



## TREASURY WINE ESTATES

11 August 2014

ASX ANNOUNCEMENT

### **TWE announces receipt of a competing proposal**

The Board of Treasury Wine Estates Limited (ASX:TWE or the “Company”) announces that, following its announcement of 4 August 2014 regarding the indicative, non-binding and conditional proposal from Kohlberg Kravis Roberts & Co. L.P. (“KKR”) and Rhône Capital L.L.C. (“Rhône”), the Board of TWE has received an additional indicative, non-binding and conditional proposal from another global private equity investor (who has requested that its identity remain confidential for a period of time) to acquire all of the shares of TWE at a price of \$5.20 cash per share by way of scheme of arrangement.

The Board of TWE has concluded that it is in the interests of its shareholders to engage further with this private equity investor. Therefore, subject to the negotiation of an appropriate confidentiality agreement, it will also be granted the opportunity to conduct non-exclusive due diligence.

The proposal is subject to due diligence and conditional on a number of other matters equivalent to the previously announced proposal.

The Board of TWE reiterates that there is no certainty that any proposal will result in an offer for the Company.

As previously stated, if an offer does result, the Board will assess whether it delivers a value proposition that is superior to the expected benefits from Management’s renewed strategic plans to:

- Increase and accelerate consumer marketing investment in the Company’s brands;
- Continue to drive efficiencies and improve the Company’s cost base; and
- Address structural opportunities in the Company by focusing on Commercial brands separately from the Luxury & Masstige portfolio in Australia (including initiatives to unlock further supply chain cost savings); as well as inorganic opportunities to build on Management’s existing growth platforms for TWE’s Luxury & Masstige brands.

In the meantime, shareholders do not need to take any action in response to either proposal.

#### **Contacts / Further information:**

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