



Portfolio Summary

Challenger Wine Trust as at 30 June 2008

Portfolio summary

Property	Location	Tenant
Australian portfolio		
Cool climate vineyards		
Bethany Creek and Vine Vale Vineyards	Barossa Valley, SA	Australian Vintage Limited
Chapel Vineyard	Coonawarra, SA	National Viticulture Fund of Australia Pty Ltd
Corryton Park Vineyard	Eden Valley, SA	Burge Corp Pty Ltd
Miamba Vineyards	Barossa Valley, SA	Grant Burge Wines Pty Ltd and Burge Corp Pty Ltd
Richmond Grove and Lawsons Vineyards	Padthaway, SA	Pernod Ricard Pacific Pty Ltd
Schubert's Vineyard	Adelaide Hills, SA	Australian Vintage Limited
Summers Hill Vineyard	Eden Valley, SA	Burge Corp Pty Ltd
Cowra Station Vineyard	Cowra, NSW	Vineyards of NSW Pty Ltd
Dalswinton and Inglewood Vineyards	Hunter Valley, NSW	Inglewood Vineyards Pty Ltd
Hermitage Road Winery	Hunter Valley, NSW	Australian Vintage Limited
Poole's Rock Vineyard and Winery	Hunter Valley, NSW	PRW Leasing Pty Ltd
Sandy Hollow Vineyard	Hunter Valley, NSW	Australian Vintage Limited
Sirens Estate Vineyard	Margaret River, WA	Foster's Australia Limited
Cool climate vineyards total		
Warm climate vineyards		
Qualco East Vineyard	Riverland, SA	Australian Vintage Limited
Waikerie Vineyard	Riverland, SA	Australian Vintage Limited
Balranald Vineyard	Balranald, NSW	Australian Vintage Limited
Cocoparra and Woods Vineyards	Griffith, NSW	Foster's Australia Limited
Gundagai Vineyard	Gundagai, NSW	Greenvalley Properties Pty Ltd
Stephendale Vineyard	Griffith, NSW	Warburn Estate (Aust) Pty Ltd
Whitton Vineyard	Griffith, NSW	Australian Vintage Limited
Del Rios Vineyard	Sunraysia, VIC	Australian Vintage Limited
Warm climate vineyards total		
Australian portfolio total		
New Zealand portfolio		
Cool climate vineyards		
Crownthorpe Vineyard	Hawkes Bay, NZ	Delegat's Wine Estate Limited
Dashwood Vineyard	Marlborough, NZ	Delegat's Wine Estate Limited
Gimblett Gravel Vineyards	Hawkes Bay, NZ	Delegat's Wine Estate Limited
Rarangi Vineyard	Marlborough, NZ	Delegat's Wine Estate Limited
New Zealand portfolio total		
Total		

Total area (ha)	Total planted area (ha)	Occupancy at 30 June 2008 (by area) (%)	Weighted average lease expiry (by income) (years)	Valuation date	Fair value 30 June 2008 (\$m)	Carrying value 30 June 2008 (\$m)	Passing rent yield
20	19	100		Jun 2008	1.4	1.4	
37	30	100		Dec 2007	2.6	2.6	
54	42	100		Jun 2008	3.0	3.0	
205	118	100		Jun 2008	12.1	12.1	
581	483	100		Jun 2008	41.9	41.9	
108	76	100		Dec 2007	6.6	6.6	
28	18	100		Dec 2007	1.5	1.5	
68	58	100		Jun 2008	1.6	1.6	
127	96	100		Jun 2008	3.5	2.9	
40	–	100		Jun 2008	3.2	3.2	
21	9	100		Dec 2007	7.3	7.3	
203	105	100		Jun 2008	2.4	2.4	
66	44	100		Dec 2007	3.3	3.3	
1,558	1,097		4.2		90.3	89.7	11.8
214	171	100		Jun 2008	8.1	7.1	
43	38	100		Dec 2007	2.0	1.8	
548	466	100		Jun 2008	25.0	22.0	
496	266	100		Dec 2007	12.0	11.0	
289	239	100		Jun 2008	12.9	12.0	
666	634	100		Jun 2008	26.5	26.5	
100	98	100		Dec 2007	4.4	4.1	
1,048	932	100		Jun 2008	55.0	53.7	
3,403	2,844		7.3		145.9	138.2	11.6
4,961	3,941		6.1		236.2	227.8	11.7
361	291	100		Jun 2008	26.7	26.7	
197	167	100		Jun 2008	21.5	21.5	
45	40	100		Jun 2008	6.5	6.5	
142	129	100		Jun 2008	16.3	16.3	
745	627		3.9		71.0	71.0	8.5
5,706	4,568		5.7		307.2	298.9	10.9

