ANDREW PELLER LIMITED
REPORTS INCREASE IN NET INCOME IN SECOND QUARTER OF FISCAL 2013

This news release contains forward-looking information that is based upon assumptions and is subject to risks and uncertainties as indicated in the cautionary note contained elsewhere in this news release.

GRIMSBY, Ontario – November 7, 2012 – Andrew Peller Limited ADW.A/ADW.B (the "Company") announced today continued strong operating and financial performance for the three and six months ended September 30, 2012.

FISCAL 2013 HIGHLIGHTS:

- Sales up 4.6% through first six months of year on solid growth through majority of trade channels
- Net earnings up 23.4% to $9.0 million or $0.65 per Class A Share
- Launch of new brands to contribute to further organic growth
- Peller Estates remains top-selling wine brand across Canada
- 300-acre vineyard to increase BC VQA grape crop by 50%

"Our organic growth continued across the majority of our trade channels in the second quarter, augmented by solid contributions from our recent acquisitions," commented John Peller, President and CEO. "Looking ahead, we are confident our growth in sales and profitability will continue as key brands continue to perform extremely well and the positive impact of new product launches allow us to build on our presence as Canada's leading producer and marketer of fine quality wines."

Sales for the second quarter of fiscal 2013 rose 4.4% to $73.1 million from $70.0 million in the prior year. For the six months ended September 30, 2012 sales increased 4.6% to $145.7 million from $139.4 million last year. The positive impact from the agreement with Wayne Gretzky and from the acquisition of Cellar Craft augmented solid organic growth arising from new product introductions particularly *skinnygrape*, increased sales of premium blended and varietal table wine brands sold through provincial liquor boards, growth in sales at the Company's retail store network, and strong export sales. The increase was partially offset by lower sales of the Company's personal winemaking products (excluding the sales of these products from the acquisition of Cellar Craft).

Gross margin was 38.5% of sales in the second quarter and 38.6% for the first six months of fiscal 2013 compared to 39.0% and 39.2% respectively in the same periods last year. Gross margin percentage was negatively affected by higher costs for wine purchased on international markets in fiscal 2013 as well as increased price competition in certain markets. The decrease in gross margin percentage was partially offset by the positive impact of sales of higher margin products and successful cost control initiatives to reduce distribution, operating, and packaging expenses. During fiscal 2013 the Company implemented programs to enhance a number of supply chain and distribution contracts that it expects will contribute to improved profitability over the long term. Management believes gross margin for the full 2013 fiscal year will be approximately 38%. The special levy implemented by the Ontario government on July 1, 2010 served to reduce sales and gross margin by approximately $1.0 million in the first six months of fiscal 2013 and fiscal 2012.

Selling and administrative expenses increased in the second quarter and first six months of fiscal 2013 due to an increase in advertising and promotional initiatives to invest in the launches of *skinnygrape* and *Verano*, investments made to increase tourism at estate wineries, and consulting expenses incurred to implement cost control and information technology initiatives. As a percentage of sales, selling and administrative expenses for the six months ended September 30, 2012 were 25.9%, down marginally from 26.0% in the prior year.

Interest expense has declined in fiscal 2013 compared to the prior year due to a decrease in short and long-term interest rates partially offset by higher debt levels.

The Company recorded a non-cash gain in the first six months of fiscal 2013 related to mark-to-market adjustments on an interest rate swap and foreign exchange contracts aggregating approximately $0.4 million compared to a loss of $0.4 million in the prior year. The Company has elected not to apply hedge accounting and accordingly these financial instruments are reflected in the Company's financial statements at fair value each reporting period. These instruments are considered to be effective economic hedges and have enabled management to mitigate the volatility of changing costs and interest rates.

Other income received in fiscal 2013 related primarily to $0.5 million recorded upon the expropriation of a small part of the property that surrounds the Company's Port Moody facility which was closed effective December 31, 2005. The entire idle property is also being used, on a temporary basis, while construction of a rapid transit project takes place. Payments amounting to $2.0 million for the use of the property were received in advance and were recorded as deferred income. The amount received is being reported as other (income) expenses over the five-year term of the expropriation, which began on July 1, 2012.

