FORM 10-Q
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended May 31, 2004

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____________ to ____________

COMMISSION FILE NUMBER 001-08495

CONSTELLATION BRANDS, INC.
(Exact name of registrant as specified in its charter)

DELAWARE	16-0716709
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

370 WOODCLIFF DRIVE, SUITE 300, FAIRPORT, NEW YORK 14450
(Address of principal executive offices) (Zip Code)

(585) 218-3600
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No ___

Indicate by check mark whether the Registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes X No ___

The number of shares outstanding with respect to each of the classes of common stock of Constellation Brands, Inc., as of June 30, 2004, is set forth below:

CLASS	NUMBER OF SHARES OUTSTANDING
Class A Common Stock, Par Value $.01 Per Share	95,218,145
Class B Common Stock, Par Value $.01 Per Share	12,049,730

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

<TABLE>
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CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)
(unaudited)

	May 31, 2004	February 29, 2004
ASSETS		
<S>	<C>	<C>
CURRENT ASSETS:		

Cash and cash investments	$ 11,443	$ 37,136
Accounts receivable, net	711,847	635,910
Inventories, net	1,315,356	1,261,378
Prepaid expenses and other	141,589	137,047
Total current assets	2,180,235	2,071,471
PROPERTY, PLANT AND EQUIPMENT, net	1,060,706	1,097,362
GOODWILL	1,501,912	1,540,637
INTANGIBLE ASSETS, net	723,887	744,978
OTHER ASSETS	82,334	104,225
Total assets	$ 5,549,074	$ 5,558,673
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Notes payable to banks	$ 243,552	$ 1,792
Current maturities of long-term debt	108,927	267,245
Accounts payable	361,506	270,291
Accrued excise taxes	55,377	48,465
Other accrued expenses and liabilities	397,979	442,009
Total current liabilities	1,167,341	1,029,802
LONG-TERM DEBT, less current maturities	1,736,159	1,778,853
DEFERRED INCOME TAXES	178,258	187,410
OTHER LIABILITIES	156,633	184,989
STOCKHOLDERS' EQUITY:		
Preferred Stock, $.01 par value- Authorized, 1,000,000 shares; Issued, 170,500 shares at May 31, 2004, and February 29, 2004 (Aggregate liquidation preference of $172,951 at May 31, 2004)	2	2
Class A Common Stock, $.01 par value- Authorized, 275,000,000 shares; Issued, 97,577,903 shares at May 31, 2004, and 97,150,219 shares at February 29, 2004	976	971
Class B Convertible Common Stock, $.01 par value- Authorized, 30,000,000 shares; Issued, 14,557,530 shares at May 31, 2004, and 14,564,630 shares at February 29, 2004	146	146
Additional paid-in capital	1,030,121	1,024,048
Retained earnings	1,059,071	1,010,193
Accumulated other comprehensive income	250,385	372,302
	2,340,701	2,407,662
Less-Treasury stock-		
Class A Common Stock, 2,583,541 shares at May 31, 2004, and 2,583,608 shares at February 29, 2004, at cost	(27,786)	(27,786)
Class B Convertible Common Stock, 2,502,900 shares at May 31, 2004, and February 29, 2004, at cost	(2,207)	(2,207)
	(29,993)	(29,993)
Less-Unearned compensation-restricted stock awards	(25)	(50)
Total stockholders' equity	2,310,683	2,377,619
Total liabilities and stockholders' equity	$ 5,549,074	$ 5,558,673

<FN>
The accompanying notes are an integral part of these statements.
</TABLE>

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CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share data)

(unaudited)

	For the Three Months Ended May 31, 2004	2003
SALES	$ 1,174,315	$ 990,240
Less - Excise taxes	(247,010)	(217,438)
Net sales	927,305	772,802
COST OF PRODUCT SOLD	(676,843)	(563,717)
Gross profit	250,462	209,085
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	(138,428)	(107,802)
RESTRUCTURING AND RELATED CHARGES	(1,613)	(2,316)
Operating income	110,421	98,967
GAIN ON CHANGE IN FAIR VALUE OF DERIVATIVE INSTRUMENTS	-	1,181
EQUITY IN EARNINGS OF EQUITY METHOD INVESTEES	62	328
INTEREST EXPENSE, net	(30,281)	(39,243)
Income before income taxes	80,202	61,233
PROVISION FOR INCOME TAXES	(28,873)	(22,044)
NET INCOME	51,329	39,189
Dividends on preferred stock	(2,451)	-
INCOME AVAILABLE TO COMMON STOCKHOLDERS	$ 48,878	$ 39,189
SHARE DATA:		
Earnings per common share:		
Basic	$ 0.46	$ 0.42
Diluted	$ 0.45	$ 0.41
Weighted average common shares outstanding:		
Basic	106,778	92,880
Diluted	115,062	95,661

The accompanying notes are an integral part of these statements.

CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	For the Three Months Ended May 31, 2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 51,329	$ 39,189
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation of property, plant and equipment	21,194	17,828
Deferred tax provision	6,259	4,650
Amortization of intangible and other assets	3,061	5,966
Noncash portion of loss on extinguishment of debt	1,799	800
Loss (gain) on sale of assets	693	(2,003)
Stock-based compensation expense	25	158
Amortization of discount on long-term debt	13	20
Equity in earnings of equity method investees	(62)	(328)
Gain on change in fair value of derivative instruments	-	(1,181)
Change in operating assets and liabilities, net of effects from purchases of businesses:		
Accounts receivable, net	(85,132)	(39,765)
Inventories, net	(113,885)	(15,169)
Prepaid expenses and other current assets	12,566	15,571
Accounts payable	112,745	(28,400)
Accrued excise taxes	7,449	5,461

Other accrued expenses and liabilities	(56,971)	(9,494)
Other assets and liabilities, net	(7,541)	334
Total adjustments	(97,787)	(45,552)
Net cash used in operating activities	(46,458)	(6,363)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(22,113)	(18,091)
Payment of accrued earn-out amount	(1,338)	(978)
Proceeds from sale of assets	445	4,896
Purchases of businesses, net of cash acquired	-	(1,067,694)
Net cash used in investing activities	(23,006)	(1,081,867)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds from notes payable	265,891	15,735
Exercise of employee stock options	5,814	7,571
Proceeds from employee stock purchases	1	-
Principal payments of long-term debt	(217,204)	(492,701)
Payment of preferred stock dividends	(2,451)	-
Proceeds from issuance of long-term debt	-	1,600,000
Payment of issuance costs of long-term debt	-	(32,547)
Net cash provided by financing activities	52,051	1,098,058
Effect of exchange rate changes on cash and cash investments	(8,280)	22,370
NET (DECREASE) INCREASE IN CASH AND CASH INVESTMENTS	(25,693)	32,198
CASH AND CASH INVESTMENTS, beginning of period	37,136	13,810
CASH AND CASH INVESTMENTS, end of period	$ 11,443	$ 46,008
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Fair value of assets acquired, including cash acquired	$ -	$ 1,893,029
Liabilities assumed	-	(736,244)
Net assets acquired	-	1,156,785
Less - stock issuance	-	(77,243)
Less - direct acquisition costs accrued or previously paid	-	(10,343)
Less - cash acquired	-	(1,505)
Net cash paid for purchases of businesses	$ -	$ 1,067,694

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The accompanying notes are an integral part of these statements.

</TABLE>

CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MAY 31, 2004

1) MANAGEMENT'S REPRESENTATIONS:

The consolidated financial statements included herein have been prepared by Constellation Brands, Inc. and its subsidiaries (the "Company"), without audit, pursuant to the rules and regulations of the Securities and Exchange Commission applicable to quarterly reporting on Form 10-Q and reflect, in the opinion of the Company, all adjustments necessary to present fairly the financial information for the Company. All such adjustments are of a normal recurring nature. Certain information and footnote disclosures normally included in financial statements, prepared in accordance with generally accepted accounting principles, have been condensed or omitted as permitted by such rules and regulations. These consolidated financial statements and related notes should be read in conjunction with the consolidated financial statements and related notes included in the Company's Annual Report on Form 10-K for the fiscal year ended February 29, 2004. Results of operations for interim periods are not necessarily indicative of annual results.

2) RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS:

In December 2003, the Financial Accounting Standards Board issued FASB Interpretation No. 46 (revised December 2003) ("FIN No. 46(R)"), "Consolidation of Variable Interest Entities--an interpretation of ARB No. 51". FIN No. 46(R) supersedes FASB Interpretation No. 46 ("FIN No. 46"), "Consolidation of Variable Interest Entities". FIN No. 46(R) retains many of the basic concepts introduced in FIN No. 46; however, it also introduces a new scope exception for certain types of entities that qualify as a business as defined in FIN No. 46(R) and revises the method of calculating expected losses and residual returns for determination of primary beneficiaries, including new guidance for assessing variable interests. The adoption of FIN No. 46(R) did not have a material impact on the Company's consolidated financial statements.

3) ACQUISITIONS:

On March 27, 2003, the Company acquired control of BRL Hardy Limited, now known as Hardy Wine Company Limited ("Hardy"), and on April 9, 2003, the Company completed its acquisition of all of Hardy's outstanding capital stock. As a result of the acquisition of Hardy, the Company also acquired the remaining 50% ownership of Pacific Wine Partners LLC ("PWP"), the joint venture the Company established with Hardy in July 2001. The acquisition of Hardy along with the remaining interest in PWP is referred to together as the "Hardy Acquisition." Through this acquisition, the Company acquired Australia's largest wine producer with interests in wineries and vineyards in most of Australia's major wine regions as well as New Zealand and the United States. In addition, Hardy has significant marketing and sales operations in the United Kingdom.

