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18 October 2017 **ASX ANNOUNCEMENT**

Treasury Wine Estates Limited 2017 Annual General Meeting

Treasury Wine Estates Limited (ASX:TWE) will today address shareholders at its Annual General Meeting to be held in Adelaide, commencing at 11.00am ACDT.

Attached is a copy of the address to be delivered by the Chairman, Paul Rayner and the address to be delivered by the Chief Executive Officer, Michael Clarke.

A live webcast of the Annual General Meeting can be viewed at www.tweglobal.com. An archive of proceedings will also be available from the website.

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2017 Annual General Meeting

Chairman's Address – Paul Rayner

Once again I'm thrilled to say that Treasury Wine Estates continued on its remarkable journey in fiscal 2017, with yet another year of strong performance.

The strategy we embarked on three years ago is clearly working, and our momentum in becoming the world's most global wine company continues with great pace.

Central to this performance was our unwavering commitment to fix, grow and accelerate every part of the business.

We have continued to optimise our operating model across all regions, while at the same time investing in our brands, in our core systems, and in the capability of our people.

Our Chief Executive Officer, Michael Clarke will talk in more detail to the Company's financial results. But it is clear that balance, quality and sustainability are all appropriate descriptors of our earnings. Each of our regions has contributed to our results and we are now set up, around the world, to capture future growth opportunities.

We have focused on building our portfolios, one at a time, including our Australian portfolio, our American portfolio, our new French offering, and of course, our Penfolds portfolio. It's worth mentioning that tomorrow marks one of the most important days on the Penfolds calendar, with the release of the 2017 Penfolds Collection.

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As a truly global wine company, we remained committed to driving demand and availability of our wine brands through best-in-class marketing, strengthened routes-to-market, and strong customer partnerships, across the world.

Innovation continued to play its role for TWE in helping it grow the wine market and bringing new consumers to the category.

A shining example of this is the phenomenal success of 19 Crimes, one of TWE's fastest growing brands, and recently named 'Wine Brand of the Year' in the US by industry title, *MarketWatch*.

Once again, the year was marked with prestigious global awards for our brands. Wolf Blass was named Red Winemaker of the Year at the International Wine Competition, Matua was awarded New Zealand Winemaker of the Year at the International Wine and Spirits Challenge, and just last week Pepperjack was recognised with a raft of awards including Best Winery of Show at The Great Australian Red competition here in Adelaide.

Our supply chain optimisation initiative continued with success in fiscal 2017. We now have strong centres of excellence across our major winemaking regions, producing premium wine under comparatively lower cost structures.

In particular, I'm proud to say that investing in the capability of our people was an extremely strong focus in fiscal 2017.

More than 1,500 people across the business participated in a range of leadership and functional programs. This investment reflects our commitment to building a world-class, high performing organisation.

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The Board and Executive Management at TWE continue to target financial metrics consistent with an investment grade credit profile.

On August 17, the Company also announced a share buy-back of up to $300 million in fiscal 18. This is the right thing to do for our shareholders, and it reflects the strength and flexibility of the Company's balance sheet. I will also stress – this is in addition to the Company pursuing inorganic growth opportunities to drive further value accretion.

Taking into account the performance of the Company over the full fiscal year, the Board was pleased to confirm a full year dividend of 26 cents per share, representing a 6 cents per share increase, and signifying the largest payment in the Company's history.

Later in this meeting, shareholders will be asked to consider and vote in favour of a number of items of business, being:

- to receive and consider the consolidated financial report, the Directors' Report and the Auditor's Report of the Company for the fiscal year ended 30 June 2017;
- the re-election of non-executive Director, Mr Garry Hounsell;
- adoption of the Company's Remuneration Report for fiscal 2017, which aligns with TWE's business performance; and
- the granting of performance rights to Chief Executive Officer, Michael Clarke.

On this, and all matters, I ask for shareholder support.

As a global leader in the wine industry, in fiscal 2017 TWE continued to maintain a share of voice on public policy and regulation. Across our regions, TWE actively engaged with governments and regulatory bodies on those issues affecting the industry, including trade, taxation, health, customs administration and climate change.

The Company continues to support Free Trade Agreements that foster stronger trade relations between the countries where we produce our wines, and our key export partners. Along with continued efforts to address non-tariff barriers to trade, these agreements help level the playing field in highly competitive export markets, and ultimately increase the flow of goods and services between countries.

A welcome development in Australia was the passing of the Wine Equalisation Tax Rebate reforms through the Federal Parliament in August.

TWE believes this is a great step forward for the Australian wine industry, taking the rebate back to its original intent of supporting genuine regional winemakers.

In fiscal 2017, TWE progressed its Corporate Responsibility strategy across the three pillars of:

- Responsible Consumption
- Sustainable Sourcing, and
- Volunteering and community

More details on the Company's many achievements under our Corporate Responsibility strategy can be found in our Annual Report, which we released to the market on the 30th of August.

I would like to take a moment now to acknowledge the outstanding efforts of the first responders and fire crews who have so bravely faced the fires in Northern California over the past week.

The devastation caused by this natural disaster is, without question, significant. TWE is fortunate in that all of our people are safe, and our infrastructure in the region remains intact, with no significant fire damage. Our thoughts are with the Napa and Sonoma communities that have been impacted and we are offering financial and other support to these communities in their time of need.

