FOSTER'S GROUP

2007 FULL YEAR RESULTS BRIEFING

28 AUGUST 2007

CHIEF EXECUTIVE OFFICER

& CHIEF FINANCIAL OFFICER ADDRESSES

Slide 1 – 2007 Full Year Results Presentation

Good morning everyone. Welcome to Foster's 2007 results. My name is Chris Knorr and I am the Investor Relations Director at Foster's.

Presenting this morning are Foster's Chief Executive Trevor O'Hoy, Chief Financial Officer Pete Scott and Managing Director Australia, Asia and Pacific Jamie Odell.

Foster's Chief Supply Officer, Michael Brooks is with us this morning in Sydney and our Americas Managing Director, Scott Weiss and EMEA Managing Director, Peter Jackson are joining us by telephone.

Copies of this morning's presentations are available at the Foster's website www.fostersgroup.com

This morning's session is being webcast and we also have a number of participants joining us via teleconference. The session is being recorded and a transcript will be available from the Foster's Group website.

Slide 2 – Outlook Statement Disclaimer

Before starting the presentation, I'd like to draw your attention to the outlook disclaimer statement on slide 2, and caution you against placing undue reliance on forward-looking statements contained within this presentation.

With that, I'll hand over to Foster's Chief Executive Officer, Trevor O'Hoy.

Slide 3 – Trevor O'Hoy Chief Executive Officer

Thanks Chris.

Welcome to Foster's 2007 results presentation.

This is my fourth full year results announcement as CEO - and personally my proudest.

While the breaks haven't all gone our way this year - we've proved the strength of our business model and our strategy with our third consecutive year of mid teens growth.

Our regional sales model is now one year old and showing its worth - with solid revenue growth that accelerated in the second half.

And our growth was fastest offshore – driven by international wine.

Diversification across geographies and categories has been – and will continue to be – central to sustained earnings growth at Foster's.

In Australia, we remain the leading alcohol provider – and we continue to generate strong earnings growth. Growth accelerated in the second half following changes to our Australian sales organisation.

Our operating cash flows are robust and combined with proceeds of recent asset sales have enabled us to announce a $350 million capital management program and a fully franked dividend of 13c up 10.6%.

And while the challenges of wine supply can be complex, we remain as confident today in global premium wine growth as when we entered the wine category over a decade ago. Foster's has now established a position of scale and relevance in a category that remains in long term growth.

Slide 4 Fiscal 2007 Results Summary

But let me begin with the key financials from the result.

Global revenue was strong, up 4.7% to $4.6 billion, or 5.9% growth on a constant currency basis.

Earnings before interest, tax and SGARA grew 7.6% to $1.15 billion, up 9.5% in constant currency.

EBITS margins improved 70 basis points, or 90 basis points on a constant currency basis to 25.4%.

Net profit, pre significant items and SGARA, grew 16.8% to $716 million.

Earnings per share growth accelerated before significant items and SGARA - up 16.7% to 35.6c per share. On a constant currency basis earnings per share growth was 17.1%.

Operating cashflow prior to interest and tax was just over $1.2 billion. Cash conversion at 93% of EBITDAS remains robust and is ahead of the 85-90% range we flagged in February.

Cash conversion for wine was 87% - another very strong result against traditionally 'cash hungry' wine business benchmarks.

Return on capital employed for 2007 was 15%, up 120 basis points.

Slide 5 – Fiscal 2007 Scorecard

A look at Foster's 2007 scorecard shows that we are getting many things right.

Revenue growth across categories and across regions was a highlight.

And that revenue growth is sustainable - driven by systematic and sustained investment in brand and sales support.

On the costs side, a series of initiatives implemented over recent years in procurement, supply chain and operating efficiencies are bearing fruit.

Cost increases in beer, sprits and cider were within expectations.

In Viticulture, winery operations and wine procurement, we've also seen good efficiency and cost improvements as we consolidate production at fewer and more efficient sites.

However, as flagged in our half year results, costs associated with two of our major wine packaging centres and Australian export logistics remain higher than anticipated.

We are working through these issues – and efficiencies are being realised – however, the additional costs will not be eliminated fully in the short term.

In 2007 the Australian dollar continued to appreciate against Foster's major trading currencies. While movements in the foreign exchange rate have had a relatively modest impact on Foster's bottom line, the impact on wine earnings and returns has been more pronounced.

