

Appendix 4D

Treasury Wine Estates Limited

For the half year ended 31 December 2014

ABN 24 004 373 862

1. Results for announcement to the market

Key information	Half year ended 31 December 2014 \$m	Half year ended 31 December 2013 \$m	% Change increase / (decrease)	Amount increase / (decrease) \$m
Revenue from ordinary activities	934.3	864.2	8.1 %	70.1
Net profit attributable to members of Treasury Wine Estates Limited	42.6	106.2	(59.9)%	(63.6)
Earnings before interest, tax, SGARA and material items	85.2	45.8	86.0 %	39.4

Earnings per share	Half year ended 31 December 2014 Cents per share	Half year ended 31 December 2013 Cents per share
Basic earnings per share	6.6	16.4
Basic earnings per share, adjusted to exclude SGARA, material items and \$80.5m tax consolidation benefit in Dec 13	7.8	4.0

2. Dividends

The Directors declared an interim dividend of 6 cents per share in respect of the half year ended 31 December 2014 on 27 February 2015. Accordingly this dividend is not provided for in the balance sheet as at 31 December 2014. The record date for determining an entitlement to receipt of the interim dividend is 5pm, 11 March 2015 and the dividend is expected to be paid on 17 April 2015.

Dividends (distributions)	Cents per share	Franking %
Interim dividend – half year ended 31 December 2014 (determined subsequent to balance date) ¹	6.0 cents	unfranked
Final dividend – year ended 30 June 2014	7.0 cents	unfranked
Interim dividend – half year ended 31 December 2013	6.0 cents	unfranked

¹ Non-resident withholding tax is payable on the unfranked component of this dividend as the conduit foreign income component for the period is declared to be nil.

The Dividend Reinvestment Plan (DRP) continues to be suspended with respect to the interim dividend for the financial year 2015.

3. Financial statements

Please refer to pages 1 through 18 of this report wherein the following are provided:

- Directors' report;
- Auditor's independence declaration;
- Consolidated statement of profit or loss and other comprehensive income for the half year ended 31 December 2014;
- Consolidated statement of financial position as at 31 December 2014;
- Consolidated statement of changes in equity for the half year ended 31 December 2014;
- Consolidated statement of cash flows for the half year ended 31 December 2014;
- Notes to the consolidated financial statements;
- Director's Declaration; and
- Independent auditor's review report for the half year ended 31 December 2014.

4. Net tangible assets

	Half year ended 31 December 2014 \$	Half year ended 31 December 2013 \$
Net tangible asset backing per ordinary share		
Net tangible asset backing per ordinary share	3.39	3.26

5. Associates and joint ventures

Investments in Associates and Joint Ventures	Half year ended 31 December 2014 \$m	Year ended 30 June 2014 \$m
Investments accounted for using the equity method	2.3	2.0
Investments in associates and joint venture partnerships are accounted for in the consolidated financial statements using the equity method of accounting. The Group holds a 50% investment in Trebuchet Logistics Pty Ltd, a company incorporated in Australia and a 50% interest in Fiddlesticks LLC, a company incorporated in the United States of America. The percentage ownership at 31 December 2014 is consistent with the prior period.		

6. Further information

Additional Appendix 4D disclosure requirements can be found in the notes to our half-year financial report, the half-year Directors' Report and the ASX announcement lodged with this document.

Further information can be obtained from:

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Treasury Wine Estates Limited

Directors' report For the half year ended 31 December 2014

The Directors present their report on the consolidated entity ("the Group") comprising Treasury Wine Estates Limited ("the Company") and the entities it controlled at the end of, or during, the half year ended 31 December 2014.

DIRECTORS

The members of the Board of Directors of Treasury Wine Estates Limited who held office during the half year are noted below and as at the date of this report are as follows:

Paul Rayner (Chairman)
Michael Clarke (CEO)
Warwick Every-Burns
Lyndsey Cattermole
Peter Hearl
Garry Hounsell
Ed Chan
Michael Cheek

PRINCIPAL ACTIVITIES

The principal activities of the Group during the period involved the production, marketing and sale of wine.

OPERATING AND FINANCIAL REVIEW

Financial information in the Operating and Financial Review is based on the reviewed financial statements. Non-IFRS measures have not been subject to audit or review. The non-IFRS measures are used internally by management to assess the performance of our business and make decisions on the allocation of our resources.

