McGuigan Simeon Wines Limited

Full Year Results 2005

A creditable result in challenging times

Today's agenda

Financial results	David Clarke
Operational review	Brian McGuigan
Outlook	David Clarke

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2005

- Creditable result in challenging year
- Sales and profit (before SGARA) up
- Maintained and built market share in all markets
- Double digit growth in major markets
- Drove costs down
- EPS 32.1 cents
- Dividend 23.5 cents
- Well placed at this stage of the cycle
  - Ability to take advantage of market conditions
  - Confident about future

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A creditable result in challenging times:

Sales from ordinary activities*	▲	16%
EBITDAS**	▲	5%
EBITA***	▼	11%
Profit After Tax	▼	11%
Total dividend	no change	

* excludes vineyard sales
** EBIT before depreciation, amortisation and SGARA
*** EBIT before amortisation

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Full year numbers

	2005 $m	2004 $m	variance
Sales *	377.0	323.8	▲ 16 %
EBITDAS**	62.5	59.8	▲ 5 %
EBITA ***	57.3	64.7	▼ 11 %
PAT	35.9	40.2	▼ 11 %
EPS	32.1cents	38.2cents	▼ 16 %
Dividend	23.5cents	23.5cents	-

* excludes vineyard sales
** EBIT before depreciation, amortisation and SGARA
*** EBIT before amortisation

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SGARA Impact 2005
(Self-generating and Re-generating Assets)

	$m
• Decrease in market grape prices*	3.9
• Full year lease costs**	4.6
• Increased operating costs	3.3
• Increase in vineyard tonnes	(2.1)
Total reduction in 2005 SGARA	**9.7**

****Average market price per one tonne of grapes reduced by $80 in 2005***

****2005 had full year lease costs; 2004 part year only***

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Strong financial position

		2005	2004
EBITA/ Sales Revenue		15%	20%
R.O.C.E	(1)	11%	13%
Return on equity	(2)	10%	12%
Gearing		46%	45%
Cashflow from operating activities		$2.5m	$5.8m
Net interest cover	(3)	6.4	6.3

1. EBITA / net assets plus net borrowings
2. Net profit on equity
3. EBITA / net interest

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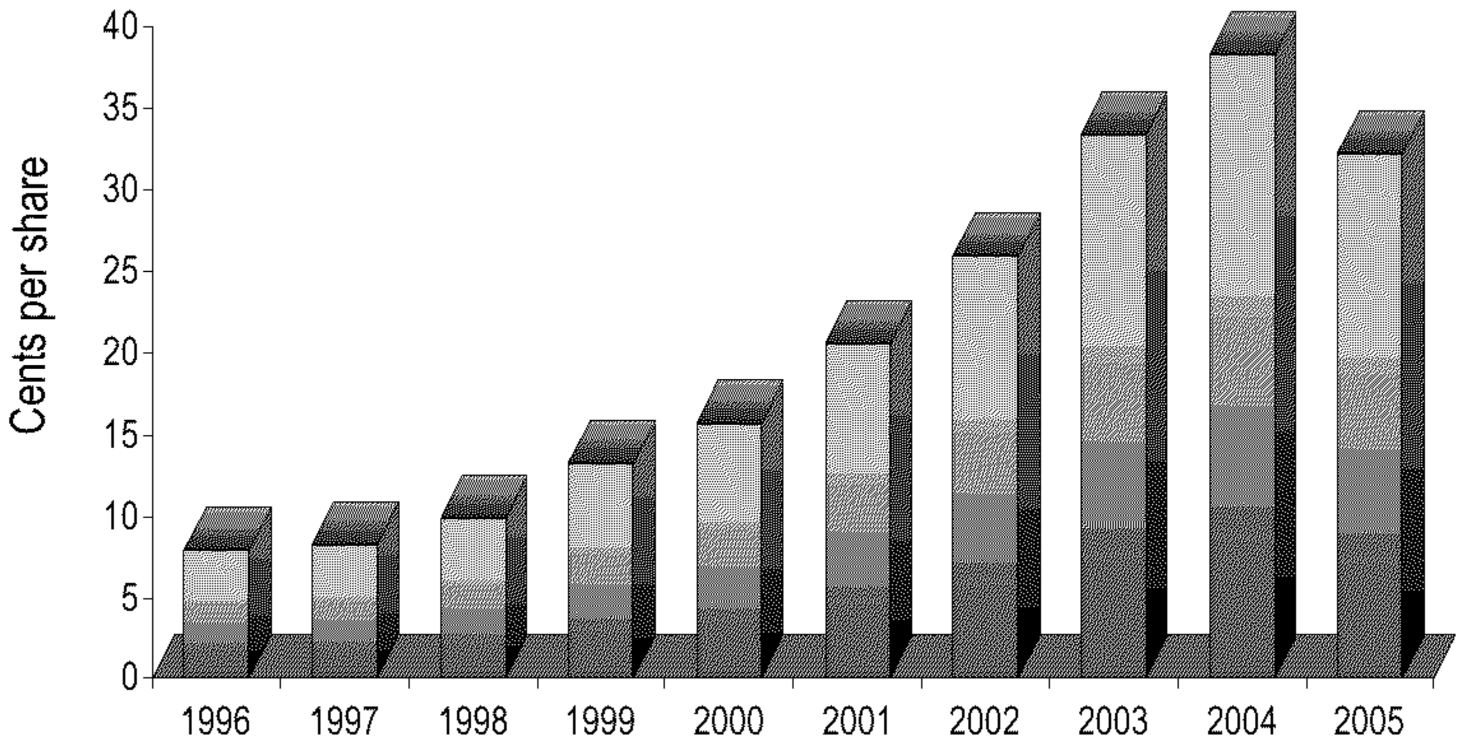
Earnings per share