Net earnings excluding gains (losses) on derivative financial instruments, other expenses, and the related income tax effect of these items for the three and six months ended September 30, 2012 were $3.8 million and $8.4 million, respectively compared to $3.8 million and $8.1 million in the same periods last year. Net earnings for the second quarter of fiscal 2013 were $4.3 million or $0.31 per Class A Share compared to $3.4 million or $0.24 per Class A Share in the prior year. For the six months ended September 30, 2012 net earnings were $9.0 million or $0.65 per Class A Share compared to $7.3 million or $0.52 per Class A Share last year.

Strong Financial Position

Working capital at September 30, 2012 increased to $41.0 million compared to $34.9 million at March 31, 2012. The change related to higher levels of accounts receivable and inventory and a reduction in bank indebtedness which were offset by higher levels of accounts payable and accrued charges. The Company's debt to equity ratio was 0.81:1 at September 30, 2012 compared to 0.87:1 at March 31, 2012. Shareholders' equity as at September 30, 2012 was $125.7 million or $8.79 per common share compared to $120.6 million or $8.43 per common share as at March 31, 2012. The increase in shareholders' equity is primarily due to higher net earnings for the year partially offset by the payment of dividends.

In the first six months of fiscal 2013 the Company generated cash from operating activities, after changes in non-cash working capital items, of $11.7 million compared to $10.2 million in the prior year. Cash flow from operating activities has increased in fiscal 2013 due to strong earnings performance, the $2.0 million advance payments received for the use of the Port Moody property and the higher levels of accounts payable partially offset by higher accounts receivable due to the increase in sales for the period and higher inventory due to the earlier harvest of grapes in the current year.

Recent Events

The Company is pleased to confirm that its popular Peller Estates wines remain the top-selling brand in Provincial liquor stores across Canada. In addition, the Company's Trius portfolio stands as one of the top-three Vintner's Quality Alliance (VQA) brands in the country, and its new Crush brand was among the top new VQA product launches at the Liquor Control Board of Ontario (LCBO). The Company is also pleased to announce that its Peller Estates wines have been selected by world-famous chef Jamie Oliver to be listed on the menu of his popular and well-respected London restaurant "Fifteen".

"We are very proud of the performance of our key brands, a testament to the quality and value proposition of our wine portfolio and the success of our proven sales and marketing strategies," Mr. Peller stated.

During fiscal 2013 the Company launched its new *Verano* wines imported from Spain, as well as *skinnygrape*, Canada's first low calorie wine. Thirty Bench's award-winning Riesling has been included in the "Vintages Essentials Collection" at the LCBO, while the Company's Red Rooster wines are now fully distributed and available in all British Columbia markets. In addition, the Company is now approaching the capability to harvest a full crop from its 300 acre vineyard that was recently planted in BC's Okanagan Valley, increasing the Company's VQA grape production by 50% in the Province.

Financial Highlights (Unaudited)
(Complete condensed consolidated financial statements to follow)

(in $000 except as otherwise stated)	Three Months		Six Months	
For the Period Ended September 30,	**2012**	2011	**2012**	2011
Sales	**73,082**	69,990	**145,744**	139,397
Gross margin	**28,102**	27,272	**56,329**	54,585
Gross margin (% of sales)	**38.5%**	39.0%	**38.6%**	39.2%
Selling and administrative expenses	**19,205**	18,467	**37,755**	36,298
EBITA	**8,897**	8,805	**18,574**	18,287
Unrealized (gain) loss on financial instruments	**(198)**	113	**(396)**	413
Other (income) expenses	**(513)**	492	**(427)**	656
Net earnings	**4,340**	3,385	**9,002**	7,296
Earnings per share - Class A	**$0.31**	$0.24	**$0.65**	$0.52
Earnings per share - Class B	**$0.27**	$0.22	**$0.56**	$0.46
Dividend per share – Class A (annual)			**$0.360**	$ 0.360
Dividend per share – Class B (annual)			**$0.314**	$ 0.314
Cash provided by operations (after changes in non-cash working capital items)			**11,722**	10,155
Working capital			**40,953**	37,101
Shareholders' equity per share			**$8.79**	$8.43