Total consideration paid in cash and Class A Common Stock to the Hardy shareholders was $1,137.4 million. Additionally, the Company recorded direct acquisition costs of $17.4 million. The acquisition date for accounting purposes is March 27, 2003. The Company has recorded a $1.6 million reduction in the purchase price to reflect imputed interest between the accounting acquisition date and the final payment of consideration. This charge is included as interest expense in the Consolidated Statement of Income for the three months ended May 31, 2003. The cash portion of the purchase price paid to the Hardy shareholders and optionholders ($1,060.2 million) was financed with $660.2 million of borrowings under the Company's March 2003 Credit Agreement (as defined in Note 7) and $400.0 million of borrowings under the Company's then existing bridge loan agreement. Additionally, the Company issued 3,288,913 shares of the Company's Class A Common Stock, which were valued at $77.2 million based on the simple average of the closing market price of the Company's Class A Common Stock beginning two

days before and ending two days after April 4, 2003, the day the Hardy shareholders elected the form of consideration they wished to receive. The purchase price was based primarily on a discounted cash flow analysis that contemplated, among other things, the value of a broader geographic distribution in strategic international markets and a presence in the important Australian winemaking regions. The Company and Hardy have complementary businesses that share a common growth orientation and operating philosophy. The Hardy Acquisition supports the Company's strategy of growth and breadth across categories and geographies, and strengthens its competitive position in its core markets. The purchase price and resulting goodwill were primarily based on the growth opportunities of the brand portfolio of Hardy. In particular, the Company believes there are growth opportunities for Australian wines in the United Kingdom, United States and other wine markets. This acquisition supports the Company's strategy of driving long-term growth and positions the Company to capitalize on the growth opportunities in "new world" wine markets.

The results of operations of Hardy and PWP are reported in the Constellation Wines segment and have been included in the Consolidated Statements of Income since the accounting acquisition date.

The following table summarizes the fair values of the assets acquired and liabilities assumed in the Hardy Acquisition at March 27, 2003, as adjusted for the final appraisal:

(in thousands)	
Current assets	$ 535,374
Property, plant and equipment	332,125
Other assets	27,672
Trademarks	265,583
Goodwill	613,900
Total assets acquired	1,774,654
Current liabilities	294,787
Long-term liabilities	326,646
Total liabilities acquired	621,433
Net assets acquired	$1,153,221

The trademarks are not subject to amortization. None of the goodwill is expected to be deductible for tax purposes.

The following table sets forth the unaudited historical and unaudited pro forma results of operations of the Company for the three months ended May 31, 2004, and May 31, 2003, respectively. The unaudited pro forma results of operations for the three months ended May 31, 2003, give effect to the Hardy Acquisition as if it occurred on March 1, 2003. The unaudited pro forma results of operations are presented after giving effect to certain adjustments for depreciation, amortization of deferred financing costs, interest expense on the acquisition financing and related income tax effects. The unaudited pro forma results of operations are based upon currently available information and certain assumptions that the Company believes are reasonable under the circumstances. The unaudited pro forma results of operations for the three months ended May 31, 2003, do not reflect total pretax nonrecurring charges of $30.3 million ($0.23 per share on a diluted basis) related to transaction costs, primarily for the payment of stock options, which were incurred by Hardy prior to the acquisition, partially offset by the one-time benefit resulting from the application of new Australian tax consolidation rules effective for Hardy March 27, 2003, related to acquisition basis adjustments to fair value of $10.6 million ($0.11 per share on a diluted basis). The unaudited pro forma results of operations do not purport to present what the Company's results of operations would actually have been if the aforementioned transaction had in fact occurred on March 1, 2003, nor do they project the Company's financial position or results of operations at any future date or for any future period.

<TABLE>
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(in thousands, except per share data)	For the Three Months Ended May 31, 2004	For the Three Months Ended May 31, 2003
<S>	<C>	<C>
Net sales	$ 927,305	$ 802,162
Income before income taxes	$ 80,202	$ 51,904
Net income	$ 51,329	$ 33,829
Income available to common stockholders	$ 48,878	$ 33,829
Earnings per common share:		
Basic	$ 0.46	$ 0.36
Diluted	$ 0.45	$ 0.35
Weighted average common shares outstanding:		
Basic	106,778	94,274
Diluted	115,062	97,055

</TABLE>

4) INVENTORIES:

Inventories are stated at the lower of cost (computed in accordance with the first-in, first-out method) or market. Elements of cost include materials, labor and overhead and consist of the following:

(in thousands)	May 31, 2004	February 29, 2004
Raw materials and supplies	$ 43,990	$ 49,633
In-process inventories	845,523	803,200
Finished case goods	425,843	408,545
	$ 1,315,356	$ 1,261,378

5) GOODWILL:

The changes in the carrying amount of goodwill for the three months ended May 31, 2004, are as follows:

<TABLE>
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	Constellation Wines	Constellation Beers and Spirits	Consolidated
<S>	<C>	<C>	<C>
(in thousands)			
Balance, February 29, 2004	$ 1,407,350	$ 133,287	$ 1,540,637
Purchase accounting allocations	(1,910)	-	(1,910)
Foreign currency translation adjustments	(37,082)	(270)	(37,352)