A full review of operations of the Group during the half year is contained in the Australian Stock Exchange announcement dated 27 February 2015.

Throughout this review, constant currency assumes current and prior period earnings of foreign operations are translated and cross border transactions are transacted at current year exchange rates.

For the six months ended 31 December 2014, total volume was 15.1 million cases, down 0.2 million cases or 1.3 percent on the prior corresponding period, principally driven by lower volume in the ANZ and EMEA, partially offset by increased volume in AMERICAS and ASIA.

Net sales revenue increased 8.7 percent on a reported currency basis to \$882.7 million or 6.2 percent on a constant currency basis.

Net sales revenue per case on a constant currency basis is \$58.60, an increase of \$4.15 from the prior half.

Cost of sales (COS) decreased 0.4 percent on a constant currency basis to \$637.0 million. COS per case is in line with the prior year at \$42.29.

Cost of doing business (gross profit less EBITs) increased to \$212.1 million up 7.7 percent on a constant currency basis, driven by increased investment in Advertising and Promotions which was partially offset by cost savings in other areas.

Cost of doing business margin is consistent with the prior period at 24.0 percent on a constant currency basis (2013: 23.7 percent).

EBITs (earnings before interest, tax, material items and SGARA) of \$85.2 million is up 86 percent on a reported currency basis. On a constant currency basis, EBITs increased 77.5 percent.

Treasury Wine Estates Limited

Directors' report

For the half year ended 31 December 2014 (continued)

The movement in SGARA (Australian Accounting Standard AASB 141) was \$10.5m in the first half of fiscal 2015, with unfavourable SGARA results seen in Australia (\$6.5m) and California (\$4.0m).

Net profit after tax for the six months ending 31 December 2014 was \$42.6 million, and reported EPS was 6.6 cents per share.

EVENTS SUBSEQUENT TO REPORTING DATE

Other than the interim dividend declared on 27 February 2015, there are no matters or circumstances which have arisen since the end of the period ending 31 December 2014 which have significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

SHARES

The movement in share capital from 30 June 2014 is set out below:

	Number of shares (million)
Balance at 31 December 2014	651.3
Balance at 30 June 2014	649.4

DIVIDENDS

A final dividend in respect of the year ended 30 June 2014 of \$45.6 million (representing a dividend of 7 cents per ordinary share) was paid on in October 2014. This dividend was unfranked.

The Directors have declared an interim dividend of 6 cents per ordinary share, unfranked. The record date of the dividend is 11 March 2015 and the dividend is expected to be paid on 17 April 2015.

AUDITOR INDEPENDENCE

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 3.

ROUNDING

The Company is of a kind referred to in Class Order 98/100 issued by the Australian Securities & Investments Commission, relating to the "rounding off" of amounts in the Directors' Report and financial report. In accordance with that Class Order, reported amounts have been rounded to the nearest tenth of one million dollars.

This report is made in accordance with a Resolution of the Board of Directors and is signed for and on behalf of the Directors.



Paul Rayner

Chairman

27 February 2015



Michael Clarke

Chief Executive Officer



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the Directors of Treasury Wine Estates Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2014 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Paul J McDonald
Partner

Melbourne

27 February 2015

Treasury Wine Estates Limited
Consolidated statement of profit or loss and other comprehensive
income for the half year ended 31 December 2014

		Half year	
	Note	2014	2013
		\$m	\$m
Revenue	4	934.3	864.2
Cost of sales		(637.0)	(624.5)
Gross profit		297.3	239.7
Other income	4	3.9	3.0
Selling expenses		(108.7)	(98.3)
Marketing expenses		(54.9)	(38.3)
Administration expenses		(43.5)	(49.8)
Other expenses		(20.7)	(10.5)
Profit before tax and finance costs		73.4	45.8
Finance income		-	1.0
Finance costs		(11.4)	(10.7)
Net finance costs	4	(11.4)	(9.7)
Profit before tax		62.0	36.1
Income tax (expense)/benefit		(19.4)	70.6
Net profit		42.6	106.7
Net profit attributable to non-controlling interests		-	(0.5)
Net profit attributable to members of Treasury Wine Estates Limited		42.6	106.2
Other comprehensive income/(loss)			
Items that may subsequently be reclassified to profit or loss			
Cash flow hedges		(3.3)	(7.0)
Tax on cash flow hedges		1.2	1.3
Exchange difference on translation of foreign operations		138.9	72.3
Other comprehensive income/(loss) for the half year, net of tax		136.8	66.6
Total comprehensive income for the half year attributable to members of Treasury Wine Estates Limited		179.4	172.8
Non-controlling interests		-	0.5
Total comprehensive income for the half year		179.4	173.3
Earnings per share for profit attributable to the ordinary equity holders of the Company		Cents per share	Cents per share
Basic	5	6.6	16.4
Diluted	5	6.5	16.2