Foreign exchange, along with the additional costs just mentioned, has contributed to wine returns remaining below our expectations at the time of the Southcorp acquisition.

While the fundamentals of global wine – in terms of revenue growth, brand health and market strength remain robust - we are unlikely to see returns in wine reach the cost of capital in fiscal '08.

On the final point, cash generation was strong, across all regions and categories.

The sale of the Asian Brewing businesses, most of the Wine Clubs and Services businesses and the former Kent Brewery site were completed during the year. The sale of the Nuriootpa and Seppeltsfield sites were completed in recent days.

We bought back $400 million of shares in April and today announced an additional $350 million capital management program.

While I think that we can do better, fiscal 2007 confirmed the ability of our business to deliver sustainable earnings growth and cash flows, despite significant integration, foreign exchange and wine supply challenges.

Slide 6 – Revenue Growth Momentum

Importantly, momentum built throughout the year.

On a regional basis, constant currency revenue growth was a highlight –continuing to accelerate into the second half.

We've listened to customers in Australia and the changes we've introduced to the Australian sales force are receiving strong support.

The introduction of specialists and changes to the sales structures sparked a major second half improvement in sales effectiveness in the Australian market.

The Americas and EMEA continue to show strong revenue growth, continuing the momentum from the first half.

That second half momentum was even more evident when looked at from a category perspective.

Second half revenue grew at almost twice the rate of the first half in both Australian beer, cider and spirits, and global wine

A & P investment has been sustained within our target range of 8 – 10% of revenue, contributing to solid brand health across the portfolio.

Slide 7 – Major Contributors to Growth

Featured on this slide are some of the brands that were the major contributors to second half acceleration in growth.

Beringer continues to be a strong growth driver with premium quality and pricing.

Beringer is arguably the No.1 on-premise wine in the US and, with the launch of Beringer Third Century, has added an important new range at the $US10-14 price point.

In Penfolds we have one of the world's greatest wine brands.

Penfolds continues to grow strongly in all regions, with selected pricing on the all important Bin releases contributing to value growth.

It was exactly one year ago that we introduced you to the reborn Rosemount.

It is an important brand for us, but one that was in distress.

In Australia and the UK, the brand has returned to growth with strong support for the new positioning, packaging and refreshed wine styles, and we are seeing some encouraging early results in the Americas.

I'm pleased to report that on a global basis, Rosemount has returned to growth in the second half.

Turning to Australian beer.

Pure Blonde continues to be a phenomenon.

It has not only given birth to a new Australian low carb category, but single-handedly accounted for over 20% of total beer category value growth in 2007.

With increasing above-the-line brand support and a great premium positioning in the Australian market, the brand remains on a strong growth trajectory.

And finally VB, Australia's biggest selling beer, has been refreshed with new packaging available nationally from this week and a revamped summer promotion on the way.

The brand remains Australia's clear favourite and we are working hard to retain relevance for a new generation of drinkers.

I'll now hand over to our CFO Pete Scott, to walk through the details of the 2007 results.

Slide - Foster's Group Pete Scott Chief Financial Officer

Slide 9 – Key Financials

Thanks Trevor and good morning everyone.

Today Foster's reported a 16.8% increase in net profit before significant items and SGARA. Constant currency revenue increased 5.9%, EBITS increased 9.5% and EBITS margins improved 90 basis points to 25.4%.

Earnings per share before significant items and SGARA increased 16.7% to 35.6 cents. On a constant currency basis earnings per share grew 17.1%.

The constant currency information has been calculated by restating prior period earnings at current period exchange rates. The restatement includes re-translating earnings and restating cross border transactions.

The weighted average number of shares on issue was steady at slightly over 2 billion shares. In April Foster's bought back $400 million worth of shares or slightly over 3.3% of shares on issue and today Foster's announced an additional $350 million capital management program.

Cash flow was strong and net debt declined by $931 million.

Average capital employed declined 2.9% to $7.9 billion and return on capital increased 1.2 percentage points to 15%. At 30 June capital employed was approximately $7.7 billion, $360 million below the prior period.

Slide 10 – Net Profit After Tax

Slide 10 provides an overview of the movement in net profit before significant items and SGARA.

The major components include:

First, a $75 million increase in regional EBITS. Note that exchange rate movements in the year reduced regional EBITS growth by approximately $15 million.

