



PUBLIC DECLARATION ON THE CHILEAN EARTHQUAKE AND THE NATIONAL WINE INDUSTRY

Santiago, March 3, 2010. In addition to emphasizing the overall strength of the Chilean wine industry's material infrastructure and the fortitude of its people, Vinos de Chile, the association of Chilean wineries, has been able to verify the effects produced by the recent earthquake and its impact on the wine industry.

We wish to express our deepest condolences for the suffering of many employees and their families who have been affected both personally and materially, although we are happy to report that we have no information about the loss of lives among our workers.

The wine industry has been affected, but after several days of working to assess its impact, we have determined that the damage is, in fact, limited.

We have been able to quantify the total loss of wine at approximately 125 million liters, including bulk, bottled, and aging wine. This figure is the equivalent of US\$ 250 million, which represents a loss of just 12.5% when compared with the 2009 vintage of 1.01 billion liters. We are therefore certain that dispatches and compliance with commercial obligations will return to normal within a very short period of time and without major difficulties.

The damage to infrastructure varies among the different wineries and has not, as yet, been fully measured. The wine grape vineyards have not been affected, and we are waiting for electricity to be restored in order to determine the extent of damage to irrigation systems.

Routine work has been reestablished—or will be shortly. Bottling lines are in generally good working condition, as are the cellars, which have already being repaired. The harvest has begun, and volumes should not be affected by the earthquake. In fact, the first containers have already been dispatched, although the speed of transportation will depend upon the general functioning of the country's overall infrastructure, such as highways and ports.

The wineries are also focusing their efforts on attending to the morale and material needs of their employees.



The wine industry will maintain the necessary contact with the authorities in order to ensure that the highways, ports, and basic services are restored to full working order as quickly as possible, and also to strengthen their support of the industry's promotional efforts abroad and the development of the country's image.

We would like to thank the many and sincere outpouring of concern, and support that all of the wineries and the industry in general have received from the international community since the earthquake. We hope to continue to count on their solidarity and especially the understanding of our importers and distributors for unexpected delays which, in many cases, are beyond the control of the industry, and which the circumstances of the earthquake can bring.

Our primary message is that we are working arduously to reestablish normality in the wine industry and to continue delivering the best of Chile to the rest of the world through our wines.

René Merino
President
Vinos de Chile A.G.