Property summaries



Bethany Creek and Vine Vale Vineyards

Barossa Valley, SA



Chapel Vineyard

Coonawarra, SA



Corryton Park Vineyard

Eden Valley, SA

Property details

Ownership interest	100%
Total area	20 ha
Area planted	19 ha
Tenant	Australian Vintage Limited
Occupancy	100%
Lease expiry date	October 2008
WALE	0.3 years
Review type/s	Reviewed annually by CPI with no rent reduction during lease term and a maximum increase of 4%
FY08 net property income	\$0.19 million
Date acquired/established	October 1998
Carrying value	\$1.4 million
Valuation (fair value)	\$1.4 million
Valuation date	June 2008

Property description

Both properties are located in the famous Barossa Valley wine region, close to the village of Tanunda. The lease over both properties with Australian Vintage Limited expires in October 2008. Australian Vintage Limited has elected not to re-lease.

Property details

Ownership interest	100%
Total area	37 ha
Area planted	30 ha
Tenant	National Viticulture Fund of Australia Pty Ltd
Occupancy	100%
Lease expiry date	December 2011
WALE	3.5 years
Review type/s	Reviewed annually by CPI with no rent reduction during lease term and a maximum increase of 4%
FY08 net property income	\$0.35 million
Date acquired/established	December 2001
Carrying value	\$2.6 million
Valuation (fair value)	\$2.6 million
Valuation date	December 2007

Property description

The property is located in the Coonawarra region of South Australia, close to the township of Penola. Planted to Cabernet Sauvignon, the grapes are grown by National Viticulture Fund of Australia under contract to Foster's.

Property details

Ownership interest	100%
Total area	54 ha
Area planted	42 ha
Tenant	Burge Corp Pty Ltd
Occupancy	100%
Lease expiry date	February 2013
WALE	4.6 years
Review type/s	Fixed annual increase of 1.5%
FY08 net property income	\$0.32 million
Date acquired/established	February 1998
Carrying value	\$3.0 million
Valuation (fair value)	\$3.0 million
Valuation date	June 2008

Property description

The Corryton Park lease was recently extended for a further five years to 2013 to Burge Corp Pty Ltd. The Cabernet Sauvignon produced from this vineyard reflects the cool climate growing conditions of the site. As the plantings on this vineyard mature, the quality of the grapes produced is expected to increase.



Miamba Vineyards

Barossa Valley, SA

Property details

Ownership interest	100%
Total area	205 ha
Area planted	118 ha
Tenant	Grant Burge Wines Pty Ltd and Burge Corp Pty Ltd
Occupancy	100%
Lease expiry date	August 2015
WALE	7.1 years
Review type/s	Reviewed annually by CPI with no rent reduction during lease term and a maximum increase of 4%
FY08 net property income	\$1.04 million
Date acquired/established	August 2007
Carrying value	\$12.1 million
Valuation (fair value)	\$12.1 million
Valuation date	June 2008

Property description

The Miamba Vineyards comprise an aggregation of five vineyards which together provide grapes for many of Grant Burge Wines premium wine brands, including Barossa Vines, Miamba, Filsell, Cameron Vale, and Meshach brands. CWT management have recently approved the development of a further 11.22 hectares, consisting mainly of the Barossa Valley's flagship Shiraz grape varietal.



