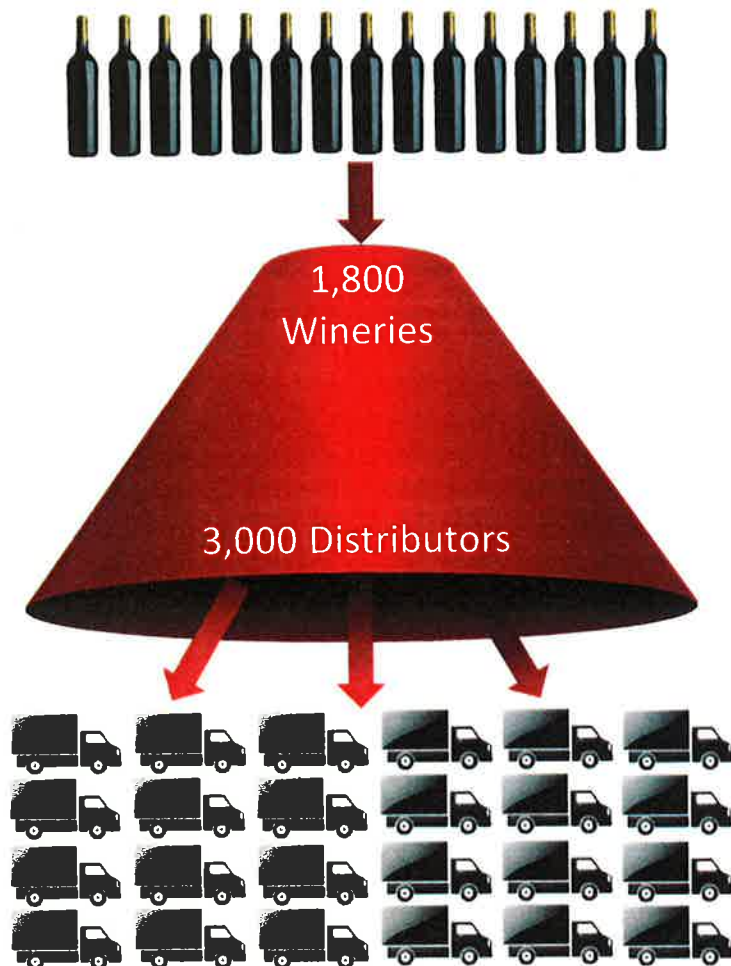


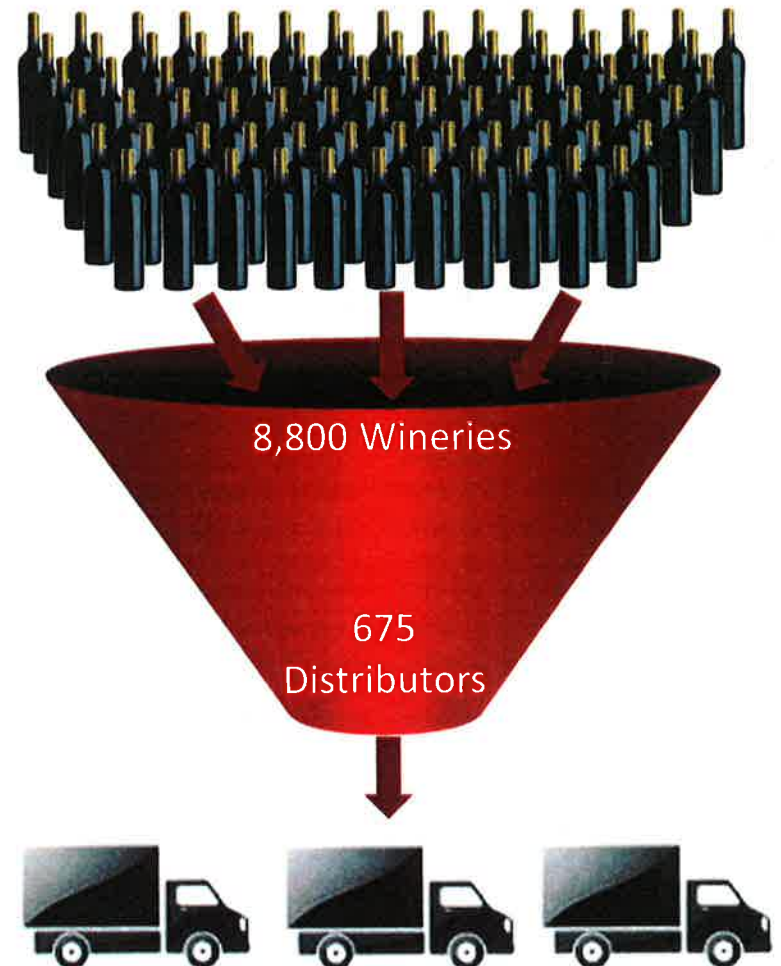
WVV SITUATION – SECURING ACCESS TO MARKET

Distribution landscape has consolidated over past twenty years, creating bottleneck for access to market