To conclude, I know I speak on behalf of the Board when I say I am delighted with the strong performance of the Company in the past year, which is evident on a number of levels.

I would like to extend a sincere thanks to Michael and the Executive Leadership Team, as well as all TWE employees for their commitment, resilience and focus in delivering such stand-out results.

I would also like to take this opportunity to acknowledge two of our non-executive directors, Mr Peter Hearl, who recently retired from our Board, and Mrs Lyndsey Cattermole, who will be retiring from the Board at the close of this Annual General Meeting. Their significant contribution during their tenure has been invaluable and deeply appreciated.

Finally, as the Board remains focused on ensuring TWE continues its great momentum, I would like to offer my sincere thanks to you, our shareholders, for your ongoing support, belief and investment in our business.

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2017 Annual General Meeting

Chief Executive Officer's Address – Michael Clarke

Thank you Mr Chairman.

Good morning and a warm welcome to you, our shareholders, both here in Adelaide, and those joining us via webcast from around the world.

As always, it gives me great pleasure to address you from South Australia; the spiritual home of some of our finest Australian brands.

Fiscal 17 marked another strong year for TWE, as we continued to embed fast moving consumer goods principles into the business, and transition from an agricultural company to a high performance, brand-led organisation.

All regions contributed to robust earnings growth in the year, which saw the Company deliver group EBITS growth of 36% and Earnings Per Share growth of 50%.

The momentum across our business underpinned the early delivery of our high-teens EBITS margin target, with a group EBITS margin for the year of 19.0%, up four percentage points against the prior year.

This EBITS margin expansion, along with disciplined management of our capital base, supported solid return on capital employed accretion up 2.3 percentage points to 11.6%.

As our Chairman touched on, we continue to manage our balance sheet, taking actions to both strengthen our debt structure, through a debt refinancing and create value for shareholders, through the share buy-back program.

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In summary, I'm very happy with our performance in fiscal 17, which highlights our commitment to delivering sustainable earnings growth.

As highlighted at our full year results, we're making good progress against our three-phased growth strategy: Fixing, Growing and Accelerating.

The following are our key priorities by region in fiscal 18 i.e. next year:

- In ANZ, it's about growing share through masstige-led portfolio innovation and category leading sales execution, whilst tightly managing our cost base.
- In Europe, it's focusing on priority markets and brands, and maintaining a double digit EBITS margin. We will not chase unsustainable or unprofitable Commercial volume.
- In Asia, it's leveraging the strength of our routes-to-market to really create space between us and our competitors, particularly in China, where this month, our warehouse in Shanghai becomes operational and will result in shorter lead times for existing customers, and provide access to new customers across all our brand portfolios, Penfolds, Australian, American and French.
- And finally in the Americas, the focus is on fixing and growing our US business, both through building our National Account management capability to establish strong relationships with key national retailers and changing the way we partner with distributors and manage performance.

Repeating what we said at the fiscal 17 results, every action taken this year will be to ensure our business is positioned to step change performance in fiscal 19, fiscal 20 and beyond, as increased supply of high-end wine becomes available for sale.

When thinking about how we will drive growth through increased high-end wine supply, it's important to recognise two things:

- firstly, from a supply perspective, this step-up in access to high quality fruit reflects not only strong vintage conditions in 2016 and 2017 but, importantly, the actions we have taken to sustainably uplift our access to supply, both from vineyards we own or control, and through grower contracts; and
- secondly, from a sales and marketing perspective, we will manage the sell through of increased supply in a balanced way, with all our regions benefiting from the step-up in high-end wine as we leverage our global reach to maintain apparent scarcity.

Following the delivery of our high-teens EBITS margin target in fiscal 17, we have publicly set a new margin ambition of 25%. Whilst we haven't given a timeframe for this, as a leadership team, we feel comfortable that this is the next milestone for TWE. We have a number of building blocks to achieve margin accretion, including continued cost management across our business, premiumisation of our existing portfolios and the growth of high margin virtual wine brands – starting with our French portfolio (Maison de Grand Esprit), then expanding into other countries of origin, such as Italian.

In summary, I am confident that the actions we are taking to strengthen the business will underpin continued value creation for you, our shareholders.

I thank you for your continued support and interest in our Company, and look forward to addressing you again after another strong year in 2018.

- ends -

Fiscal 2017; another year of strong financial performance

Robust earnings growth and EBITS margin accretion

- Reported Net Profit After Tax of $269.1m; **up 55%** vs. prior year
- Reported Earnings Per Share (EPS) of 36.5 cents per share; **up 50%**
- EBITS of $455.1m, **up 36%** on prior year
- Profit growth and margin accretion across all regions
- Early delivery of high-teens EBITS margin target, with Group EBITS margin of **19.0%**
- ROCE up 2.3ppts to **11.6%**
- Robust cash conversion at **84%**
- Annual dividend of 26 cents per share; **up 30%** on prior year
- On-market share buyback of up to $300m in F18

TWE

TWE's three-phased growth strategy

Positioning all four regions to deliver sustainable growth and shareholder value

Phase 1: Fixing → Phase 2: Growing → Phase 3: Accelerating

ANZ	Asia	Europe	Americas
Growing sustainable share in a mature market	#1 imported wine business in Asia by volume and value	An optimised business delivering double digit EBITS margin	From fixing to growth