The Company calculates net earnings excluding gains (losses) on derivative financial instruments, other expenses, and the related income tax effect as follows:

(Unaudited)	**For the three months ended September 30,**		**For the six months ended September 30,**	
(in thousands of $)	**2012**	2011	**2012**	2011
Net earnings	**4,340**	3,385	**9,002**	7,296
Net unrealized losses (gains) on derivatives	**(198)**	113	**(396)**	413
Other (income) expenses	**(513)**	492	**(427)**	656
Income tax effect of the above	**185**	(164)	**214**	(289)
Net earnings excluding gains (losses) on derivative financial instruments, other expenses, and the related income tax effect	**3,814**	3,826	**8,393**	8,076

Andrew Peller Limited ('APL' or the 'Company') is a leading producer and marketer of quality wines in Canada. With wineries in British Columbia, Ontario, and Nova Scotia, the Company markets wines produced from grapes grown in Ontario's Niagara Peninsula, British Columbia's Okanagan and Similkameen Valleys, and from vineyards around the world. The Company's award-winning premium and ultra-premium VQA brands include *Peller Estates, Trius, Hillebrand*, *Thirty Bench*, *Crush*, *Wayne Gretzky*, *Sandhill, Calona Vineyards Artist Series,* and *Red Rooster*. Complementing these premium brands are a number of popularly priced varietal wine brands including *Peller Estates French Cross* in the East, *Peller Estates Proprietors Reserve* in the West, *Copper Moon, XOXO,* s*kinnygrape* and *Verano. Hochtaler, Domaine D'Or, Schloss Laderheim, Royal,* and *Sommet* are our key value priced wine blends. The Company imports wines from major wine regions around the world to blend with domestic wine to craft these popularly priced and value priced wine brands. With a focus on serving the needs of all wine consumers, the Company produces and markets premium personal winemaking products through its wholly-owned subsidiary, Global Vintners Inc., the recognized leader in personal winemaking products. Global Vintners distributes products through over 250 Winexpert and Wine Kitz authorized retailers and franchisees and more than 600 independent retailers across Canada, the United States, the United Kingdom, New Zealand, and Australia. Global Vintners award-winning premium and ultra-premium winemaking brands include *Selection, Vintners Reserve, Island Mist, Kenridge, Cheeky Monkey, Ultimate Estate Reserve, Traditional Vintage*, *Cellar Craft*, and *Artful Winemaker*. The Company owns and operates more than 100 well-positioned independent retail locations in Ontario under the Vineyards Estate Wines, Aisle 43, and WineCountry Vintners store names. The Company also owns Grady Wine Marketing Inc. based in Vancouver and The Small Winemaker's

Collection Inc. based in Ontario; both of these wine agencies are importers of premium wines from around the world and are marketing agents for these fine wines. The Company has entered into a partnership to market the *Wayne Gretzky* Estate Winery brands across Canada. The Company's products are sold predominantly in Canada with a focus on export sales for its icewine and personal winemaking products. Andrew Peller Limited common shares trade on the Toronto Stock Exchange (symbols ADW.A and ADW.B).

The Company utilizes EBITA (defined as earnings before interest, amortization, unrealized derivative (gain) loss, other expenses, and income taxes). EBITA is not a recognized measure under IFRS. Management believes that EBITA is a useful supplemental measure to net earnings, as it provides readers with an indication of cash available for investment prior to debt service, capital expenditures, and income taxes. Readers are cautioned that EBITA should not be construed as an alternative to net earnings determined in accordance with IFRS as an indicator of the Company's performance or to cash flows from operating, investing and financing activities as a measure of liquidity and cash flows. The Company also utilizes gross margin (defined as sales less cost of goods sold, excluding amortization) and net earnings excluding gains (losses) on derivative financial instruments, other expenses, and the related income tax effect as defined above. The Company's method of calculating EBITA and gross margin may differ from the methods used by other companies and, accordingly, may not be comparable to measures used by other companies.

