



2017 Harvest Report

Phenology

Budbreak in the 2016–2017 season occurred very early, about two weeks earlier than usual. Budbreak for Malbec in Luján de Cuyo usually takes place in late September, but this year it occurred during the first week of the month. A generalized frost on September 6 affected the earliest plants and ultimately had an impact on yields, as will be explained below.

The early onset of the phenological cycle was maintained throughout most of the season; flowering, for example, began in our vineyards in early November, 10 days earlier than normal. Although veraison took place on normal dates, the high temperatures in January and February accelerated the rate of ripening, and as a result, the red grape harvest was moved up and overlapped with that of the white varieties.

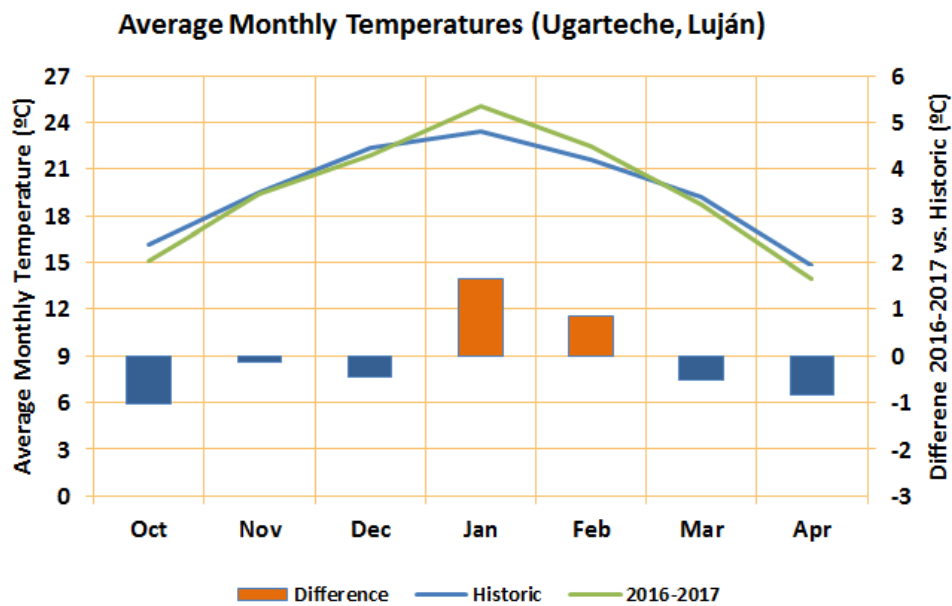
A large part of the Malbec in Luján de Cuyo had reached the required level of ripeness during the first two weeks of March, followed by the Uco Valley during the second half of the month; in both cases the harvests were 15 days earlier than the historic dates.

The fast pace of the ripening was also stimulated by the generally low yields observed throughout the entire Mendoza province. Production was 40–70% lower than in a normal year, especially in the Chardonnay, Cabernet Sauvignon, Malbec, and Pinot Noir varieties. The decrease in production can be attributed to deficient bud formation in the previous year (spring of 2015), which was very cold, as well as the hard frosts registered in September 2016, when the buds were swollen and about to open or in some cases, already open.

The bunches are smaller than usual this season and have fewer and smaller berries. At the time of this writing (April 4), the harvest is still in progress, but we already know that it will be scant, similar to that of 2016, which produced the lowest volume in 50 years. The last grapes are expected to enter the wineries by mid-April, although the harvesting period would normally extend through the end of the month.

Temperatures

The early budbreak was produced by the high temperatures in August 2016, which registered 12 days with maximum temperatures above 20°C in the Luján de Cuyo zone. The temperatures dropped again in September and remained normal or slightly below the historic temperatures for the rest of the spring (see Graph 1). The months of January and February, however, were warmer than usual, and, as mentioned above, caused an acceleration in grape ripening. For example, Gualtallary normally has 5 days with temperatures above 32°C (which represents thermal stress) during those months, while in 2017, there were 15 days above 32°C. March, however, was cool, and the same is expected for April.