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Treasury Wine Estates Limited
Consolidated statement of financial position as at 31 December 2014

	Note	31 December 2014 \$m	30 June 2014 \$m	31 December 2013 \$m
Current assets				
Cash and cash equivalents		35.1	52.0	30.0
Receivables		466.8	407.9	450.6
Inventories		727.2	707.1	706.1
Current tax assets		13.0	45.7	57.1
Assets held for sale	7	14.9	2.5	2.5
Derivative financial assets		5.1	3.1	2.7
Total current assets		1,262.1	1,218.3	1,249.0
Non-current assets				
Receivables		6.6	7.0	5.5
Inventories		549.6	525.2	498.0
Investments		2.3	2.0	2.0
Derivative financial assets		0.5	1.3	0.8
Property, plant and equipment		983.3	958.3	1,047.8
Agricultural assets		255.7	229.9	251.5
Intangible assets		778.4	747.1	1,033.0
Deferred tax assets		198.0	171.4	261.9
Total non-current assets		2,774.4	2,642.2	3,100.5
Total assets		4,036.5	3,860.5	4,349.5
Current liabilities				
Cash and cash equivalents		4.5	-	-
Payables		461.2	449.8	432.9
Borrowings		1.3	0.8	1.3
Current tax liabilities		-	39.0	-
Provisions	8	63.0	86.5	88.9
Derivative financial liabilities		11.0	6.0	8.6
Total current liabilities		541.0	582.1	531.7
Non-current liabilities				
Payables		5.6	1.4	1.8
Borrowings		316.6	264.8	336.4
Deferred tax liabilities		182.9	159.6	328.6
Provisions	8	3.1	3.3	3.5
Derivative financial liabilities		1.0	0.5	6.9
Total non-current liabilities		509.2	429.6	677.2
Total liabilities		1,050.2	1,011.7	1,208.9
Net assets		2,986.3	2,848.8	3,140.6
Equity				
Contributed equity		3,061.3	3,051.4	3,045.3
Reserves		(91.8)	(222.4)	(172.3)
Retained earnings		14.2	17.2	263.1
Total parent entity interest		2,983.7	2,846.2	3,136.1
Non-controlling interest		2.6	2.6	4.5
Total equity		2,986.3	2,848.8	3,140.6

The consolidated statement of financial position should be read in conjunction with the accompanying notes.

Treasury Wine Estates Limited
Consolidated statement of changes in equity for the half year ended 31 December 2014

	Contributed equity	Retained earnings	Cash flow hedge reserve	Share-based payments reserve	Foreign currency translation reserve	Non-controlling interests	Total equity
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Balance at 30 June 2013	3,042.6	202.2	(4.9)	9.8	(246.0)	4.2	3,007.9
Profit for the half year	-	106.2	-	-	-	0.5	106.7
Total other comprehensive income/(loss)	-	-	(5.7)	-	72.3	-	66.6
Total comprehensive income/(loss) for the half year	-	106.2	(5.7)	-	72.3	0.5	173.3
Transactions with owners in their capacity as owners directly in equity							
Share-based payment expense	-	-	-	5.7	-	-	5.7
Issue of ordinary shares	3.5	-	-	(3.5)	-	-	-
Vested deferred shares and share rights ¹	(0.8)	-	-	-	-	-	(0.8)
Dividends to owners of the Company	-	(45.3)	-	-	-	(0.2)	(45.5)
Balance at 31 December 2013	3,045.3	263.1	(10.6)	12.0	(173.7)	4.5	3,140.6
Balance at 30 June 2014	3,051.4	17.2	(2.5)	14.3	(234.2)	2.6	2,848.8
Profit for the half year	-	42.6	-	-	-	-	42.6
Total other comprehensive income/(loss)	-	-	(2.1)	-	138.9	-	136.8
Total comprehensive income/(loss) for the half year	-	42.6	(2.1)	-	138.9	-	179.4
Transactions with owners in their capacity as owners directly in equity							
Share-based payment expense	-	-	-	3.7	-	-	3.7
Issue of ordinary shares	9.5	-	-	(8.6)	-	-	0.9
Vested deferred shares and share rights ¹	0.4	-	-	(1.3)	-	-	(0.9)
Dividends to owners of the Company	-	(45.6)	-	-	-	-	(45.6)
Balance at 31 December 2014	3,061.3	14.2	(4.6)	8.1	(95.3)	2.6	2,986.3