Net interest expense was down $56 million reflecting lower average net debt, a $12 million benefit from exchange rate movements and, in the second half a one-off $8 million debt restructuring benefit. Excluding the debt restructure benefit the average cost of funds in fiscal 2007 was 6%. In fiscal 2008 we expect the average cost of funds to be in the mid 6's.

The effective tax rate was 28% and we expect it to remain at or modestly above this level in fiscal 2008.

Slide 11 – Foster's Group – Brand Performance

Turning now to top line performance.

In Australia, combined beer, cider, spirits and RTD volume was flat and revenue increased 4.7%. Revenue per case increased 4.5% with price the largest contributor.

Growth accelerated in the second half with volume up 1.9% and revenue up 7.8%.

Foster's revenue growth in the premium and mid-strength beer categories exceeded category growth rates.

In the regular beer category Carlton Draught and Pure Blonde continue to outperform. VB volume declined, however at a reduced rate in the second half.

The Light beer category in Australia continues to lose share to mid-strength and premium beer.

Foster's top line performance in global wine continues to improve. For the full year constant currency wine net sales revenue increased 7.3% and in the second half growth accelerated to 9.5%.

Volume of our 5 global wine brands, which represent approximately 70% of total wine volume, increased 7%. On a constant currency basis revenue for these brands increased 7.8% and in the second half growth accelerated to 10.7%.

All Beringer brand tiers grew revenue with Founders Estate, Stone Cellars and the California Collection growing solidly. Beringer Third Century is performing well. Beringer is expanding in Europe and approximately 5% of Beringer volume is now sold outside the Americas.

Lindemans volume and constant currency revenue grew strongly in the Americas and in EMEA but were below the prior period in the AAP region. Lindemans South African wines in the Americas are performing well and in the second half a range of Lindemans Chilean wines were launched in the UK.

Rosemount's performance improved throughout the year as the global re-launch gained momentum. Volume was up 8.3% in the second half.

Penfolds revenue and profitability benefited from the reallocation of luxury and icon wines to higher value markets in the AAP region.

Wolf Blass gained share in the Americas and EMEA and in the second half returned to growth in the AAP region.

Slide 12 – Australia, Asia & Pacific

Slide 12 takes a closer look at the AAP region.

The performance of the Australian business, which dominates the region, improved in the second half.

First half revenue in Australia was in line with the prior period. In the second half revenue growth was 7.9%.

In Australia our wine business is focusing on premium bottled wine and de-emphasising cask. In the second half bottled wine volume increased 2.1%.

Cask volume declined 29% and a further decline is planned in fiscal 2008.

Wine revenue in Australia was in line with the prior period and revenue per case increased 9.5%. In the second half revenue per case increased 16.7%. Mix and selective pricing contributed to this increase. Price increases on a range of wines were implemented on 1 August 2007.

Included in the result for Australia were logistics transformation costs of $7.7 million and the impact of higher than anticipated costs at the Wolf Blass packaging centre, which were partially offset by a one-off net inventory benefit of $7.6 million.

Constant currency EBITS in the smaller Asia and Pacific markets increased approximately 17% with strong growth in Asia and New Zealand in the second half.

Slide 13 – Americas

Slide 13 takes a closer look at the Americas which continues to develop as a strong premium wine market for Foster's.

Wine top line performance trends are encouraging with solid volume growth, accretive mix and selective pricing. Constant currency revenue per case increased 1.9% with growth in wines in the US$10 and above price points particularly strong.

Constant currency revenue of our Californian wines increased 7.3% and for our Australian wines increased 5.7%. Our Italian and New Zealand wines continue to grow strongly in this market.

On a constant currency basis EBITS increased 16% and EBITS margins increased 1.5 percentage points.

Earnings in the Americas were impacted by the performance of the Napa Bottling Centre.

Slide 14 – Europe, Middle East and Africa

Slide 14 takes a closer look at EMEA.

In the UK, growth benefited from strong promotional programs with the major retailers, and increased investment directed at the convenience channel.

Outside the UK, growth in the Nordics, the Netherlands and Ireland continues to be strong.

Constant currency wine revenue per case declined 5.4% primarily as a result of unfavourable mix in the first half.