Andrew Peller Limited common shares trade on the Toronto Stock Exchange (symbols ADW.A and ADW.B).

FORWARD-LOOKING INFORMATION

Certain statements in this news release may contain "forward-looking statements" within the meaning of applicable securities laws, including the "safe harbour provision" of the Securities Act (Ontario) with respect to Andrew Peller Limited (the "Company") and its subsidiaries. Such statements include, but are not limited to, statements about the growth of the business in light of the Company's recent acquisitions; its launch of new premium wines; sales trends in foreign markets; its supply of domestically grown grapes; and current economic conditions. These statements are subject to certain risks, assumptions, and uncertainties that could cause actual results to differ materially from those included in the forward-looking statements. The words "believe", "plan", "intend", "estimate", "expect", or "anticipate" and similar expressions, as well as future or conditional verbs such as "will", "should", "would", and "could" often identify forward-looking statements. We have based these forward-looking statements on our current views with respect to future events and financial performance. With respect to forward-looking statements contained in this news release, the Company has made assumptions and applied certain factors regarding, among other things: future grape, glass bottle, and wine prices; its ability to obtain grapes, imported wine, glass, and its ability to obtain other raw materials; fluctuations in the U.S./Canadian dollar exchange rates; its ability to market products successfully to its anticipated customers; the trade balance within the domestic Canadian wine market; market trends; reliance on key personnel; protection of its intellectual property rights; the economic environment; the regulatory requirements regarding producing, marketing, advertising, and labeling its products; the regulation of liquor distribution and retailing in Ontario; and the impact of increasing competition.

These forward-looking statements are also subject to the risks and uncertainties discussed in this news release, in the "Risk Factors" section and elsewhere in the Company's MD&A and other risks detailed from time to time in the publicly filed disclosure documents of Andrew Peller Limited which are available at www.sedar.com. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties, and assumptions which could cause actual results to differ materially from those conclusions, forecasts, or projections anticipated in these forward-looking statements. Because of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements. The Company's forward-looking statements are made only as of the date of this news release, and except as required by applicable law, the Company undertakes no obligation to update or revise these forward-looking statements to reflect new information, future events or circumstances or otherwise.

For more information, please contact:
Mr. Peter Patchet, CFO and EVP Human Resources
(905) 643-4131 Ext. 2210 - E-mail: peter.patchet@andrewpeller.com

ANDREW PELLER LIMITED

Condensed Consolidated Balance Sheets

Unaudited

These financial statements have not been reviewed by our auditors

(in thousands of Canadian dollars)	September 30 $	March 31 $
Assets		
Current Assets		
Accounts receivable	**29,186**	24,937
Inventory	**112,033**	110,256
Current portion of biological assets	**3,587**	881
Prepaid expenses and other assets	**2,431**	1,338
	147,237	137,412
Property, plant, and equipment	**88,072**	84,490
Biological assets	**13,134**	12,556
Intangibles	**13,004**	13,621
Goodwill	**37,473**	37,473
	298,920	285,552
Liabilities		
Current Liabilities		
Bank indebtedness	**52,954**	57,495
Accounts payable and accrued liabilities	**43,736**	37,118
Dividends payable	**1,252**	1,252
Income taxes payable	**1,087**	40
Current portion of derivative financial instruments	**1,174**	1,272
Current portion of long-term debt	**6,081**	5,366
	106,284	102,543
Long-term debt	**42,956**	41,456
Long-term derivative financial instruments	**1,645**	1,943
Post-employment benefit obligations	**8,631**	7,151
Deferred income	**1,515**	-
Deferred income taxes	**12,178**	11,907
	173,209	165,000
Shareholders' Equity		
Capital stock	**7,026**	7,026
Retained earnings	**118,685**	113,526
	125,711	120,552
	298,920	285,552

The above statements should be read in conjunction with the entire interim consolidated financial statements and notes.

They will be available on the Investor Relations section of www.andrewpeller.com or at wws.sedar.com.