¹ Represents vested share rights and restricted shares under the Group's Long-term Incentive Program and Restricted Equity Plan which are held as treasury shares prior to vesting date.

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Treasury Wine Estates Limited
Consolidated statement of cash flows for the half year ended 31 December 2014

	Half year	
	2014	2013¹
	\$m	\$m
	Inflows/ (Outflows)	Inflows/ (Outflows)
Cash flows from operating activities		
Receipts from customers	1,207.6	1,132.8
Payments to suppliers, governments and employees	(1,147.1)	(1,111.2)
Interest received	1.4	0.3
Borrowing costs paid	(13.1)	(9.6)
Income taxes paid	(32.4)	(7.1)
Other cash receipts	0.9	2.8
Net cash flows from operating activities²	17.3	8.0
Cash flows from investing activities		
Payments for property, plant, equipment and agricultural assets	(30.6)	(39.2)
Payments for intangible assets	(3.7)	(6.6)
Proceeds from sale of property, plant and equipment	3.3	0.4
Net cash flows from investing activities	(31.0)	(45.4)
Cash flows from financing activities		
Payments for on-market share purchase	-	(0.8)
Payments to non-controlling interests	-	(0.2)
Dividend payments	(45.6)	(45.3)
Proceeds from borrowings	72.3	583.4
Repayment of borrowings	(60.0)	(484.2)
Proceeds from settlement of currency swaps	25.3	3.6
Net cash flows from financing activities²	(8.0)	56.5
Total cash flows from activities	(21.7)	19.1
Cash and cash equivalents at the beginning of the half year	52.0	10.8
Effects of exchange rate changes on foreign currency cash flows and cash balances	0.3	0.1
Cash and cash equivalents at 31 December³	30.6	30.0

¹ Incorporates a reclassification between receipts from customers and payments to suppliers, governments and employees in HY14 primarily to reflect how certain customer receipts are made.

² Includes reclassifications to December 2013 to align to the current period presentation.

³ Represented by cash at bank of \$35.1m and bank overdrafts of \$4.5m.

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Treasury Wine Estates Limited
Notes to the consolidated financial statements
for the half year ended 31 December 2014

Note 1 Corporate information

The financial report of Treasury Wine Estates Limited ("the Company") and of its controlled entities (collectively "the Group") for the half year ended 31 December 2014 was authorised for issue in accordance with a resolution of Directors on 27 February 2015. Treasury Wine Estates Limited is a for profit company incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange (ASX).

Note 2 Summary of significant accounting policies

(a) Statement of compliance

The financial report for the half year ended 31 December 2014 has been prepared in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001 and was approved by the Board of Directors on 27 February 2015.

This financial report does not include all the notes of the type normally included in an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the annual financial report. Accordingly, this report should be read in conjunction with the annual financial report for the year ended 30 June 2014 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure obligations arising under ASX listing rules.

(b) Basis of preparation

This report is presented in Australian dollars. The accounting policies are consistent with those applied in the previous financial year.

(c) Rounding of amounts

The Company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission (ASIC), relating to the rounding off of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest tenth of one million dollars.

(d) New accounting standards and interpretations

Since 30 June 2014, the Group has adopted the following new and revised Accounting Standards issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations:

- AASB 2014-1 Amendments to Australian Standards – Part A: Annual Improvements 2010-2012 and 2011-2013 Cycles.
- AASB 2014-1 Amendments to Australian Accounting Standards – Part C: Materiality.
- AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities.
- AASB 2013-3 Amendments to the disclosure requirements in AASB 136- Impairment of Assets.