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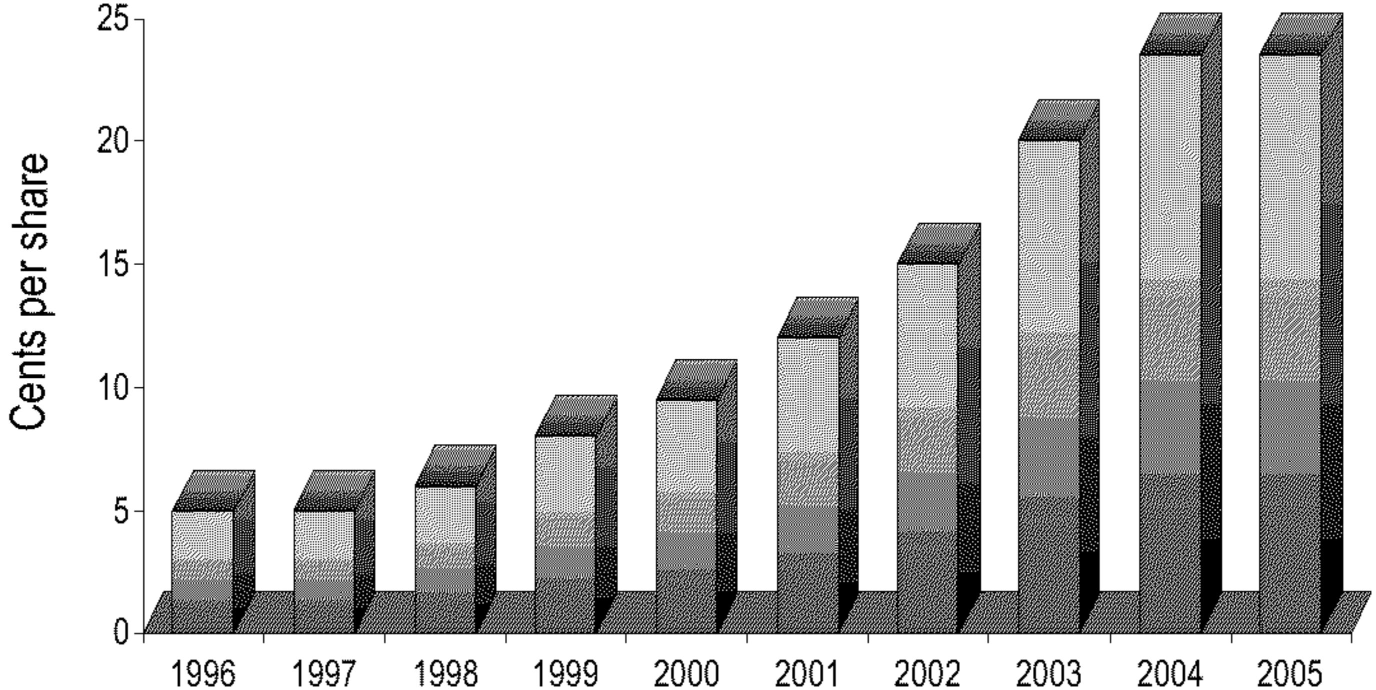
Dividend



Total dividend maintained at 23.5 cents

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Operational review
Brian McGuigan

2005: A challenging environment….