Purchase price earn-out	537	-	537
Balance, May 31, 2004	$ 1,368,895	$ 133,017	$ 1,501,912

</TABLE>

6) INTANGIBLE ASSETS:

The major components of intangible assets are:

<TABLE>
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	May 31, 2004		February 29, 2004	
	Gross Carrying Amount	Net Carrying Amount	Gross Carrying Amount	Net Carrying Amount
(in thousands)				
<S>	<C>	<C>	<C>	<C>
Amortizable intangible assets:				
Distribution agreements	$ 12,883	$ 3,611	$ 12,883	$ 4,455
Other	4,021	57	4,021	64
Total	$ 16,904	3,668	$ 16,904	4,519
Nonamortizable intangible assets:				
Trademarks		701,807		722,047
Agency relationships		18,412		18,412
Total		720,219		740,459
Total intangible assets		$ 723,887		$ 744,978

</TABLE>

The difference between the gross carrying amount and net carrying amount for each item presented is attributable to accumulated amortization. Amortization expense for intangible assets was $0.8 million and $0.4 million for the three months ended May 31, 2004, and May 31, 2003, respectively. Estimated amortization expense for the remaining nine months of fiscal 2005 and for each of the five succeeding fiscal years is as follows:

(in thousands)	
2005	$ 1,972
2006	$ 1,318
2007	$ 341
2008	$ 25
2009	$ 12
2010	$ -

7) BORROWINGS:

Senior credit facility -

In connection with the Hardy Acquisition, on January 16, 2003, the Company, certain subsidiaries of the Company, JPMorgan Chase Bank, as a lender and administrative agent (the "Administrative Agent"), and certain other lenders entered into a new credit agreement (as subsequently amended and restated as of March 19, 2003, the "March 2003 Credit Agreement"). In October 2003, the Company entered into a Second Amended and Restated Credit Agreement (the "October Credit Agreement") that (i) refinanced the then outstanding principal balance under the Tranche B Term Loan facility on essentially the same terms as the Tranche B Term Loan facility under the March 2003 Credit Agreement, but at a lower Applicable Rate (as such term is defined in the October Credit Agreement) and (ii) otherwise restated the terms of the March 2003 Credit Agreement, as amended. The October Credit Agreement was further amended during February 2004 (the "Credit Agreement"). The March 2003 Credit Agreement provided for aggregate credit facilities of $1.6 billion consisting of a $400.0 million Tranche A Term Loan facility due in February 2008, an $800.0 million Tranche B Term Loan facility due in November 2008 and a $400.0 million Revolving Credit facility (including an Australian Dollar revolving sub-facility of up to A$10.0 million and a sub-facility for letters of credit of up to $40.0 million) which expires on February 29, 2008. Proceeds of the March 2003 Credit Agreement were used to pay off the Company's obligations under its prior senior credit facility, to fund a portion of the cash required to pay the former Hardy shareholders and to pay indebtedness outstanding under certain of

Hardy's credit facilities. The Company uses the remaining availability under the

Credit Agreement to fund its working capital needs on an on-going basis.

The Tranche A Term Loan facility and the Tranche B Term Loan facility were fully drawn on March 27, 2003. As of May 31, 2004, the Company has made $55.0 million of scheduled and required payments on the Tranche A Term Loan facility, including $15.0 million during the three months ended May 31, 2004. In August 2003, the Company paid $100.0 million of the Tranche B Term Loan facility. In October 2003, the Company paid an additional $200.0 million of the Tranche B Term Loan facility. As of May 31, 2004, the required repayments of the Tranche A Term Loan and the Tranche B Term Loan are as follows:

	Tranche A Term Loan	Tranche B Term Loan	Total
(in thousands)			
2005	$ 45,000	$ -	$ 45,000
2006	80,000	54,420	134,420
2007	100,000	54,420	154,420
2008	120,000	119,048	239,048
2009	-	272,112	272,112
	$ 345,000	$ 500,000	$ 845,000

The rate of interest payable, at the Company's option, is a function of LIBOR plus a margin, the federal funds rate plus a margin, or the prime rate plus a margin. The margin is adjustable based upon the Company's Debt Ratio (as defined in the Credit Agreement) and, with respect to LIBOR borrowings, ranges between 1.50% and 2.50%. As of May 31, 2004, the LIBOR margin for the Revolving Credit facility and the Tranche A Term Loan facility is 1.75%, while the LIBOR margin on the Tranche B Term Loan facility is 2.00%.

The Company's obligations are guaranteed by certain subsidiaries of the Company ("Guarantors") and the Company is obligated to pledge collateral of (i) 100% of the capital stock of all of the Company's U.S. subsidiaries and certain foreign subsidiaries and (ii) 65% of the voting capital stock of certain other foreign subsidiaries of the Company.