The adoption of these standards did not have a significant impact on the financial position or performance of the Group.

Treasury Wine Estates Limited
Notes to the consolidated financial statements
for the half year ended 31 December 2014

Note 2 Summary of significant accounting policies (continued)

(e) Recently issued or amended accounting standards

The following Australian Accounting Standards and Interpretations relevant to the Group that have been issued or amended but are not yet effective and have not been early adopted by the Group for the half year ended 31 December 2014:

- AASB 15 Revenue from Contracts with Customers
- AASB 2014-5 Amendments to Australian Accounting Standards- Revenue from Contracts with Customers
- AASB 2014-6 Amendments to Australian Accounting Standards – Agriculture: Bearer Plants
- AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation.
- AASB 2014-3 Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations.

The Group is currently assessing the impact of these standards to its financial position and performance.

(f) Operating Segments

The Group has identified its operating segments based on the internal reports reviewed and used by the Chief Executive Officer (the chief operating decision-maker) in assessing performance and in determining the allocation of resources. These reports present a view of the business from a geographic perspective.

The reportable segments are based on the aggregation of operating segments determined by the similarity of the nature of products, the production process, the types of customers and the methods used to distribute the products.

The Group has identified the following reportable segments:

(i) Australia & New Zealand (ANZ)

This segment is responsible for the manufacture, sale and marketing of wine within Australia & New Zealand. The segment also distributes beer under licence.

(ii) Europe, Middle East & Africa (EMEA)

This segment is responsible for the manufacture, sale and marketing of wine within the EMEA region.

(iii) Americas

This segment is responsible for the manufacture, sale and marketing of wine within the Americas region.

(iv) Asia

This segment is responsible for the sale and marketing of wine within the Asia region.

Treasury Wine Estates Limited
Notes to the consolidated financial statements
for the half year ended 31 December 2014

Note 2 Summary of significant accounting policies (continued)

(f) Operating Segments (continued)

Types of products and services

The Group's wine portfolio includes some of the world's leading commercial, masstige and luxury wine brands such as Penfolds, Beringer, Lindeman's, Wolf Blass and Rosemount. The Group also distributes beer under license in New Zealand and provides contract bottling services to third parties.

Accounting policies and intersegment transactions

The price of intersegment transactions is set on an arm's length basis, which is eliminated on consolidation.

Corporate charges

Certain corporate shared service charges, except for net finance costs, are allocated to each business segment on a proportionate basis linked to segment revenue or head count depending on the nature of the charge to determine the segment result. Unallocated costs are reported in the Corporate segment. Net finance costs are not allocated to segments as the financing function of the Group is centralised through the Group's treasury function.

Segment loans payable and loans receivable

Segment loans are initially recognised at the consideration received excluding transaction costs. Intersegment loans receivable and payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates.

Other

It is the Group's policy that if items of revenue and expense are not allocated to operating segments then any associated assets and liabilities are also not allocated to segments.

Treasury Wine Estates Limited
Notes to the consolidated financial statements
for the half year ended 31 December 2014

Note 3 Material items

The following individually material items are included within the consolidated statement of profit or loss and other comprehensive income.

	31 December 2014 \$m	31 December 2013 \$m
Individually material items included in profit/(loss) before income tax:		
Earthquake related loss ¹	(2.2)	-
Restructure and redundancy ²	0.9	-
Total material items (before tax)	(1.3)	-
Tax effect of material items	0.4	-
Total material items (after tax)	(0.9)	-

1. The Group incurred earthquake damage to Inventory and Property, plant and equipment in the Napa region, California. The cost comprises inventory losses and repairs to damaged assets.
2. Comprises the net effect of a change in the Group's restructuring and redundancy provisions.