Richmond Grove and Lawsons Vineyards

Padthaway, SA

Property details

Ownership interest	100%
Total area	581 ha
Area planted	483 ha
Tenant	Pernod Ricard Pacific Pty Ltd
Occupancy	100%
Lease expiry date	July 2013
WALE	5.0 years
Review type/s	A 1.5% fixed increase to 1/7/10 and thereafter a 0.75% increase per annum
FY08 net property income	\$4.67 million
Date acquired/established	December 2003
Carrying value	\$41.9 million
Valuation (fair value)	\$41.9 million
Valuation date	June 2008

Property description

Located in the premium grape growing region of Padthaway in the south-east of South Australia, both Richmond Grove and Lawsons Vineyards are leased to one of the world's largest wine companies, Pernod Ricard.



Schubert's Vineyard

Adelaide Hills, SA

Property details

Ownership interest	100%
Total area	108 ha
Area planted	76 ha
Tenant	Australian Vintage Limited
Occupancy	100%
Lease expiry date	July 2011
WALE	3.0 years
Review type/s	Reviewed annually by CPI with no rent reduction during lease term and a maximum increase of 4%
FY08 net property income	\$0.66 million
Date acquired/established	July 2001
Carrying value	\$6.6 million
Valuation (fair value)	\$6.6 million
Valuation date	December 2007

Property description

The vineyard is solely planted to white grape varieties; the main variety planted is Sauvignon Blanc, which is currently in high demand across Australia, with the Adelaide Hills producing some of Australia's best examples of this wine variety.

Property summaries continued



Summers Hill Vineyard

Eden Valley, SA



Cowra Station Vineyard

Cowra, NSW



Dalswinton and Inglewood Vineyards

Hunter Valley, NSW

Property details

Ownership interest	100%
Total area	28 ha
Area planted	18 ha
Tenant	Burge Corp Pty Ltd
Occupancy	100%
Lease expiry date	February 2013
WALE	4.6 years
Review type/s	Increased annually by 1.5%

FY08 net property income	\$0.15 million
Date acquired/established	February 1998
Carrying value	\$1.5 million
Valuation (fair value)	\$1.5 million
Valuation date	December 2007

Property description

The Summers Hill lease was recently extended for a further five years to 2013 to Burge Corp Pty Ltd. This vineyard is managed to produce superior quality grapes including the use of frost fans. The grapes from this vineyard go into the Summers Hill brand produced by Grant Burge Wines.

Property details

Ownership interest	100%
Total area	68 ha
Area planted	58 ha
Tenant	Vineyard of NSW Pty Ltd
Occupancy	100%
Lease expiry date	April 2009
WALE	0.8 years
Review type/s	Rent reduced by 20% from 01/10/08

FY08 net property income	\$0.45 million
Date acquired/established	October 1998
Carrying value	\$1.6 million
Valuation (fair value)	\$1.6 million
Valuation date	June 2008

Property description

The property is located close to the township of Cowra in NSW. The current tenant has elected not to renew the lease. Management are currently reviewing options for the property going forward.

Property details

Ownership interest	100%
Total area	127 ha
Area planted	96 ha
Tenant	Inglewood Vineyards Pty Ltd
Occupancy	100%
Lease expiry date	July 2009
WALE	1.1 years
Review type/s	Subject to grape price movements with 4% cap on increase. No rent reduction during lease term

FY08 net property income	\$0.62 million
Date acquired/established	July 1999
Carrying value	\$2.9 million
Valuation (fair value)	\$3.5 million
Valuation date	June 2008

Property description

These vineyards are located in the Upper Hunter Valley in close proximity to the town of Denman. Adjacent to the Two Rivers cellar door, the two properties supply grapes to Foster's and to the Two Rivers and Tulloch wine brands.



Hermitage Road Winery

Hunter Valley, NSW



Poole's Rock Vineyard and Winery

Hunter Valley, NSW



Sandy Hollow Vineyard

Hunter Valley, NSW

Property details

Ownership interest	100%
Total area	40 ha
Area planted	0 ha
Tenant	Australian Vintage Limited
Occupancy	100%
Lease expiry date	June 2008
WALE	0 years
Review type/s	Reviewed annually by CPI with no rent reduction during lease term and a maximum increase of 4%
FY08 net property income	\$0.43 million
Date acquired/established	October 2001
Carrying value	\$3.2 million
Valuation (fair value)	\$3.2 million
Valuation date	June 2008

Property description

The lease with Australian Vintage Limited expired on 30 June 2008. Management are currently in negotiations to continue the operation of the winery with various third parties. A lease is in place to 2021 for the restaurant, cellar door and bar area which makes up 10% of the lettable area.