The Company and its subsidiaries are subject to customary lending covenants including those restricting additional liens, the incurrence of additional indebtedness (including guarantees of indebtedness), the sale of assets, the payment of dividends, transactions with affiliates and the making of certain investments, in each case subject to baskets, exceptions and/or thresholds. The primary financial covenants require the maintenance of a debt coverage ratio, a senior debt coverage ratio, a fixed charge ratio and an interest coverage ratio. As of May 31, 2004, the Company is in compliance with all of its covenants under its Credit Agreement.

As of May 31, 2004, under the Credit Agreement, the Company had outstanding Tranche A Term Loans of $345.0 million bearing a weighted average interest rate of 2.9%, Tranche B Term Loans of $500.0 million bearing a weighted average interest rate of 3.2%, $235.0 million of revolving loans bearing a weighted average interest rate of 2.9%, undrawn revolving letters of credit of $18.4 million, and $146.7 million in revolving loans available to be drawn.

Subsidiary facilities -

The Company has additional line of credit facilities totaling $101.9 million as of May 31, 2004. These lines support the borrowing needs of certain of the Company's foreign subsidiary operations. Interest rates and other terms of these borrowings vary from country to country, depending on local market conditions. As of May 31, 2004, amounts outstanding under the subsidiary revolving credit facilities were $8.4 million.

Redemption of senior subordinated notes -

On March 4, 1999, the Company issued $200.0 million aggregate principal amount of 8 1/2% Senior Subordinated Notes due March 2009 ("Senior Subordinated Notes"). The Senior Subordinated Notes were redeemable at the option of the Company, in whole or in part, at any time on or after March 1, 2004. As of February 29, 2004, the Company had outstanding $200.0 million aggregate principal amount of Senior Subordinated Notes. On February 10, 2004, the Company issued a Notice of Redemption for its Senior Subordinated Notes. The Senior Subordinated Notes were redeemed with proceeds from the Revolving Credit facility on March 11, 2004, at 104.25% of par plus accrued interest. During the three months ended May 31, 2004, in connection with this redemption, the Company recorded a charge of $10.3 million in selling, general and administrative expenses for the call premium and the remaining unamortized financing fees associated with the original issuance of the Senior Subordinated Notes.

Guarantees -

A foreign subsidiary of the Company has guaranteed debt of a joint venture in the maximum amount of $3.9 million as of May 31, 2004. The liability for this guarantee is not material and the Company does not have any collateral from this entity.

8) RETIREMENT SAVINGS PLANS AND POSTRETIREMENT BENEFIT PLANS:

Net periodic benefit costs reported in the Consolidated Statements of Income for the Company's defined benefit pension plans and unfunded postretirement benefit plans include the following components:

<TABLE>
<CAPTION>

(in thousands)	Defined Benefit Pension Plans For the Three Months Ended May 31, 2004	Defined Benefit Pension Plans For the Three Months Ended May 31, 2003	Unfunded Postretirement Benefit Plans For the Three Months Ended May 31, 2004	Unfunded Postretirement Benefit Plans For the Three Months Ended May 31, 2003
<S>	<C>	<C>	<C>	<C>
Service cost	$ 543	$ 551	$ 52	$ 37
Interest cost	3,975	3,618	83	71
Expected return on plan assets	(4,201)	(3,789)	-	-
Amortization of prior service cost	573	2	2	1
Recognized net actuarial loss	50	505	5	5
Net periodic benefit cost	$ 940	$ 887	$ 142	$ 114

</TABLE>

For the three months ended May 31, 2004, $0.8 million of contributions had been made by the Company to fund its pension plans. The Company presently anticipates contributing an additional $2.6 million to fund its pension plans in Fiscal 2005, resulting in total employer contributions of $3.4 million for Fiscal 2005.

9) EARNINGS PER COMMON SHARE:

Basic earnings per common share exclude the effect of common stock equivalents and are computed by dividing income available to common stockholders by the weighted average number of common shares outstanding during the period for Class A Common Stock and Class B Common Stock. Diluted earnings per common share reflect the potential dilution that could result if securities or other contracts to issue common stock were exercised or converted into common stock. Diluted earnings per common share assume the exercise of stock options using the treasury stock method and the conversion of Preferred Stock using the if-converted method.

The computation of basic and diluted earnings per common share is as follows:

<TABLE>
<CAPTION>

(in thousands, except per share data)	For the Three Months Ended May 31, 2004	For the Three Months Ended May 31, 2003
<S>	<C>	<C>
Net income	$ 51,329	$ 39,189
Dividends on preferred stock	(2,451)	-
Income available to common stockholders	$ 48,878	$ 39,189
Weighted average common shares outstanding - basic	106,778	92,880
Stock options	3,292	2,781
Preferred stock	4,992	-
Weighted average common shares outstanding - diluted	115,062	95,661
Earnings per common share - basic	$ 0.46	$ 0.42
Earnings per common share - diluted	$ 0.45	$ 0.41

</TABLE>

Stock options to purchase 2.5 million and 0.9 million shares of Class A Common Stock at a weighted average price per share of $33.26 and $27.39 were outstanding during the three months ended May 31, 2004, and May 31, 2003, respectively, but were not included in the computation of the diluted earnings per common share because the stock options' exercise price was greater than the average market price of the Class A Common Stock for the period.