On a constant currency basis EBITS increased 11% and EBITS margin declined 0.7 percentage points. Margins in the first half were impacted by modest 1 time distributor related costs and growth of lower priced products. In the second half constant currency EBITS margins increased 0.5 percentage points.

Slide 15 – BCS COGS

Turning now to BCS cost of goods.

In fiscal 2007 underlying mix adjusted BCS unit cost of goods increased 4.7% and in the second half increased 6.2%. Commodity costs, including aluminium, barley, sugar and glass represented most of the increase for both the full year and the second half.

In fiscal 2008 we expect mix adjusted unit cost of goods to increase by between 2 and 4% with some moderation in commodity costs and the realisation of efficiency benefits.

In fiscal 2007 we announced a number of initiatives to further consolidate BCS production. Spirit and RTD production has been consolidated at Yatala and Campbelltown, and we announced production at the North Fremantle brewery would cease. The anticipated costs associated with exiting North Fremantle have been recognised as a significant item.

The transformation of the Australian logistics network is underway with new facilities operating in Perth, the ACT and Melbourne. The new Sydney warehouse will open in the next 6 months and we expect the national network to be in place in the second half of fiscal 2008.

In the second half of fiscal 2007 $7.7 million of transition costs including redundancies, residual stock relocation and lease exit costs associated with the Australian logistics project were reported in the AAP result. Approximately $15 million of transition costs are anticipated in fiscal 2008.

Slide 16 – Wine COGS

Turning now to wine cost of goods.

In fiscal 2007 wine constant currency unit cost of goods were in line with fiscal 2006 with efficiency realisation, mix shift to higher priced bottled wine, packaging costs and vintage changeover the main influences.

At the half year we indicated an expectation that costs at our Wolf Blass and Napa packaging centres, and at our Australian logistics operations would exceed plan by $30 million in fiscal 2007.

Second half improvements at Wolf Blass and Australian export logistics have been realised and will continue in fiscal 2008.

Operating improvements at the Napa Bottling Centre began to be realised late in the second half and as a result packaging costs were $10 million higher than previously expected. This increase was due to higher staffing levels at the Napa Bottling Centre and logistics costs associated with moving product between bottling sites. May, June and July operating results for the Napa Bottling Centre have gradually improved and we are confident further efficiencies will be realised in fiscal 2008.

While we do not intend to deconstruct our product costs, note that combined global unit costs for packaging, warehousing, freight and logistics were lower in fiscal 2007 than in fiscal 2006 and are expected to reduce again in fiscal 2008 as we continue to realise efficiencies in our wine manufacturing operations.

In fiscal 2008 wine unit cost of goods will be impacted by a variety of influences. The lower cost 2006 Australian vintage and ongoing efficiencies will provide a benefit. However these benefits will be offset by:

The sale of wines from the higher cost Australian 2007 vintage and Californian 2006 vintage.

> And the mix impact of expected good growth in premium bottled wines with further reductions in cask volume.
>
> Notwithstanding these factors, we expect global wine EBITS margin expansion from the realisation of mix and price in fiscal 2008.

Grape and bulk wine costs for the 2007 Australian vintage increased approximately 20% over vintage 2006 with the greatest cost increases in the premium, luxury and icon categories. Products from the 2007 vintage will be released over the next 4 years with much of the higher volume commercial wine sold in fiscal 2008.

Slide 17 –Vintage Outlook

Slide 17 looks at the outlook for the upcoming Australian and Californian vintages.

It is very early days in the Australian 2008 vintage. Our current expectations are for the Australian 2008 vintage to be of similar size to the 2007 vintage. However, as with other industry commentators we continue to see downside risk if there are further limitations on water availability.

We continue to monitor the vintage closely and see the potential for good yields in the premium regions. However, we are becoming somewhat more cautious on the outlook for production in the warm irrigated regions.

Current expectations for the upcoming Californian vintage are for yields to be moderately below longer term averages.

Slide 18 – Currency Sensitivities

Slide 18 looks at currency sensitivities.

As I mentioned constant currency information has been calculated by restating prior period earnings at current period exchange rates. On this slide we have turned the calculation around. That is we re-state current period earnings at prior period exchange rates. This allows the impact of exchange rate movements to be quantified and sensitivities to be calculated.