Property details

Ownership interest	100%
Total area	21 ha
Area planted	9 ha
Tenant	PRW Leasing Pty Ltd
Occupancy	100%
Lease expiry date	November 2014
WALE	6.3 years
Review type/s	Reviewed annually by CPI with no rent reduction during lease term and a maximum increase of 4%
FY08 net property income	\$0.79 million
Date acquired/established	November 2004
Carrying value	\$7.3 million
Valuation (fair value)	\$7.3 million
Valuation date	December 2007

Property description

The property is made up of a 9 ha vineyard, a 2,500 tonne winery and a recently completed fine cuisine restaurant. The Poole's Rock and Cockfighters Ghost brands are made at this winery to the lessee's exacting standards.

Property details

Ownership interest	100%
Total area	203 ha
Area planted	105 ha
Tenant	Australian Vintage Limited
Occupancy	100%
Lease expiry date	April 2009
WALE	0.8 years
Review type/s	Rent reduced by 20% from 01/10/08
FY08 net property income	\$0.56 million
Date acquired/established	November 1998
Carrying value	\$2.4 million
Valuation (fair value)	\$2.4 million
Valuation date	June 2008

Property description

Located close to the township of Denman in the Upper Hunter Valley, the vineyard has a mixture of old plantings dating back to the 1970s and more recent plantings. The lease expires in April 2009 and will not be renewed by the current tenant. The property is for sale.

Property summaries continued



Sirens Estate Vineyard

Margaret River, WA



Qualco East Vineyard

Riverland, SA



Waikerie Vineyard

Riverland, SA

Property details

Ownership interest	100%
Total area	66 ha
Area planted	44 ha
Tenant	Foster's Australia Limited
Occupancy	100%
Lease expiry date	May 2012
WALE	3.9 years
Review type/s	Reviewed annually by CPI with a minimum increase of 1% and a maximum of 5%
FY08 net property income	\$0.29 million
Date acquired/established	October 2002
Carrying value	\$3.3 million
Valuation (fair value)	\$3.3 million
Valuation date	December 2007

Property description

The Sirens vineyard is low yielding, with the aim to produce exceptional quality fruit that goes into the company's Fifth Leg and Devil's Lair wine brands. The property had additional plantings completed in 2006.

Property details

Ownership interest	100%
Total area	214 ha
Area planted	171 ha
Tenant	Australian Vintage Limited
Occupancy	100%
Lease expiry date	December 2015
WALE	7.5 years
Review type/s	1.5% fixed reviews annually. Reviewed on 27 June 2008 to take account of any additional finance costs
FY08 net property income	\$0.90 million
Date acquired/established	December 2003
Carrying value	\$7.1 million
Valuation (fair value)	\$8.1 million
Valuation date	June 2008

Property description

This property is renowned for growing commercially orientated grape varieties suited to wine in the sub \$10 bottle or cask wine. The property has been going through a replanting process to upgrade the varietal mix and vineyard layout.

Property details

Ownership interest	100%
Total area	43 ha
Area planted	38 ha
Tenant	Australian Vintage Limited
Occupancy	100%
Lease expiry date	April 2013
WALE	4.8 years
Review type/s	Rent reduction of 20% from 1/10/08 and thereafter reviewed annually by CPI with a maximum increase of 4%
FY08 net property income	\$0.23 million
Date acquired/established	October 1998
Carrying value	\$1.8 million
Valuation (fair value)	\$2.0 million
Valuation date	December 2007

Property description

The Waikerie Vineyard lease was recently extended by Australian Vintage Limited for a further five years to April 2013. Water is supplied by the Central Irrigation Trust from the Murray River. The grapes from this vineyard go into Australian Vintage Limited's cask brands.