10) STOCK-BASED COMPENSATION:

The Company applies the intrinsic value method described in Accounting Principles Board Opinion No. 25 ("APB No. 25"), "Accounting for Stock Issued to Employees," and related interpretations in accounting for its stock-based employee compensation plans. In accordance with APB No. 25, the compensation cost for stock options is recognized in income based on the excess, if any, of the quoted market price of the stock at the grant date of the award or other measurement date over the amount an employee must pay to acquire the stock. Options granted under the Company's plans have an exercise price equal to the market value of the underlying common stock on the date of grant; therefore, no incremental compensation expense has been recognized for grants made to employees under the Company's stock option plans. The Company utilizes the disclosure-only provisions of Statement of Financial Accounting Standards No. 123 ("SFAS No. 123"), "Accounting for Stock-Based Compensation," as amended. (See Note 15 for additional discussion regarding a proposed statement dealing with Share Based Payments.) The following table illustrates the effect on net income and earnings per share if the Company had applied the fair value recognition provisions of SFAS No. 123 to stock-based employee compensation.

<TABLE>
<CAPTION>

	For the Three Months Ended May 31,	
	2004	2003
(in thousands, except per share data)		
<S>	<C>	<C>
Net income, as reported	$ 51,329	$ 39,189
Add: Stock-based employee compensation expense included in reported net income, net of related tax effects	15	105
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards, net of related tax effects	(2,634)	(2,465)
Pro forma net income	$ 48,710	$ 36,829
Earnings per common share:		
Basic--as reported	$ 0.46	$ 0.42
Basic--pro forma	$ 0.43	$ 0.40
Diluted--as reported	$ 0.45	$ 0.41
Diluted--pro forma	$ 0.42	$ 0.38

</TABLE>

11) COMPREHENSIVE INCOME:

Comprehensive income consists of net income, foreign currency translation adjustments, net unrealized gains or losses on derivative instruments, net unrealized gains or losses on available-for-sale marketable equity securities and minimum pension liability adjustments. The reconciliation of net income to comprehensive income is as follows:

<TABLE>
<CAPTION>

	For the Three Months Ended May 31,	
	2004	2003
(in thousands)		
<S>	<C>	<C>
Net income	$ 51,329	$ 39,189
Other comprehensive income, net of tax:		
Foreign currency translation adjustments	(104,745)	127,771
Cash flow hedges:		
Net derivative (losses) gains, net of tax benefit (expense) of $9,464 and ($7,021), respectively	(21,896)	12,482
Reclassification adjustments, net of tax expense		

of $1,503	3,411	-
Net cash flow hedges	(18,485)	12,482
Unrealized gain on marketable equity securities, net of tax expense of $78	182	-
Minimum pension liability adjustment, net of tax (expense) benefit of $498 and $1,022, respectively	1,131	(1,818)
Total comprehensive (loss) income	$ (70,588)	$ 177,624

</TABLE>

Accumulated other comprehensive income (loss) ("AOCI"), net of tax effects, includes the following components:

<TABLE>
<CAPTION>

(in thousands)	Foreign Currency Translation Adjustments	Net Unrealized Gains on Derivatives	Unrealized Loss On Marketable Equity Securities	Minimum Pension Liability Adjustment	Accumulated Other Comprehensive Income (Loss)
<S>	<C>	<C>	<C>	<C>	<C>
Balance, February 29, 2004	$ 393,972	$ 36,949	$ (432)	$ (58,187)	$ 372,302
Current period change	(104,745)	(18,485)	182	1,131	(121,917)
Balance, May 31, 2004	$ 289,227	$ 18,464	$ (250)	$ (57,056)	$ 250,385

</TABLE>

The Company has an investment in marketable equity securities with an aggregate fair value of $13.9 million and $14.8 million as of May 31, 2004, and February 29, 2004, respectively, which is classified as an available-for-sale security. As such, gross unrealized losses of $0.4 million and $0.6 million as of May 31, 2004, and February 29, 2004, respectively, are included, net of applicable income taxes, within AOCI as of February 29, 2004. The Company uses the average cost method as its basis on which cost is determined in computing realized gains or losses. There were no realized gains or losses on sales of securities during the three months ended May 31, 2004. Realized gains on sales of securities during the three months ended May 31, 2003, are immaterial.

12) RESTRUCTURING AND RELATED CHARGES:

For the three months ended May 31, 2004, the Company recorded $1.6 million of restructuring and related charges associated with the restructuring plan of the Constellation Wines segment. Restructuring and related charges resulted from the further realignment of business operations as previously announced in fiscal 2004, and included $1.2 million of employee termination benefit costs, $0.3 million of facility consolidation and relocation costs, and other related charges of $0.1 million. For the three months ended May 31, 2003, the Company recorded $2.3 million of restructuring and related charges associated with the restructuring plan of the Constellation Wines segment.