Note 4 Revenue, income and expenses

	31 December 2014 \$m	31 December 2013 \$m
Revenue		
Net sales revenue*	882.7	811.9
Other revenue	51.6	52.3
Total revenue	934.3	864.2
Other income		
Insurance settlement receipts	1.7	1.9
Other contract settlement receipts	-	0.9
Net profit on disposal of property, plant and equipment and agricultural assets	2.2	0.2
Total other income	3.9	3.0
Finance income	-	1.0
Finance costs	(11.4)	(10.7)
Net finance cost	(11.4)	(9.7)
Other disclosures		
Rental expense relating to operating leases	(24.3)	(22.9)
Depreciation of property, plant and equipment	(37.9)	(39.1)
Amortisation of intangible assets	(4.4)	(3.5)
Net agriculture valuation movement	(10.5)	-

* Net sales revenue is net of trade discounts and volume rebates

Treasury Wine Estates Limited
Notes to the consolidated financial statements
for the half year ended 31 December 2014

Note 5 Earnings per share

	31 December 2014	31 December 2013
	Cents per share	Cents per share
<i>Basic earnings per share</i>		
Basic earnings per share (cents) based on net profit attributable to members of Treasury Wine Estates Limited	6.6	16.4
<i>Diluted earnings per share</i>		
Diluted earnings per share (cents) based on net profit attributable to members of Treasury Wine Estates Limited	6.5	16.2
<i>Weighted average number of shares</i>	Number	Number
Weighted average number of ordinary shares on issue used in the calculation of basic earnings per share (in thousands)	649,771	647,227
<i>Effect of potentially dilutive securities:</i>		
Deferred shares (in thousands)	7,726	7,535
Weighted average number of ordinary shares on issue used in the calculation of diluted earnings per share (in thousands)	657,497	654,762

	31 December 2014 \$m	31 December 2013 \$m
<i>Earnings reconciliation</i>		
<i>Basic and diluted earnings per share</i>		
Net profit	42.6	106.7
Net (profit)/ loss attributable to non-controlling interests	-	(0.5)
Net profit attributable to members of Treasury Wine Estates Limited used in calculating basic and diluted earnings per share	42.6	106.2

Treasury Wine Estates Limited
Notes to the consolidated financial statements
for the half year ended 31 December 2014

Note 6 Segment results

Half year 2014	ANZ	Americas	Asia	EMEA	Intersegment elimination	Total Segment	Unallocated/ Corporate	Consolidated
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Total revenue comprises:								
Net sales revenue	304.0	379.3	67.4	132.0	-	882.7	-	882.7
Other revenue	42.9	4.4	-	0.4	-	47.7	3.9	51.6
Intersegment revenue	161.2	0.4	-	11.5	(173.1)	-	-	-
Total segment revenue (excl other income/interest)	508.1	384.1	67.4	143.9	(173.1)	930.4	3.9	934.3
Management EBITs								
SGARA profit/(loss)	43.9	35.8	19.9	6.3	-	105.9	(20.7)	85.2
Material items	(6.5)	(4.0)	-	-	-	(10.5)	-	(10.5)
Management EBIT	(1.9)	(0.7)	-	-	-	(2.6)	1.3	(1.3)
Net finance income/(costs)	35.5	31.1	19.9	6.3	-	92.8	(19.4)	73.4
Consolidated profit before tax								(11.4)
62.0								
Depreciation of property, plant and equipment								
Amortisation of intangible assets	(25.4)	(10.3)	(0.1)	(1.2)	-	(37.0)	(0.9)	(37.9)
Capital expenditure	(0.1)	-	-	-	-	(0.1)	(4.3)	(4.4)
Segment assets (excl intersegment assets) - 31 Dec 14	(20.8)	(9.2)	-	(1.4)	-	(31.4)	(2.9)	(34.3)
Segment assets (excl intersegment assets) - 30 Jun 14	2,030.3	1,425.3	33.2	262.0	-	3,750.8	285.7	4,036.5
Segment liabilities (excl intersegment liabilities) - 31 Dec 14	2,111.0	1,113.0	57.1	265.2	-	3,546.3	314.2	3,860.5
Segment liabilities (excl intersegment liabilities) - 30 Jun 14	198.5	225.6	14.9	66.2	-	505.2	545.0	1,050.2
Segment liabilities (excl intersegment liabilities) - 30 Jun 14	236.9	195.3	11.2	58.1	-	501.5	510.2	1,011.7

Treasury Wine Estates Limited
Notes to the consolidated financial statements
for the half year ended 31 December 2014

Note 6 Segment results (continued)

