthy challenges as the Company continues to pursue distribution growth in this large market. Evans & Tate's wholly owned importing company, Scott Street Portfolio continues to increase sales with second half sales growth improving significantly. Evans & Tate anticipates that the business will move to break even over the ensuing financial year.

<u>Selwyn Wines Pty. Ltd.</u>

Selwyn Wines, Evans & Tate's primary supply business, has not only maintained its existing customer base for contract wine supply and wine trading but has significantly expanded its contract processing activities thanks to the additional capacity provided by the Cranswick acquisition. Evans & Tate anticipates further growth in this area in the next 12 months. Demand for contract wine supply should also be affected by contractions in national supply. With the Australian harvest down on expectations for 2003 by approximately 20%, this will provide further stimuli to Selwyn Wines' performance.

<u>Selwyn Viticultural Services Pty. Ltd.</u>

Selwyn Viticultural Services ("SVS") has continued to grow following the Cranswick acquisition and now manages 940 hectares of vineyards around Australia with 660 hectares of these in Western Australia. The Cranswick acquisition provides SVS with excellent opportunities to expand its range of services into new regions where the Evans & Tate Wine Group now operates. In WA the Gnangara Vineyard Project is underway with 100 hectares of planting currently taking place. This project will secure a long term WA fruit supply for this burgeoning brand.

Mr Tate, said "Since the completion of the Cranswick acquisition on 17 March 2003, our senior management team have excelled themselves in fast-tracking the integration process. They have ensured that core functions across all our businesses continue to operate effectively and have captured sustainable operating efficiencies.

"The result forecast for the year ended 30 June 2003 is very pleasing and I continue to be optimistic that we can deliver significant financial growth in the coming years".

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