The Company estimates that the completion of the restructuring actions will include (i) a total of $9.8 million of employee termination benefit costs through February 28, 2005, of which $8.1 million has been incurred through May 31, 2004, (ii) a total of $22.1 million of grape contract termination costs through February 28, 2005, of which $17.7 million has been incurred through May 31, 2004, and (iii) a total of $5.1 million of facility consolidation and relocation costs through February 28, 2005, of which $2.2 million has been incurred through May 31, 2004. The Company has incurred other costs related to the restructuring plan for the disposal of fixed assets and other costs of realigning the business operations of the Constellation Wines segment. The Company expects to incur additional costs of realigning the business operations of $1.3 million during the year ending February 28, 2005, of which $0.1 million has been incurred through May 31, 2004.

The following table illustrates the changes in the restructuring liability balance since February 29, 2004:

<TABLE>
<CAPTION>

(in thousands)	Employee Termination Benefit Costs	Grape Contract Termination Costs	Facility Consolidation/ Relocation Costs	Total
<S>	<C>	<C>	<C>	<C>

Balance, February 29, 2004	$ 1,539	$ 1,048	$ -	$ 2,587
Restructuring charges	1,231	-	256	1,487
Cash expenditures	(1,575)	-	(256)	(1,831)
Foreign currency adjustments	(55)	-	-	(55)
Balance, May 31, 2004	$ 1,140	$ 1,048	$ -	$ 2,188

</TABLE>

13) CONDENSED CONSOLIDATING FINANCIAL INFORMATION:

The following information sets forth the condensed consolidating balance sheets of the Company as of May 31, 2004, and February 29, 2004, and the condensed consolidating statements of income and cash flows for the three months ended May 31, 2004, and May 31, 2003, for the Company, the parent company, the combined subsidiaries of the Company which guarantee the Company's senior notes and senior subordinated notes ("Subsidiary Guarantors") and the combined subsidiaries of the Company which are not Subsidiary Guarantors, primarily Matthew Clark and Hardy and their subsidiaries, which are included in the Constellation Wines segment ("Subsidiary Nonguarantors"). The Subsidiary Guarantors are wholly owned and the guarantees are full, unconditional, joint and several obligations of each of the Subsidiary Guarantors. Separate financial statements for the Subsidiary Guarantors of the Company are not presented because the Company has determined that such financial statements would not be material to investors. The accounting policies of the parent company, the Subsidiary Guarantors and the Subsidiary Nonguarantors are the same as those described for the Company in the Summary of Significant Accounting Policies in Note 1 to the Company's consolidated financial statements included in the Company's Annual Report on Form 10-K for the fiscal year ended February 29, 2004, and include the recently adopted accounting pronouncements described in Note 2 herein. There are no restrictions on the ability of the Subsidiary Guarantors to transfer funds to the Company in the form of cash dividends, loans or advances.

<TABLE>
<CAPTION>

(in thousands)	Parent Company	Subsidiary Guarantors	Subsidiary Nonguarantors	Eliminations	Consolidated
<S>	<C>	<C>	<C>	<C>	<C>
Condensed Consolidating Balance Sheet					
at May 31, 2004					
Current assets:					
Cash and cash investments	$ 3,044	$ 1,526	$ 6,873	$ -	$ 11,443
Accounts receivable, net	110,259	168,315	433,273	-	711,847
Inventories, net	9,457	605,182	708,921	(8,204)	1,315,356
Prepaid expenses and other	23,337	70,142	48,110	-	141,589
Intercompany (payable) receivable	(363,863)	(155,533)	519,396	-	-
Total current assets	(217,766)	689,632	1,716,573	(8,204)	2,180,235
Property, plant and equipment, net	49,638	352,074	658,994	-	1,060,706
Investments in subsidiaries	4,316,779	1,873,912	-	(6,190,691)	-
Goodwill	49,202	494,065	958,645	-	1,501,912
Intangible assets, net	10,572	313,602	399,713	-	723,887
Other assets	32,236	2,176	47,922	-	82,334
Total assets	$ 4,240,661	$ 3,725,461	$ 3,781,847	$ (6,198,895)	$ 5,549,074
Current liabilities:					
Notes payable to banks	$ 235,000	$ -	$ 8,552	$ -	$ 243,552

Current maturities of long-term debt	78,669	3,270	26,988	-	108,927
Accounts payable	23,613	55,730	282,163	-	361,506
Accrued excise taxes	7,869	20,895	26,613	-	55,377
Other accrued expenses and liabilities	134,573	2,415	260,991	-	397,979
Total current liabilities	479,724	82,310	605,307	-	1,167,341
Long-term debt, less current maturities	1,700,016	6,761	29,382	-	1,736,159
Deferred income taxes	41,773	95,310	41,175	-	178,258
Other liabilities	4,678	21,764	130,191	-	156,633