Half year 2013

	ANZ	Americas	Asia	EMEA	Intersegment elimination	Total Segment	Unallocated/ Consolidated Corporate
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Total revenue comprises:							
Net sales revenue	277.6	361.8	36.8	135.7	-	811.9	811.9
Other revenue	46.2	3.7	-	0.5	-	50.4	52.3
Intersegment revenue	172.0	1.4	-	10.7	(184.1)	-	-
Total segment revenue (excl other income/interest)	495.8	366.9	36.8	146.9	(184.1)	862.3	864.2
Management EBIT	24.4	24.6	4.9	10.7	-	64.6	45.8
SGARA profit/(loss)	(1.2)	1.2	-	-	-	-	-
Management EBIT	23.2	25.8	4.9	10.7	-	64.6	45.8
Net finance income/(costs)							(9.7)
Consolidated profit before tax							36.1
Depreciation of property, plant and equipment	(24.6)	(12.7)	(0.1)	(0.8)	-	(38.2)	(39.1)
Amortisation of intangible assets	(0.1)	-	-	-	-	(0.1)	(3.5)
Capital expenditure	(33.8)	(4.0)	-	(1.2)	-	(39.0)	(45.8)
Segment assets (excl intersegment assets) - 31 Dec 13	2,096.0	1,487.3	30.9	309.2	-	3,923.4	4,349.5
Segment assets (excl intersegment assets) - 30 Jun 13	2,077.9	1,378.0	45.6	313.6	-	3,815.1	4,128.2
Segment liabilities (excl intersegment liabilities) - 31 Dec 13	199.6	224.5	7.3	70.6	-	502.0	1,208.9
Segment liabilities (excl intersegment liabilities) - 30 Jun 13	246.3	221.3	10.7	59.0	-	537.3	1,120.3

Treasury Wine Estates Limited
Notes to the consolidated financial statements
for the half year ended 31 December 2014

Note 6 Segment results (continued)

Management EBITs

The Chief Executive Officer assesses the financial performance of each segment by analysing the segment's result on a measure of Management EBITs. Management EBITs is defined as profit from continuing operations excluding the effect of net finance costs, tax, material items and the net profit effects of fair valuing agricultural assets (SGARA). Corporate charges are allocated to each segment on a proportionate basis linked to segment revenue or head count depending on the nature of the charge.

Segment assets and liabilities

Segment assets and liabilities represent those working capital and non-current assets/liabilities which are located in the respective segments. Cash, tax and Corporate related assets/liabilities are included in the Corporate segment.

Note 7 Assets held for sale

	31 December 2014 \$m	30 June 2014 \$m
Assets held for sale	14.9	2.5

31 December 2014

During the half year ended 31 December 2014, the Group announced its intention to close the Ryecroft Winery in South Australia (ANZ segment). The Group is actively pursuing buyers for the winery and certain related vineyards and in accordance with Australian Accounting Standards, is carrying the assets as Assets Held for Sale. The sale is expected to occur within 12 months.

The assets comprise land, plant and equipment. The fair value of the assets based on independent market appraisals exceeds the assets' carrying values.

30 June 2014

Assets held for sale comprises winery assets for which the title transfer is subject to local government approval and expected to be obtained by 30 June 2015.

Treasury Wine Estates Limited
Notes to the consolidated financial statements
for the half year ended 31 December 2014

Note 8 Provisions

	31 December 2014 \$m	30 June 2014 \$m
Current		
Employee entitlements	38.6	37.4
Other	24.4	49.1
Total current provisions	63.0	86.5
Non-current		
Employee entitlements	3.1	3.3
Total non-current provisions	3.1	3.3

	Onerous Contracts \$m	Restructuring \$m	Other \$m	Total \$m
31 December 2014				
Carrying amount at start of year	8.9	32.0	8.2	49.1
Charged/(credited) to profit or loss	(0.4)	(4.3)	2.3	(2.4)
Payments	(5.0)	(16.4)	(3.0)	(24.4)
Foreign currency translation	0.5	1.0	0.6	2.1
Carrying amount at end of the half-year	4.0	12.3	8.1	24.4
30 June 2014				
Carrying amount at start of year	6.7	-	44.2	50.9
Charged/(credited) to profit or loss	4.4	35.0	(24.4)	15.0
Payments	(2.2)	(3.0)	(11.3)	(16.5)
Foreign currency translation	-	-	(0.3)	(0.3)
Carrying amount at end of year	8.9	32.0	8.2	49.1

Note 9 Fair values of financial assets and financial liabilities

The fair values of cash and cash equivalents, financial assets and financial liabilities approximate their carrying value. The fair value of the US Private Placement Notes is \$314.5m (30 June 2014: \$268.3m). There have been no reclassifications of financial assets from fair value to cost, or from cost or amortised cost to fair value during the year.

