



McGUIGAN
SIMEON

By Brian McGuigan

ABN 78 052 179 932

McGUIGAN SIMEON WINES LIMITED

12 December 2003

SALE OF VINEYARDS COMPLETED

McGuigan Simeon Wines Limited ("MGW") late yesterday completed the sale of its Richmond Grove Padthaway, Lawsons Padthaway and Qualco East (Riverland) vineyards to the Beston Wine Industry Trust ("BWIT") as was contemplated in the Heads of Agreement between MGW and BWIT.

The total sale proceeds of \$49.4 Million will be used to reduce debt thus leaving the company with a debt to equity ratio of below fifty percent (50%) on a consolidated basis (after including the Miranda position).

MGW retains leases over these properties for periods ranging from 9 to 12 years with 3 x 5 years options to renew and an option to purchase the vineyards back at the end of the lease.

"As I have said on a number of occasions previously, this transaction significantly restructures MGW's balance sheet whilst still leaving us with the benefits of the same level of control of grape growing. Proper management of the capital required for business is an issue of core concern in the wine industry. The wine industry is especially hungry for capital, in particular in circumstances where your business is growing rapidly. With this transaction completed I feel that MGW is well placed to take advantage of any opportunities which arise in the future." Said Managing Director, Brian McGuigan.

The total area of the vineyards sold to BWIT is 653 Hectares. The two Padthaway vineyards are sub-let to Orlando Wyndham Group. The Riverland Vineyard, Qualco East is operated by MGW.

The proposal to sell various vineyard assets and lease them back was included in the merger booklet prepared in association with the merger between Brian McGuigan Wines Limited and Simeon Wines Limited in June 2002.

For further information please contact Managing Director Brian McGuigan on ph: 0418 493 486.

Julie Thomas
Company Secretary