Exchange rate movements in fiscal 2007 reduced Wine EBITS by approximately $17 million with the largest impact from the US dollar. The impact of exchange rate movements on profit before tax was $3.4 million as the negative impact on wine EBITS was largely offset by benefits realised on foreign currency denominated input costs in the Australian beer business and US dollar interest payments.

In fiscal 2008 the indicative impact of a 1 cent move in the US dollar exchange rate is approximately a $4.5 million change in pre-tax profit. The indicative impact of a 1 pence move is approximately a $8.5 million change in pre-tax profit.

Slide 19 – Foster's Wine Performance

Moving to slide 19 which provides an overview of the former Foster's Wine trade division.

On a constant currency basis EBITS increased 12.9% and EBITS margin increased approximately 1 percentage point.

A & P investment remains at approximately 8% of revenue.

Wine ROCE increased half a percentage point to 7.1%. Average capital employed was approximately $6.6 billion. Capital employed at 30 June was approximately $6.5 billion, down $186 million from June 2006.

Slide 20 – Net Debt Movement

Turning now to cash flow and net debt.

Free cash flow after dividends increased 6.3% to $285 million.

Continuing business operating cash flow pre interest, tax and significant items declined 2.7% to $1.2 billion. 93% of EBITDAS was converted to cash.

Net capex declined $70.9 million as we completed the development of major infrastructure projects. In fiscal 2008 capex is expected to be in line with depreciation.

$729 million was realised from the sale of the Asian brewing businesses; the Wine Clubs and Services Business and the former Kent Brewery site.

Cash flows associated with significant items include cash disbursements relating to the Southcorp integration, payments related to the wine trade operation review and payments associated with the global Formula 1 sponsorship.

Slide 21 – Capital Structure & Debt Profile

Turning now to Slide 21 which looks at capital structure.

Gearing and interest cover metrics are strong and today we announced a $350 million capital management program which includes a $250 million off market buy back and a $100 million on market buy back.

With net debt at $2.6 billion and strong free cash flows, we are comfortable with our current financial position and BBB/Baa credit rating. While we are committed to remaining an investment grade credit, we do not currently see significant net financial advantage in targeting a credit rating upgrade.

Thank you and I will now hand you back to Trevor.

Slide – Trevor O'Hoy Chief Executive Officer

Slide 23 - Fiscal 2008 Objectives

Thanks Pete.

I want to turn now to our business today and the year ahead.

Two months into 2008, we are seeing revenue growth continuing across regions and portfolios.

We have the right brand portfolio in place - weighted to growth categories and growth segments.

Importantly, we also now have a stable route to market in place across all three regions.

Brand investment and new product development is a strength – with a very healthy innovation pipeline.

Importantly, brand investment is not just in NPD but in refreshing and supporting established brands such as VB, Carlton Draught, Beringer, Lindemans and Yellowglen – just to name a few.

The focus for us remains innovating and growing in higher margin categories and building our portfolio breadth where group contribution is maximised.

We're also sharpening our discipline around capital efficiency as we see our asset sales program slowing down.

And, while our scale, flexibility and efficiency in supply provide us with a competitive advantage, significant improvement opportunities remain – including those in wine packaging that we touched on earlier.

I'm pleased to say that the cashflow generative capabilities of our business also remain strong.

Since the $3.7 billion 100% debt-funded Southcorp acquisition in May 2005, Foster's has returned $1.1 billion to shareholders through dividends and capital management programs, while reducing net debt by $1.7 billion.

Gearing has also reduced from 114% to 55% over the same period.

And with our announcement today we are set to return another $700 to our shareholders in fiscal 2008 through buy backs and dividends.

I'm now going to hand over to Jamie Odell - Managing Director of our Australia, Asia and Pacific region – who will walk through the changes he has made in the Australian business to drive a very strong second half result.

Slide – Jamie Odell Managing Director AAP

Slide 25 – Evolution of Australian Route-to-Market

Thanks Trevor and good morning everyone.

We started the financial year with change, the FGL regional business restructure saw Australia take on responsibility for Asia, New Zealand and the Pacific. The new structure gave us a new management team and, in truth, we spent the first half of the year stablising the business and refining our strategy to grow value not volume. In the second half the team focused on delivering this and I'm delighted to say, we achieved it.

We faced criticism about our route to market and I want to explain the changes we've made and the encouraging results these are generating. In fiscal 2007 we made two phased changes to our route to market. In November we moved from four sales channels to two. This reduced the complexity and ensured the teams were working together to drive growth.

