



AUSTRALIAN STOCK EXCHANGE RELEASE – 4 June 2004

2004 VINTAGE OUTCOME

Peter Lehmann Wines Limited (PLW) processed a record total crush of 18,947 tonnes, up 32% on the 2003 crush of 14,302 tonnes. The PLW intake was 14,587 tonnes (2003 9,506 tonnes) with contract crushing at 4,360 tonnes (2003 4,796 tonnes). The previous largest vintage experienced by the company was in 2002 when 17,070 tonnes were processed.

The excellent vintage was a result of good timely winter rains, followed by fine sunny weather during flowering and subsequently throughout the growing season. The fruit processed was disease free, nicely ripe and in good sound condition. The vintage saw a strong demand for white varieties from all areas and prices were fully firm on 2003, however some red varieties were in oversupply and prices paid by PLW were in the vicinity of 20% down on that of 2003.

The quality of both white and red wine looks to be very promising. The white wines are showing pronounced varietal characters with elegance and flavour, while the reds have retained good balance and acidity with optimum ripeness being achieved. The colours and fruit flavours are excellent. PLW would rate this vintage as well above the average.

The high quality and quantity achieved in the 2004 vintage again demonstrates that the Barossa Valley is without doubt an extremely reliable premium grape growing district.

2003/04 OUTLOOK STATEMENT

As indicated at the half year the takeover battle that ensued during the second quarter between Allied Domecq PLC and Hess Group AG took its toll on the financial performance of the Company. Hess Group AG was successful with its bid with them now controlling 85.6% of the Company, with the other major shareholder being the Company's founder Peter Lehmann with 10.3%.

The Company has achieved further sales growth in the second half. However margins remain under pressure with increasing demand for cheaper wines, stout competition in all market sectors, the high costs associated with doing business and the Australian dollar impacting on all export sectors.

FOR FURTHER INFORMATION:

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