**HD** **Australia's TreasuryWine Estates vows reset after big loss**

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Global drinks giant Treasury Wine Estates Thursday reported a net loss of Aus$100.9 million (US$93.3 million) during a year in which the firm replaced its chief executive and become a takeover target.

The world's largest publicly-listed pure-play wine company, with over 80 brands, said after 12 months of upheaval it was "poised for re-set and a return to sustainable growth".

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Chief executive Michael Clarke, who was appointed in February, said the firm had taken the "necessary steps" to increase marketing, cuts costs and address structural problems.

"I am confident the company is now positioned for future success," he said in a statement.

The company -- which owns major brands including Penfolds, Rosemount Estate and Wolf Blass -- was hit by a write-down of Aus$280.6 million caused in part by cost cuts and declining market growth rates in commercial wine.

Total sales revenue in the year to June 30 rose by 1.0 percent to Aus$1.7 billion. The company declared a full-year dividend of 13 cents per share.

Treasury saw its earnings in Asia fall by 12.3 percent to Aus$47.7 million as austerity measures in China and operational challenges in Japan hurt sales.

But the firm said it had strong volume growth in Hong Kong and "increasing momentum" in Southeast Asia.

Its Australian and New Zealand earnings plunged by 32 percent to Aus$75.1 million, while in the Americas, Europe, the Middle East and Africa, earnings declined by seven percent.

Treasury, which was spun off from Foster's beer business in 2011, has been chased by US private equity firms TPG Capital, and Kohlberg Kravis Roberts with its partner Rhone Capital, with bids of up to Aus$3.4 billion.

Over the past year, it has also been hit by two class actions following a surprise Aus$160 million (US$154 million) in writedowns in July 2013, which related to oversupply problems in the United States.

Despite the takeover bids and troubled US business, Clarke said he was in the market for luxury American acquisitions as the firm was experiencing a lack of supply at the premium end of the market.

"There's been a limit to the amount of liquid we've had access to," Clarke told reporters.

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**CO** autry : Australia Treasury | eldixl : Foster's Group Ltd | trzwn : Treasury Wine Estates Ltd | sabrew : SABMiller PLC

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