

## MARKET RELEASE

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### CWT RE-AFFIRMS FY09 DISTRIBUTION GUIDANCE

17 November 2008: Challenger Wine Trust (ASX:CWT) today re-affirmed its 9.5 cents per unit (cpu) distribution guidance for year ending 30 June 2009 (FY09). The September quarter distribution of 2.4 cpu will be paid today to all unitholders on register at record date of 30 September 2008.

CWT's Fund Manager Nick Gill said "Despite challenging global economic conditions CWT remains on track to deliver on its FY09 distribution guidance of 9.5 cpu. Our \$307 million<sup>1</sup> property portfolio enjoys a high occupancy rate of 99%<sup>2</sup> which combined with our WALE of 5.4 years<sup>2</sup> and Australasian geographic diversity continues to provide a strong platform for CWT's sustainable income returns."

CWT's gearing ratio (debt to total assets) is 49.7%<sup>3</sup>, well within the average portfolio loan-to-valuation (LVR) covenant of 58.6%. Importantly CWT has no loans maturing before May 2011.

CWT is marketing for sale the *Bethany Creek and Vine Vale Vineyards (Barossa Valley SA)* and *Sandy Hollow Vineyard (Hunter Valley NSW)* with proceeds from any sale to be directed towards reducing debt. The properties have a combined book value of \$3.8 million and represent 1.2% of total portfolio value.

CWT has agreed to sell (subject to documentation) *Inglewood Vineyards (Hunter Valley NSW)*. The lease on neighbouring *Dalswinton Vineyard* expires in April 2009 and CWT is currently reviewing options including sale.

Nick Gill commented "CWT's portfolio of high quality, well located, large scale commercial vineyards continue to generate attractive and predictable income returns for unitholders. Based on a current unit price of 45 cents<sup>4</sup>, CWT offers investors an implied FY09 distribution yield of 21.1%."

ENDS

**Important notice:**

Any forward looking statements included in this document are by nature subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, Challenger, so that actual results or events may vary from those forward looking statements, and the assumptions on which they are based.

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<sup>1</sup> As 30 June 2008

<sup>2</sup> As at 31 October 2008

<sup>3</sup> Unaudited. As at 30 September 2008.

<sup>4</sup> As at close on 14 November 2008

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**Further enquiry:** Investor Relations, Luke Keighery, Challenger Financial Services Group, 02 9994 7633  
Media Relations, Lynn Anderson, Challenger Financial Services Group, 02 9994 7008

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