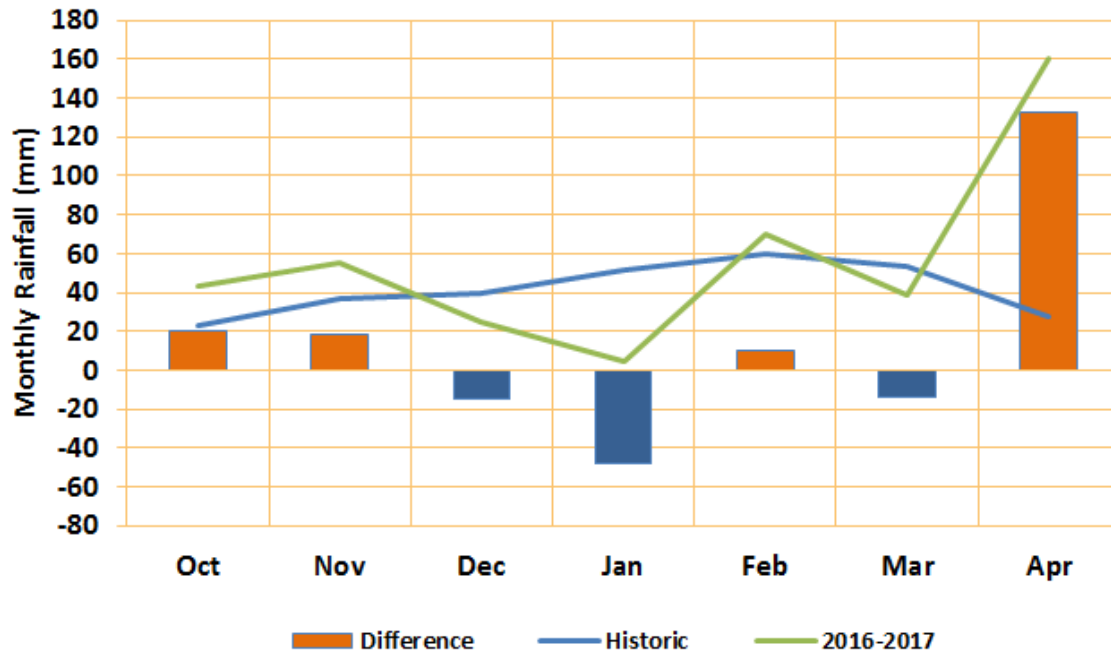


Graph 1: Average monthly temperatures during the cycle

Precipitation

Total rainfall for the season to early April 2017 is within the historic average (245 mm), although the distribution began with a wet spring, a somewhat dry December, and an unusually dry January. February and March were close to the historic average (see Graph 2), and as a result of the dry summer, the grapes were very healthy, which enabled us to pay attention exclusively to their level of ripeness.

Precipitation (Ugarteche, Luján)



Graph 2: Monthly Rainfall during the cycle

Wines

White Varieties:

Sauvignon Blanc: This year stood out for health and excellent ripeness. The wine has tremendous aromatic intensity and more tropical aromas than other years due to the high temperatures in January. The palate stands out for good volume and a long finish accentuated by well-balanced acidity.

Chardonnay: The grapes were also harvested in excellent health conditions and ripeness that reveals tremendous varietal typicity with aromas of apples, peaches, and pears. The palate presents good concentration and a very elegant, long finish.

Riesling: It was a particularly unique year for this grape, showing the varietal character with intense floral aromas such as jasmine, as well as the typical hydrocarbons and honey. Very fresh with a tremendous mid-palate and a silky mouth-feel.



Red Varieties:

Malbec: Low yields and excellent ripeness led to an impressive concentration of tannins and very intense color with great expression of the typical aromas of red fruits, plums, and violets. The tannic structure in this vintage results in mouth-filling wines that we can expect to have tremendous aging ability.

Cabernet Sauvignon: January's high heat forced us to harvest 15 days earlier than usual, but the quality is excellent. The wines stand out for their spicy and fruity cherry-like aromas. The well-balanced palate features silky tannins and a long finish.

Syrah: This was clearly one of the best years for this early-ripening variety. Tremendous color intensity, with aromas of red fruits and the variety's characteristic meaty notes that lend great complexity. Silky and elegant on the palate.

Petit Verdot: Impressive and very deep, dark violet color with great aromatic intensity and complex with notes of violets and blackcurrants. The palate is also very elegant with a good concentration of tannins.

Tannat: An excellent variety for use in blends, especially with the great structure and firm tannins achieved this year. The nose offers aromas of tea and spices.

Bonarda: The new star of El Alto, now in its fourth year of production, and with this year's conditions, this year we have a wine with tremendous quality. Impressively intense red and black fruit such as raspberries, cherries, and blueberries. It is also concentrated with great body and a friendly finish.

Conclusions:

The 2017 vintage will be remembered for its excellent quality and low volume. The cold of the past two springs combined and resulted in clusters with lower weight, although the concentration and overall quality of the grapes have been exceptional as a consequence of the excellent state of health, the good weather during the ripening period, and the lower yields per plant.