ANDREW PELLER LIMITED

Condensed Consolidated Statements of Earnings

Unaudited

These financial statements have not been reviewed by our auditors

	For the three months ended September 30		For the six months ended September 30	
	2012	2011	2012	2011
(in thousands of Canadian dollars)	$	$	$	$
Sales	**73,082**	69,990	**145,744**	139,397
Cost of goods sold	**44,980**	42,718	**89,415**	84,812
Amortization of plant and equipment used in production	**1,138**	1,211	**2,347**	2,444
Gross profit	**26,964**	26,061	**53,982**	52,141
Selling and administration	**19,205**	18,467	**37,755**	36,298
Amortization of plant, equipment, and intangibles used in selling and administration	**1,012**	717	**1,780**	1,431
Interest	**1,332**	1,482	**2,578**	3,031
Operating earnings	**5,415**	5,395	**11,869**	11,381
Net unrealized losses (gains) on derivative financial instruments	**(198)**	113	**(396)**	413
Other (income) expenses	**(513)**	492	**(427)**	656
Earnings before income taxes	**6,126**	4,790	**12,692**	10,312
Provision for income taxes				
Current	**1,296**	1,311	**2,949**	2,827
Deferred	**490**	94	**741**	189
	1,786	1,405	**3,690**	3,016
Net earnings for the period	**4,340**	3,385	**9,002**	7,296
Net earnings per share				
Basic and diluted				
Class A shares	**0.31**	0.24	**0.65**	0.52
Class B shares	**0.27**	0.22	**0.56**	0.46

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ANDREW PELLER LIMITED

Condensed Consolidated Statements of Comprehensive Income

Unaudited

These financial statements have not been reviewed by our auditors

	For the three months ended September 30		For the six months ended September 30	
	2012	2011	2012	2011
(in thousands of Canadian dollars)	$	$	$	$
Net earnings for the period	**4,340**	3,385	**9,002**	7,296
Net actuarial losses on post-employment benefit plans	**(1,487)**	(1,531)	**(1,808)**	(1,857)
Deferred income taxes	**387**	398	**470**	483
Other comprehensive loss for the period	**(1,100)**	(1,133)	**(1,338)**	(1,374)
Net comprehensive income for the period	**3,240**	2,252	**7,664**	5,922

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ANDREW PELLER LIMITED

Condensed Consolidated Statements of Cash Flows

Unaudited

These financial statements have not been reviewed by our auditors

(in thousands of Canadian dollars)	For the six months ended September 30, 2012 $	For the six months ended September 30, 2011 $
Cash provided by (used in)		
Operating activities		
Net earnings for the period	**9,002**	7,296
Adjustments for:		
Gain (loss) on disposal of property and equipment	**(547)**	110
Amortization of plant, equipment, and intangibles	**4,127**	3,875
Interest expense	**2,578**	3,031
Provision for income taxes	**3,690**	3,016
Revaluation of biological assets	**55**	556
Post-employment benefits	**(328)**	(330)
Deferred income	**1,919**	-
Net unrealized (gain) loss on derivative financial instruments	**(396)**	413
Interest paid	**(2,456)**	(2,962)
Income taxes paid	**(1,902)**	(3,770)
	15,742	11,235
Changes in non-cash working capital items related to operations	**(4,020)**	(1,080)
	11,722	10,155
Investing activities		
Proceeds from disposal of property and equipment	**514**	-
Purchase of property, equipment, and biological assets	**(8,265)**	(3,591)
Purchases of intangibles	**-**	(28)
Proceeds from disposal of a business	**1,000**	-
Acquisition of businesses	**-**	(600)
	(6,751)	(4,219)
Financing activities		
Decrease in bank indebtedness	**(4,541)**	(4,891)
Issuance of long-term debt	**5,000**	50,263
Repayment of long-term debt	**(2,770)**	(48,278)
Deferred financing costs	**(155)**	(629)
Dividends paid	**(2,505)**	(2,401)
	(4,971)	(5,936)
Increase (decrease) in cash during the period	**-**	-
Cash, beginning of period	**-**	-
Cash, end of period	-	-

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