



E.&J. Gallo Winery



BEAM
WINE ESTATES

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E. & J. GALLO WINERY BUYS WILLIAM HILL ESTATE

MODESTO, Calif. (July 30, 2007) – E. & J. Gallo Winery (Gallo) and Beam Wine Estates, Inc. (BWE), today announced a definitive agreement for Gallo to purchase Napa-based William Hill Estate from BWE, expanding Gallo’s properties in California’s prestigious North Coast wine country.

The purchase of William Hill Estate includes the Silverado Trail winery with its 145-acre Silverado Bench vineyard just east of the Napa River. William Hill Estate produces a range of wines, specializing in Cabernet Sauvignon and Chardonnay.

Gallo recently announced the purchase of another 182 acres of prime vineyards in Chiles Valley in the Vaca Mountains in Napa Valley. In 2002 Gallo purchased the historic Louis M. Martini Winery in St. Helena.

According to Roger Nabedian, VP and General Manager of Gallo’s Premium Wine Division, “These properties will help us balance our North Coast fine wine operations to keep pace with growing consumer demand worldwide. The William Hill Estate winery and vineyards are well managed and located in a wine growing region consumers recognize as being among the world’s best. We look forward to including these wines in our growing premium portfolio.”

In addition, Gallo has also purchased the Canyon Road wine brand and related assets from BWE. “Beam Wine Estates is committed to growing our fine wine business. The sale of William Hill and Canyon Road are part of a larger strategy to focus our resources on the areas of our business which offer us the greatest potential for profitable growth,” commented Bill Newlands, president of Beam Wine Estates.

The transaction is expected to close in the next few weeks. Terms of the deal were not disclosed.

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About E.&J. Gallo Winery

Established in 1933 in Modesto, California, the E. & J. Gallo Winery has become the world's foremost winery in the art of grape growing and winemaking; and in the distribution and marketing of wines worldwide. With six wineries strategically located in various parts of California and access to grapes from vineyards in all of the premier grape-growing areas of California, Gallo produces wines in every category, to suit every taste. Gallo imports wines from eight of the major wine growing countries in the world. Some of the brands in Gallo's Premium wine portfolio include Gallo Family Vineyards Sonoma Reserve, Louis M. Martini, MacMurray Ranch, Rancho Zabaco, Bridlewood, Whitehaven, DaVinci, Martin Codax, Maso Canali, Ecco Domani, and McWilliam's Hanwood Estate.

About Beam Wine Estates, Inc.

Beam Wine Estates, Inc. (BWE) is a fine wine company whose portfolio consists of leading wineries and brands from prominent wine regions in California, Australia and New Zealand, as well as fortified wines from Europe. California brands include Clos du Bois® and Geyser Peak®, in Sonoma County's Alexander Valley; Wild Horse®, in the Central Coast; Gary Farrell® from the Russian River Valley; Buena Vista Carneros™; Atlas Peak® from Napa; as well as Haywood®, Jakes Fault® Shiraz and XYZin® ultra-premium Zinfandels. The company owns and markets Harveys® sherry and Cockburn's® ports and is U.S. distribution agent for Wattle Creek Winery and Roth Vodka™. In 2006 BWE joined forces with The Lion Nathan Wine Group (LNWG) to grow the U.S. business of LNWG's Australia and New Zealand wines, which include Petaluma®, St Hallett® and Wither Hills®. Beam Wine Estates, Inc. is the wine group of Beam Global Spirits & Wine, Inc., a subsidiary of Fortune Brands, Inc. (NYSE: FO), the consumer products company.

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