Balranald Vineyard

Balranald, NSW

Property details

Ownership interest	100%
Total area	548 ha
Area planted	466 ha
Tenant	Australian Vintage Limited
Occupancy	100%
Lease expiry date	November 2016
WALE	8.4 years
Review type/s	Increased annually by 1.5% fixed. At fifth anniversary it is reviewed to reflect any change in finance costs
FY08 net property income	\$2.61 million
Date acquired/established	December 2003
Carrying value	\$22.0 million
Valuation (fair value)	\$25.0 million
Valuation date	June 2008

Property description

Located along the Murrumbidgee River in NSW, the property is a large scale, high tonnage property with the grapes used in Australian Vintage's wine brands including cask wines. Water supply infrastructure to the vineyard is currently being reviewed with the aim to minimise water losses.



Cocoparra and Woods Vineyards

Griffith, NSW

Property details

Ownership interest	100%
Total area	496 ha
Area planted	266 ha
Tenant	Foster's Australia Limited
Occupancy	100%
Lease expiry date	April 2013
WALE	4.8 years
Review type/s	Reviewed annually by CPI with a minimum increase of 1%
FY08 net property income	\$1.19 million
Date acquired/established	April 2003
Carrying value	\$11.0 million
Valuation (fair value)	\$12.0 million
Valuation date	December 2007

Property description

Following the cancellation of the lease to Evans & Tate in August 2007, Foster's Group Limited entered into a new lease on the properties. Being in the Murrumbidgee region, the water allocations have been more favourable than in other irrigation regions.



Gundagai Vineyard

Gundagai, NSW

Property details

Ownership interest	100%
Total area	289 ha
Area planted	239 ha
Tenant	Greenvalley Properties Pty Ltd
Occupancy	100%
Lease expiry date	September 2010
WALE	2.2 years
Review type/s	Reviewed annually by CPI. No rent reduction during lease term
FY08 net property income	\$1.92 million
Date acquired/established	September 2000
Carrying value	\$12.0 million
Valuation (fair value)	\$12.9 million
Valuation date	June 2008

Property description

Located close to the Murrumbidgee River, the water supply is considered more secure than other river systems as it is watered by high security water licences. Additional water is also available from bores tapping into underground aquifers. This large scale vineyard produces high quality fruit with the majority contracted to Foster's.

Property summaries continued



Stephendale Vineyard

Griffith, NSW



Whitton Vineyard

Griffith, NSW



Del Rios Vineyard

Sunraysia, VIC

Property details

Ownership interest	100%
Total area	666 ha
Area planted	634 ha
Tenant	Warburn Estate (Aust) Pty Ltd

Occupancy	100%
Lease expiry date	September 2017
WALE	9.2 years
Review type/s	Annual increase of 1.5% fixed. Reviewed in year four to market

FY08 net property income	\$2.03 million
Date acquired/established	September 2007
Carrying value	\$26.5 million
Valuation (fair value)	\$26.5 million
Valuation date	June 2008

Property description

This property is a large scale commercial vineyard with a high security water licence from the Murrumbidgee River. The property is one of the largest in the region and supplies grapes used in the Warburn Estate, Gossips and Stephendale branded wines.

Property details

Ownership interest	100%
Total area	100 ha
Area planted	98 ha
Tenant	Australian Vintage Limited

Occupancy	100%
Lease expiry date	April 2015
WALE	6.8 years
Review type/s	Reviewed annually by CPI with a maximum increase of 1.5%. No rent reduction during lease term. Reviewed in 2008 to take into account any finance costs

FY08 net property income	\$0.35 million
Date acquired/established	April 2005
Carrying value	\$4.1 million
Valuation (fair value)	\$4.4 million
Valuation date	December 2007

Property description

Capital upgrades to convert the vineyard irrigation system from flood to drip has commenced and will be completed before the 2009 vintage. This conversion will reduce the water usage of the vineyard as well as assist canopy and crop management, improving the quantity and quality of the grapes produced in the future.