The fair values of derivative financial instruments used to hedge the interest rate and foreign exchange risks are based upon market prices or models using inputs observed from the market, where the markets exist or have been determined by discounting the expected future cash flows by the current interest rates for financial assets and financial liabilities with similar risk profiles.

For all other recognised financial assets and financial liabilities, based on the facts and circumstances existing at reporting date and the nature of the Group's financial assets and financial liabilities including hedge positions, the Group has no reason to believe that the financial assets could not be exchanged, or the financial liabilities could not be settled, in an arm's length transaction at an amount approximating its carrying amount.

Treasury Wine Estates Limited
Notes to the consolidated financial statements
for the half year ended 31 December 2014

Note 10 Dividends

	2014 \$m	2013 \$m
Dividends declared and paid on ordinary shares:		
Final dividend for 2014 of 7.0 cents per share (2013: 7.0 cents per share)	45.6	45.3
Dividends declared after balance date		
Since the end of the half year, the Directors declared an interim dividend of 6 cents per share (2013: 6.0 cents) unfranked (2013: unfranked). This dividend has not been recognised as a liability at 31 December 2014	39.1	38.8

Note 11 Events subsequent to reporting date

Other than the interim dividend declared on 27 February 2015, there are no matters or circumstances which have arisen since the end of the period ending 31 December 2014 which have significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

Note 12 Class action

In November 2013, Melbourne City Investments Pty Ltd ("MCI") commenced an action in the Victorian Supreme Court for unspecified damages on behalf of shareholders who held shares on 15 July 2013 and 22 August 2013. The class action alleges that the Company misled the market and breached its obligations of continuous disclosure in respect of its US operations. On 22 December 2014, the Court of Appeal of The Victorian Supreme Court determined that the process was an abuse of process and ruled that the proceeding should be permanently stayed and MCI pay the Company's costs of the proceeding. On 16 January 2015, MCI applied for special leave to appeal the decision to the High Court of Australia. In addition, on 22 December 2014, with alternative legal representation, MCI filed a new action in the Victorian Supreme Court on substantially the same terms as the proceeding referred to above.

On 2 July 2014, Brian Jones, represented by Maurice Blackburn, commenced an action in the Federal Court of Australia, New South Wales for unspecified damages on behalf of shareholders who obtained shares in the Company between 17 August 2012 and 15 July 2013. The class action alleges that the Company engaged in misleading and deceptive conduct and breached its obligations of continuous disclosure in respect of its US operations.

The Company strongly denies any and all allegations made against it in the litigation referred to above and intends to vigorously defend itself in the relevant legal proceedings.

The Company does not presently know the size of the claims, nor can it based on the information currently available quantify any potential financial exposure arising from those litigation proceedings. No provision has been recognised at 31 December 2014 in respect of this matter.

Treasury Wine Estates Limited
Director's Declaration
For the half year ended 31 December 2014

The directors declare that the consolidated financial statements and notes for the Group:

- a) are prepared in accordance with the Corporations Act 2001, Accounting Standard AASB 134: "Interim Financial Reporting", the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- b) give a true and fair view of the Group's financial position as at 31 December 2014 and of its performance, as represented by the results of its operations and its cash flows, for the half year ended on that date.

In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors.



Paul Rayner
Chairman



Michael Clarke
Chief Executive Officer

27 February 2015
Melbourne, Australia



Independent auditor's review report to the members of Treasury Wine Estates Limited

We have reviewed the accompanying half-year financial report of Treasury Wine Estates Limited, which comprises the consolidated statement of financial position as at 31 December 2014, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes 1 to 12 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Treasury Wine Estates Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Treasury Wine Estates Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.


KPMG


Paul J McDonald
Partner

Melbourne

27 February 2015