Distribution in 1995



Distribution in 2015



Willamette Valley Vineyards, Inc.
Historical Taxes Paid Analysis

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Revenue	\$3,637,721	\$4,235,020	\$5,714,132	\$6,132,355	\$5,914,546	\$6,716,857	\$7,014,539	\$5,950,842	\$7,356,646	\$9,387,141
Gross Profit	\$1,950,635	\$2,381,228	\$2,900,368	\$3,055,611	\$3,176,773	\$3,184,456	\$3,453,686	\$3,196,018	\$3,529,119	\$4,580,816
Number of Employees	20/6	25/6	31/6	41/9	40/15	53/17	54/13	38/22	49/31	70/6
Federal Taxes										
Income	-\$2,300	\$47,197	\$0	\$0	\$43,000	-\$8,273	\$17,969	\$66,029	\$114,754	\$299,963
BATF Excise	\$24,674	\$47,330	\$126,224	\$145,458	\$136,340	\$151,284	-\$145,848	\$155,388	\$181,140	\$143,712
Fed and State Licenses & Fees	\$8,975	\$11,564	\$12,674	\$20,367	\$11,928	\$14,569	\$461	\$13,006	\$24,926	\$17,165
State Taxes										
Income	-\$359	\$11,964	\$0	\$0	\$0	\$1,807	\$0	\$27,839	\$22,472	\$68,472
OLCC Excise	\$62,925	\$51,889	\$86,411	\$81,099	\$75,484	\$86,788	\$70,479	\$74,552	\$103,603	\$120,308
Local Property Tax	\$43,654	\$41,251	\$48,377	\$60,310	\$74,631	\$85,036	\$86,397	\$88,276	\$85,752	\$83,670
Total Taxes	\$137,569	\$211,195	\$273,686	\$307,234	\$341,383	\$331,211	\$2,948	\$425,091	\$532,647	\$733,289
Accumulated Taxes	\$137,569	\$348,764	\$622,450	\$929,684	\$1,271,067	\$1,602,279	\$1,605,227	\$2,030,317	\$2,562,964	\$3,296,254
Net Income	\$27,275	\$170,344	\$67,459	-\$71,894	-\$135,148	\$23,702	\$57,004	\$118,747	\$173,727	\$463,683
Accumulated Net Income	\$27,275	\$197,619	\$265,078	\$193,184	\$58,035	\$81,737	\$138,741	\$257,487	\$431,215	\$894,897

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Totals
Revenue	\$13,667,869	\$14,916,072	\$16,712,861	\$16,048,238	\$16,563,713	\$17,370,803	\$15,661,905	\$12,527,268	\$13,271,914	\$15,156,159	\$213,956,600
Gross Profit	\$6,385,757	\$6,952,635	\$8,282,059	\$7,818,361	\$7,713,912	\$7,691,388	\$7,717,270	\$7,273,932	\$7,683,475	\$9,016,606	\$107,944,105
Number of Employees	80/6	90/6	99/25	99/30	98/41	92/41	62/30	81/31	82/44	78/44	
<u>Federal Taxes</u>											
Income	\$591,247	\$660,888	\$790,633	\$444,002	\$0	\$232,348	\$455,779	\$455,019	\$571,220	\$670,522	\$5,449,997
BATF Excise	\$237,076	\$215,595	\$248,568	\$259,417	\$288,980	\$296,590	\$267,336	\$236,340	\$225,088	\$302,424	\$3,543,117
Fed and State Licenses & Fees	\$13,559	\$26,388	\$25,063	\$19,525	\$26,345	\$26,286	\$20,858	\$24,398	\$18,156	\$25,029	\$361,241
<u>State Taxes</u>											
Income	\$83,588	\$150,733	\$173,147	\$110,539	\$28,687	\$41,002	\$59,147	\$63,378	\$107,646	\$105,663	\$1,055,726
OLCC Excise	\$145,037	\$145,163	\$141,540	\$158,175	\$170,379	\$168,860	\$124,174	\$68,182	\$52,313	\$118,306	\$2,105,665
Local Property Tax	\$85,083	\$90,942	\$84,003	\$80,460	\$82,211	\$80,209	\$77,923	\$84,624	\$89,308	\$149,862	\$1,601,979
Total Taxes	\$1,155,590	\$1,289,709	\$1,462,953	\$1,072,118	\$596,603	\$845,295	\$1,005,217	\$931,942	\$1,063,731	\$1,371,806	\$14,091,217
Accumulated Taxes	\$4,451,843	\$5,741,552	\$7,204,505	\$8,276,623	\$8,873,226	\$9,718,521	\$10,723,738	\$11,655,680	\$12,719,411	\$14,091,217	
Net Income	\$1,156,940	\$1,291,774	\$1,688,624	\$708,598	\$731,470	\$411,761	\$857,752	\$1,202,849	\$1,423,492	\$2,161,340	\$12,529,497
Accumulated Net Income	\$2,051,837	\$3,343,611	\$5,032,235	\$5,740,833	\$6,472,303	\$6,884,064	\$7,741,816	\$8,944,665	\$10,368,157	\$12,529,497	