Property details

Ownership interest	100%
Total area	1,048 ha
Area planted	932 ha
Tenant	Australian Vintage Limited

Occupancy	100%
Lease expiry date	June 2016
WALE	8.0 years
Review type/s	Annually increased by 1.5% fixed. At fifth anniversary it is reviewed to reflect any change in finance costs

FY08 net property income	\$4.92 million
Date acquired/established	June 2003
Carrying value	\$53.7 million
Valuation (fair value)	\$55.0 million
Valuation date	June 2008

Property description

Developed in concert with Australian Vintage Limited in 2003, this large scale vineyard has now reached maturity. Considered one of the largest vineyards in Australia, the grapes produced from this vineyard go into AVL's cask range of wines.



Crownthorpe Vineyard

Hawkes Bay, New Zealand



Dashwood Vineyard

Marlborough, New Zealand



Gimblett Gravel Vineyards

Hawkes Bay, New Zealand

Property details

Ownership interest	100%
Total area	361 ha
Area planted	291 ha
Tenant	Delegat's Wine Estate Limited
Occupancy	100%
Lease expiry date	April 2011
WALE	2.8 years
Review type/s	Adjusted annually to CPI in New Zealand

FY08 net property income	\$2.29 million
Date acquired/established	April 2001
Carrying value	\$26.7 million
Valuation (fair value)	\$26.7 million
Valuation date	June 2008

Property description

One of the largest vineyards in Hawkes Bay, the Crownthorpe Vineyard was developed under the close scrutiny of the lessee, Delegat's Wine Estates. The property is irrigated via two underground wells with the main well situated adjacent to the Ngaruroro River. Grapes from this vineyard go into Oyster Bay branded wines.

Property details

Ownership interest	100%
Total area	197 ha
Area planted	167 ha
Tenant	Delegat's Wine Estate Limited
Occupancy	100%
Lease expiry date	October 2012
WALE	4.3 years
Review type/s	Adjusted annually to CPI in New Zealand

FY08 net property income	\$1.73 million
Date acquired/established	October 2002
Carrying value	\$21.5 million
Valuation (fair value)	\$21.5 million
Valuation date	June 2008

Property description

Dashwood Vineyard is located in the Awatere Valley sub-region of the world famous Marlborough region of New Zealand's South Island. Planted predominantly to Sauvignon Blanc and Pinot Noir, the vineyard was developed by the Trust in 2002 and has now moved into a full maturity phase. Grapes from this vineyard go into Oyster Bay branded wines.

Property details

Ownership interest	100%
Total area	45 ha
Area planted	40 ha
Tenant	Delegat's Wine Estate Limited
Occupancy	100%
Lease expiry date	April 2011
WALE	2.8 years
Review type/s	Adjusted annually to CPI in New Zealand

FY08 net property income	\$0.61 million
Date acquired/established	April 2001
Carrying value	\$6.5 million
Valuation (fair value)	\$6.5 million
Valuation date	June 2008

Property description

As part of the famous Gimblett Gravels sub-region of Hawkes Bay in New Zealand's North Island, the property is planted to Merlot and Cabernet Sauvignon grape varieties. The property has the shallow gravels with large river stones that provide the unique ripening process that distinguishes this sub-region's wines. Grapes from this vineyard go into Oyster Bay branded wines.

Property summaries continued



Rarangi Vineyard

Marlborough, New Zealand

Property details

Ownership interest	100%
Total area	142 ha
Area planted	129 ha
Tenant	Delegat's Wine Estate Limited
Occupancy	100%
Lease expiry date	June 2014
WALE	6.0 years
Review type/s	Adjusted annually to CPI in New Zealand

FY08 net property income	\$1.32 million
Date acquired/established	June 2004
Carrying value	\$16.3 million
Valuation (fair value)	\$16.3 million
Valuation date	June 2008

Property description

Located in the main Wairau Valley of the Marlborough region the property is planted to the region's world famous Sauvignon Blanc grape variety. The property's close proximity to the sea has a moderating effect on the climate, ensuring frost events occur less frequently compared to other parts of the valley. Grapes from this vineyard go into Oyster Bay branded wines.



Level 15
255 Pitt Street
Sydney NSW 2000
telephone 02 9994 7000
facsimile 02 9994 7777
www.challenger.com.au

challenger 