After speaking extensively to customers, in February we enhanced the sales team with specialist sales forces for wine and premium on-premise. We continued the evolution earlier this month when we appointed a National Sales Director, providing strong, clear and consistent leadership. We now have a stronger, focused, stable salesforce which has clear sales objectives.

In addition we have built sales capability with increased investment in sales strategy, planning and customer management – this will continue to be a focus in F08.

It's a simple, stable structure and it works…..

Slide 26 – Australia Sales Performance

These charts show the significant progress we have made in our core beer and wine categories as measured by value in Nielsen.

As you can see, the benefits of strong and stable route to market structure combined with innovation began to emerge through the second half - particularly in the fourth quarter.

We've began to reap the benefits, with beer sales escalating from November, and January marking the turnaround for wine.

The big picture is wine growth across the entire portfolio – our highest growth since before the Southcorp acquisition. This fabulous turnaround gives us great confidence to grown our premium wines brands in the future.

I'm particularly pleased with the performance of Rosemount, which was relaunched in February this year – the brand returned to value growth in the final quarter of the year. Nielsen to the end of June shows Rosemount's value share is now marginally higher than it was at the time of the Southcorp acquisition in May 2005.

Slide 27 – Growth Segment Focus

Our aim is to grow value in our lead categories of beer and wine, with support from our spirits, RTD and cider brands.

Portfolio prioritisation work is ongoing. In addition to the improved rigour behind brand investment, we are reducing the number of products in the tail to give sales and marketing a sharper focus. We will build momentum with meaningful innovation – our internal catch-cry is fewer, bigger, better. Innovation is targeted to rapidly growing market segments - areas in the portfolio where we have identified gaps or where we are meeting the changing needs of consumers.

So what does this mean in terms of execution?

With strong category and brand plans we will be focusing on continuing to build beer value growth – we've got great plans for VB, Carlton, Cascade and Pure Blonde which you'll see in the market in coming weeks. We continue to be a leader in the premium beer category. We have some niche innovation for the premium on-premise market with Shanghai and Pepperjack beers – those of you in the room are welcome to take a Pepperjack pack away. Sticking with beer, the recent addition of Carlsberg further strengthens our leadership in the premium imported segment, which includes great brands such as Stella and Corona.

In mid-strength we will use our three offerings to meet different consumer and customer needs. VB Midstrength – our most successful ever brand launch – was launched in May. This gave it only two months of sales in the financial year with Nielsen showing that in those two months VB Mid gained 1.2% value share of the total Australian beer market and 7.8% value share of the Australian mid-strength category. The team will continue to focus on leveraging growth for this brand in F08.

We have a clear plan to generate wine value in Australia by focusing on premium bottled wine. This will mean some change in volume as we move away from cask. Central to creating value in bottled wine are our plans around leveraging our white wine portfolio. In some cases, for example Rosemount and Matua Valley, we are increasing promotional focus to ensure these brands are in the forefront of consumer's consideration sets. For Fifth Leg it means continuing to leverage this brand from WA, one of the fastest growing wine regions in terms of value sales.

There's increasing consumer awareness of lifestyle products and we plan to continue maximising this opportunity. Yellowglen Jewel was released for the first time in March. Since then Nielsen shows this brand has gained 2.4% of the total sparkling category. This month we launched two new white wines under the Lindemans Early Harvest banner – both have reduced alcohol and lower calories.

So the take-away headlines for the AAP business?

In summary AAP is in good shape - we have refined our business model to focus on value and we have created a sales and marketing structure to support this. We've got a strong and stable team and there's every reason to believe we are going to continue to build momentum moving forward.

Thanks, I'll hand you back to Trevor.

Slide – Trevor O'Hoy Chief Executive Officer

Slide 29 – Americas Priorities

Thanks Jamie.

Turning to the Americas – the world's most profitable wine market.

The wine category in the Americas remains buoyant.

Value continues to grow well ahead of volume and the Foster's portfolio is positioned to benefit from that growth.

We will build on the momentum established through fiscal 2007 by driving strong growth in the US$10 plus price points.

Revenue per case is expected to continue to improve in F08, driven by mix, pricing and improved promotional effectiveness.

We will continue to seek opportunities for price increases across both the Californian and Australian portfolios.