- A challenging environment:
  - Continuing strength in the $A
  - Oversupply of grapes and wine in the world market
  - Record grape and wine production in Australia on the back of 2004 vintage
  - A dramatic change in the supply/competitive pricing outlook midway through the year
  - Instability in the industry

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In this environment MGW delivered a creditable result

- Driven by:
  - Good domestic sales by volume despite price pressures
  - Good export sales by volume despite price pressures
  - Maintaining downward pressure on costs
  - Strong management and marketing skills
- MGW focused on:
  - Continuing to address costs and margins
  - Building markets through relationships and innovative marketing
  - Being the most efficient producer in Australia
  - Addressing structural change needed between growers and processors

It is a result driven by a relentless focus on fundamentals in an environment where market forces made it difficult to meet targets

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Solid dollar sales growth in all markets

12 months to 30 June	2005 $m	2004 $m		%
Export bottled sales (branded)	47.9	44.4	▲	8
Export bottled sales (bulk)	66.8	44.8	▲	49
Export bulk sales	49.5	33.2	▲	49
Domestic bottled sales (branded)	98.0	85.3	▲	15
Domestic bulk sales	69.7	66.7	▲	4
Vineyards (lease / management)	40.9	45.9	▼	11
Other	4.2	3.5	▲	20
Total	**377.0**	**323.8**	▲	**16**
Volume of wine sold (million litres - excludes contract processing)	**138.9**	**113.1**	▲	**23**

Where are we in the cycle?

- A rural industry
- We are facing supply/demand imbalance after 10 plus years solid growth
- No company in the industry is quarantined from the effects on prices and margins
- MGW is positioned to ride through the downturn
- We are cautious in short term, but we have a solid foundation, a strategy and vision for future growth domestically and globally

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2005: Year in Review - Supply

- On the supply side, 2005 was a year in two halves
  - First half:
    - Market appeared to be approaching balance
    - First six months produced a solid outcome
  - Second half:
    - Another big vintage, on top of 2004
    - Oversupply and pricing
    - Impact on margins in second half
  - Oversupply will take time to work through
    - Will impact margins 2006

