



"Everything according to plan" is the export story for 2007. 88.6 million litres of New Zealand wine worth \$800 million were sold off shore for the year ended June 2008 - a 14% increase in line with projections.

On the strength of this export performance, total sales of New Zealand wine reached an estimated \$1.25 billion dollars in the year to June 2008.

In the United Kingdom, overall growth is focussed in the premium categories where New Zealand has established itself as a significant force. NZ wine sales rose by 8% in volume while at the same time we increased our average retail price to £6.47 - £2.09 ahead of the nearest competitor.

The Australian market continues to overperform, growing 37% in the past year to \$247 million to make it our largest market by value. Shipments to the United States, by contrast, increased just 4%. While there may be a number of reasons for this, market complexities and the currency risk of exporting to the USA have clearly weighed on exporters.

The wine styles exported in the past year mirrored the shape of the previous vintage. Sauvignon Blanc performed to expectations, though sales would have been even stronger if not for a moderate 2007 crop. Chardonnay sales grew by a third and Pinot Gris more than doubled with supplies on hand from a bountiful harvest in Gisborne and Hawke's Bay. Pinot Noir exports fell by 3% following a 5% drop in supply, while Merlot-based wines had a sound showing on the back of a successful run of vintages.



ITALIAN CHAMBER OF COMMERCE IN NEW ZEALAND INC.

New Zealand Wine Exports by Market 2006 - 2008 (millions)

| Country        |    | 2006    | 2007    | 2008    |
|----------------|----|---------|---------|---------|
| United Kingdom | L  | 21.907  | 27.573  | 29.646  |
|                | \$ | 166.937 | 227.418 | 240.730 |
| Australia      | L  | 13.18   | 18.632  | 24.633  |
|                | \$ | 122.441 | 179.933 | 246.696 |
| USA            | L  | 14.411  | 18.712  | 19.492  |
|                | \$ | 138.411 | 175.515 | 159.787 |
| Canada         | L  | 2.061   | 3.182   | 5.219   |
|                | \$ | 21.888  | 33.870  | 47.060  |
| Netherlands    | L  | 1.217   | 1.559   | 1.363   |
|                | \$ | 10.017  | 13.318  | 12.808  |
| Ireland        | L  | 0.844   | 0.853   | 1.496   |
|                | \$ | 8.158   | 8.920   | 15.012  |
| Denmark        | L  | 0.508   | 0.654   | 0.654   |
|                | \$ | 4.656   | 6.029   | 5.836   |
| Japan          | L  | 0.406   | 0.484   | 0.545   |
|                | \$ | 5.855   | 6.665   | 7.299   |
| Germany        | L  | 0.301   | 0.382   | 0.462   |
|                | \$ | 2.914   | 3.699   | 5.342   |
| Others         | L  | 3.464   | 3.996   | 5.125   |
|                | \$ | 35.742  | 42.935  | 57.227  |
| Total          | L  | 57.791  | 76.024  | 88.636  |
|                | \$ | 512.362 | 698.303 | 797.797 |