We also reap the benefits of new products released during 2007 and innovation planned for fiscal 2008.

And we will continue to invest in capability with the further roll out of sales, price and promotion analysis tools for our sales teams.

As many of you know, we have maintained a dual distributor model in the majority of US states - focussing on the former Beringer or Southcorp portfolios.

As we enter the 2008 financial year, we will be undertaking distributor reviews in key states – seeking to partner with distributors who deliver superior growth and alignment of systems to improve service and reduce costs.

While no decisions have yet been made, we expect this review will identify incremental opportunities to improve the effectiveness and efficiency of the US route-to-market.

As with all markets, wine quality is key to success in the fast growing US market. In 2007, our Californian wines collected record numbers of rewards and accolades and we are building on that success and awareness to drive portfolio growth.

While we expect strong earnings growth in the Americas for the full year, growth is likely to be weighted to the second half.

This is primarily due to the evolution of mix through the year and the timing of planned price increases.

Slide 30 – EMEA Priorities

In the EMEA region, we re-established our position as a leading premium wine supplier in the UK in fiscal 2007.

The European market continues to see value grow ahead of volume and the Australian category is growing ahead of total wine.

We also continue to strengthen our leading position in non-UK markets.

Our revenue growth continues ahead of the premium wine category and we are the clear Australian leader at premium price points.

Distributor consolidation during fiscal 2007 will provide ongoing margin benefits across the non-UK markets.

Further investments in the UK impulse and on-premise channels will seek to address Foster's under-weight position within those customer groups.

Wolf Blass, Penfolds, Lindemans and Rosemount will continue to be the drivers of growth in the EMEA region.

And following success in Canada, we are introducing Wolf Blass in PET to the UK market.

Portfolio diversification will see an increased focus on non-Australian brands, particularly Beringer, Gabbiano and the Lindemans South African and Chilean range.

An incremental but important opportunity for Foster's is the development of our beer portfolio in this region.

We have already introduced beers such as Carlton Cold, Crown and VB into the Irish and Scottish markets and we'll continue to look for opportunities to expand.

Slide 31 – Constant Currency Growth Profile

As we look forward as a group – and across regions – there are some key growth trends emerging.

As I said in my opening, this is no accident.

While Australia and beer remain the bedrock of group earnings, what this slide demonstrates more than any other, is the strategic rationale for our move into wine and exposure to international markets.

One third of group earnings are now offshore and wine represents over 40% of total earnings.

And that theme continues in our growth profile.

On a volume, revenue and earnings basis, international growth is outperforming Australian market growth.

That's also true on a category basis, with wine volume, revenue and earnings outstripping beer, cider and spirits growth rates.

While the total contribution story is more balanced, the attractiveness of the wine category remains compelling.

Slide 32 – Fiscal 2008 Outlook

As we enter 2008, we do so as a focussed management team, with a stable route-to-market and a global supply and regional sales structure geared for value growth.

Wine category growth characteristics remain solid across our key sales regions, with value growth set to exceed volume in all major markets.

In Australia, the rapid move toward wine supply balance looks set to continue with the 2008 vintage likely to be broadly similar to 2007 yields.

We are also seeing the return of greater pricing opportunities for premium and luxury wines which, in combination with global wine growth characteristics, will see average net sales revenue per case increase in 2008.

We are, however, likely to see some moderation in volume growth as we de-emphasise low value segments such as Australian cask wine.

The benefits from mix shifts will more than compensate - with group revenues set to continue their upward momentum.

The growth in net sales revenue per case across beer, wine and spirits, coupled with ongoing efficiency initiatives across the business, will also drive improving EBITS margin.

Earnings per share in F08 will benefit from lower average share count as a result of announced capital management initiatives.

Cash flow conversion is also set to remain a highlight on the back of disciplined capital efficiency.

We expect sustainable growth in both group and wine business returns in fiscal 2008.

Slide 33 - Close

As we head into 2008, I've never been more confident of the fundamentals of our business and the opportunities ahead.

Our objective as a management team is clear - to improve returns from current businesses and deliver sustainable growth in shareholder value.

I'd now like to open up to questions from the room.

Apart from Pete, Jamie and myself - Michael Brooks, our head of global supply is here with us in Sydney, and Scott Weiss in the Napa Valley and Peter Jackson in London are on the line.