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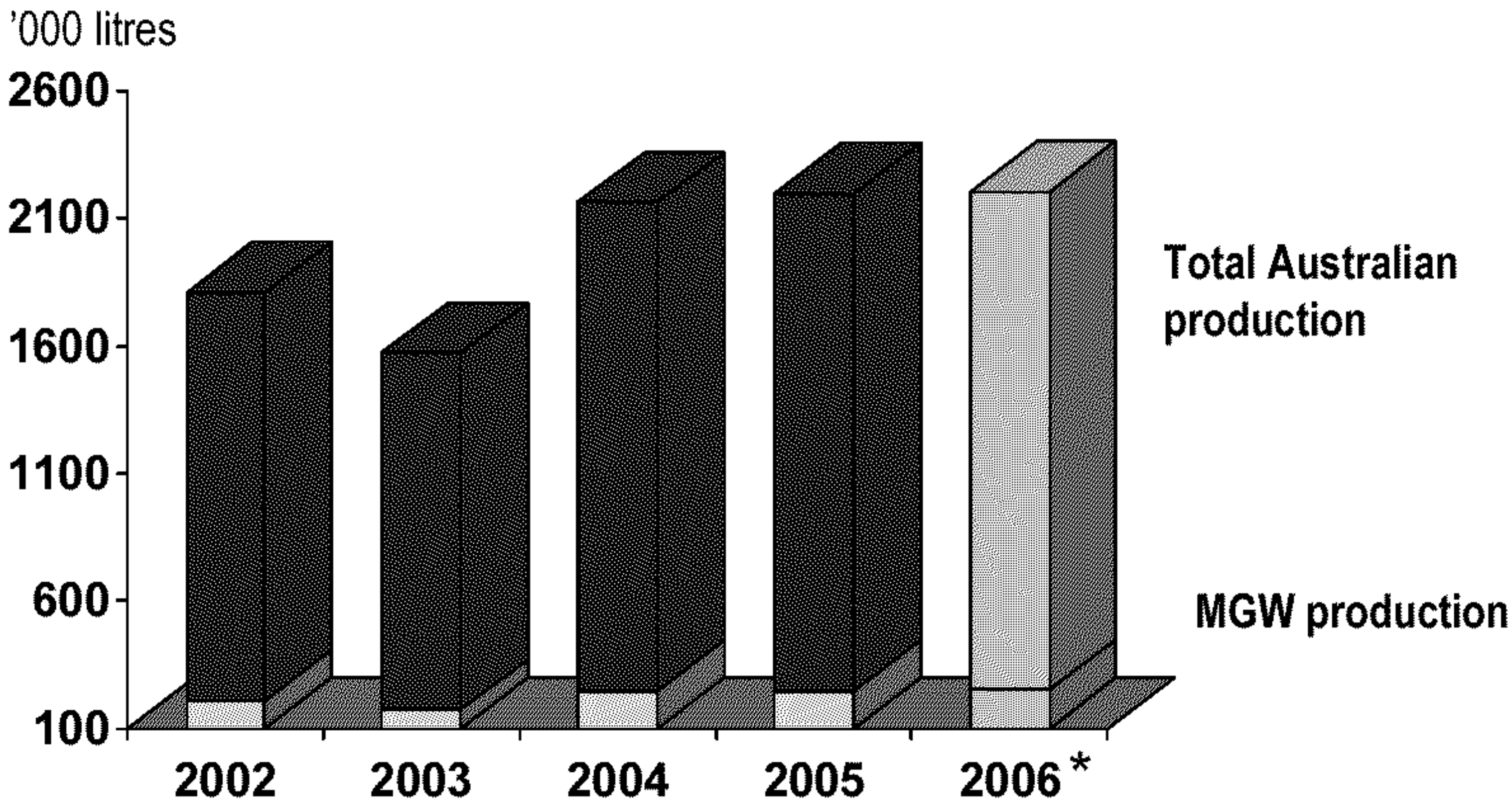
2005: Volume growth



- Industry volume has increased 22% since 2002
- MGW has maintained approximately 13% share of total

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* Estimate

2005: Year in review - demand

- There is strong demand for Australian wine
  - World is uncertain - oil prices, interest rates and economic conditions volatile – could impact consumer spending
  - But, like Fosters, we do see positives
  - Signs of improvement in US demand and despite the strong $A we can be competitive
  - Indications vintages overseas are lower which could help address market balance
  - Our company is well positioned to respond to these conditions

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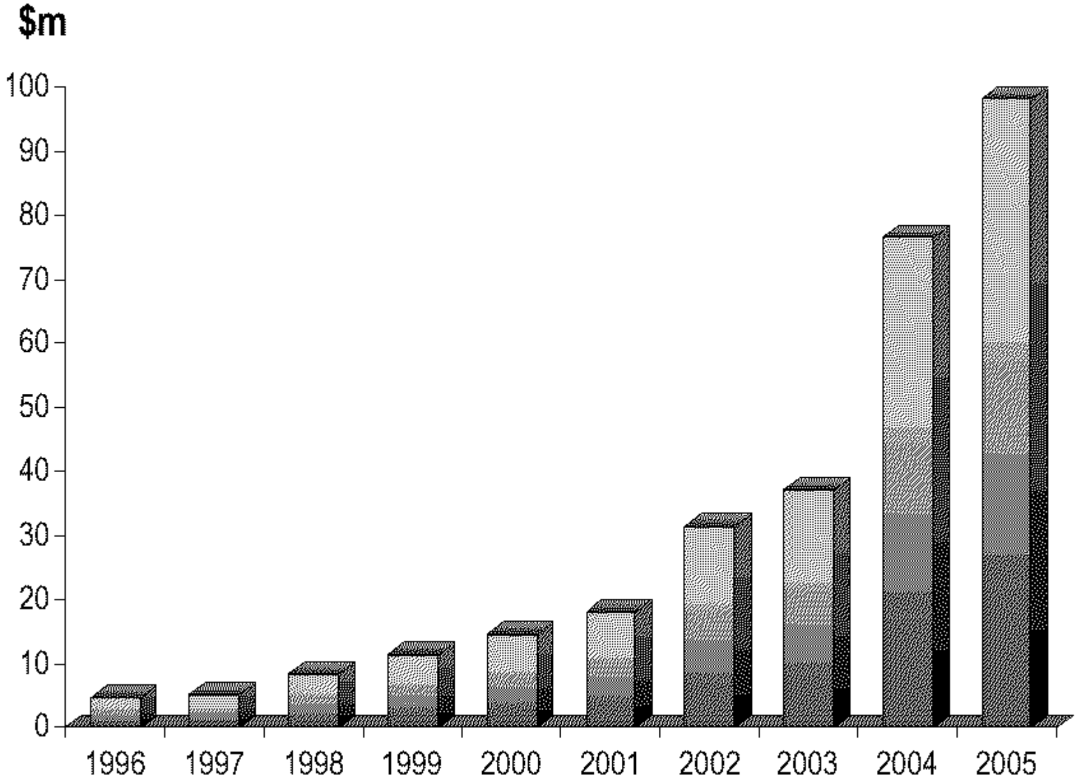
Strong sales growth in Australia

Australian branded sales



Annual $ sales of Domestic bottled (excluding cellar door)

Drivers of growth

- Building on the strengthened offering of branded products with ICON now managing Miranda products
- Pricing pressure extreme
- Strengthening relationships with customers - ability to supply volume and service
- Innovative marketing

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Geographic diversity underpins earnings

Export sales up 34% to $164.2m

	2005 $m	2004 $m	% change
UK / Europe	102.1	74.5	▲ 37
North America	48.8	38.2	▲ 28
New Zealand	9.8	5.7	▲ 72
Other	3.5	4.0	▼ 13
	164.2	122.4	▲ 34

Drivers of growth

- Strong brands
- Distribution models
- Full ownership and control of UK based company
- Strengthening relationship with overseas supermarkets

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Priorities this year

- Expanding sales domestically and globally
- Reducing grape costs
- Maintaining and growing margins in difficult conditions
- Consolidating functions at Merbein
- Enhancing operating efficiencies
- Continuing downward pressure on costs
- Further improving relationships with customers
- Stock and working capital management

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Consolidating at Merbein

- Perfect location - proximity to Buronga and Loxton
- Efficient packaging facilities for medium term
- Ample warehousing on site
- Export and domestic administration in one facility
- Mildura transport hub for domestic and export dispatch
- After a bridging period all domestic will be relocated

AN UNPARALLELED CONSOLIDATION OPPORTUNITY

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Strategy and vision

- New pricing model
  - Exploring a new pricing model with grape growers
  - Aimed at sharing risks and benefits
  - May be a model adaptable across the entire Australian industry
  - Objective is to lower working costs and lift value-added across supply chain
- Relationships with customers
  - Building good links with major international retailers
  - Supporting Buyer's own Brands
  - Assisting Australian majors and independents grow demand
- Championing Australian wine
  - We view positively recent major consolidation in the industry
  - Great opportunity to promote Australian wines worldwide
  - Local industry has needed a big strong player for some time

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Outlook:
2005

Outlook:

- Year to date trading in line with last year
- The environment will continue to be flat
  - $A movement impact on 2006 competitiveness
  - Grape oversupply impact on costs
- We will drive fundamentals
  - Relentlessly lowering cost base
  - Major improvements in costs with Merbein and consolidation
  - Drive sales
  - Restructuring of grape contracts
- Well positioned for future

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Outlook:

- Our trading result for the first two months are in line with last year.
- The overall market will continue to be very competitive with unfavourable exchange rates and oversupply affecting all market sectors, especially exports.
- We do not see this situation changing significantly in the next two years.
- While we continue to be confident in our long term future, in the absence of more favourable market conditions, the best we can foresee in the 2005-06 financial year is net profit before significant items in line with or marginally down on 2004-05 year.

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