	Parent Company	Subsidiary Guarantors	Subsidiary Nonguarantors	Eliminations	Consolidated
(in thousands)					
Stockholders' equity:					
Preferred stock	2	-	-	-	2
Class A and Class B common stock	1,122	6,434	141,582	(148,016)	1,122
Additional paid-in capital	1,030,121	1,806,948	2,660,583	(4,467,531)	1,030,121
Retained earnings	1,067,275	1,494,167	80,977	(1,583,348)	1,059,071
Accumulated other comprehensive (loss) income	(54,032)	211,767	92,650	-	250,385
Treasury stock and other	(30,018)	-	-	-	(30,018)
Total stockholders' equity	2,014,470	3,519,316	2,975,792	(6,198,895)	2,310,683
Total liabilities and stockholders' equity	$ 4,240,661	$ 3,725,461	$ 3,781,847	$ (6,198,895)	$ 5,549,074

Condensed Consolidating Balance Sheet

at February 29, 2004

Current assets:					
Cash and cash investments	$ 1,048	$ 3,931	$ 32,157	$ -	$ 37,136
Accounts receivable, net	137,422	127,004	371,484	-	635,910
Inventories, net	9,922	621,866	636,962	(7,372)	1,261,378
Prepaid expenses and other	8,734	68,596	59,717	-	137,047
Intercompany (payable) receivable	(381,765)	(150,962)	532,727	-	-
Total current assets	(224,639)	670,435	1,633,047	(7,372)	2,071,471
Property, plant and equipment, net	50,022	353,693	693,647	-	1,097,362
Investments in subsidiaries	4,270,871	1,852,036	-	(6,122,907)	-
Goodwill	50,338	496,691	993,608	-	1,540,637
Intangible assets, net	10,572	314,423	419,983	-	744,978
Other assets	36,041	2,146	66,038	-	104,225
Total assets	$ 4,193,205	$ 3,689,424	$ 3,806,323	$ (6,130,279)	$

					5,558,673
Current liabilities:					
Notes payable to banks	$ -	$ -	$ 1,792	$ -	$ 1,792
Current maturities of long-term debt	260,061	3,542	3,642	-	267,245
Accounts payable	33,631	60,327	176,333	-	270,291
Accrued excise taxes	8,005	15,053	25,407	-	48,465
Other accrued expenses and liabilities	151,534	11,956	278,519	-	442,009
Total current liabilities	453,231	90,878	485,693	-	1,029,802
Long-term debt, less current maturities	1,739,221	7,510	32,122	-	1,778,853
Deferred income taxes	56,815	98,119	32,476	-	187,410
Other liabilities	6,209	21,646	157,134	-	184,989
Stockholders' equity:					
Preferred stock	2	-	-	-	2
Class A and Class B common stock	1,117	6,434	141,582	(148,016)	1,117
Additional paid-in capital	1,024,048	1,829,418	2,660,711	(4,490,129)	1,024,048
Retained earnings	1,017,565	1,425,789	58,973	(1,492,134)	1,010,193
Accumulated other comprehensive (loss) income	(74,960)	209,630	237,632	-	372,302
Treasury stock and other	(30,043)	-	-	-	(30,043)
Total stockholders' equity	1,937,729	3,471,271	3,098,898	(6,130,279)	2,377,619
Total liabilities and stockholders' equity	$ 4,193,205	$ 3,689,424	$ 3,806,323	$ (6,130,279)	$ 5,558,673

(in thousands)	Parent Company	Subsidiary Guarantors	Subsidiary Nonguarantors	Eliminations	Consolidated
Condensed Consolidating Statement of Income for the Three Months Ended May 31, 2004					
Sales	$ 170,540	$ 457,078	$ 617,308	$ (70,611)	$ 1,174,315
Less - excise taxes	(31,855)	(108,264)	(106,891)	-	(247,010)
Net sales	138,685	348,814	510,417	(70,611)	927,305
Cost of product sold	(131,112)	(203,998)	(411,512)	69,779	(676,843)
Gross profit	7,573	144,816	98,905	(832)	250,462
Selling, general and administrative expenses	(38,844)	(44,438)	(55,146)	-	(138,428)
Restructuring and related charges	-	(1,301)	(312)	-	(1,613)
Operating (loss) income	(31,271)	99,077	43,447	(832)	

					110,421
Gain on change in fair value of derivative instruments	-	-	-	-	-
Equity in earnings of equity method investees	68,378	22,004	62	(90,382)	62
Interest income (expense), net	5,499	(27,491)	(8,289)	-	(30,281)
Income before income taxes	42,606	93,590	35,220	(91,214)	80,202
Benefit from (provision for) income taxes	9,555	(25,212)	(13,216)	-	(28,873)
Net income	52,161	68,378	22,004	(91,214)	51,329
Dividends on preferred stock	(2,451)	-	-	-	(2,451)
Income available to common stockholders	$ 49,710	$ 68,378	$ 22,004	$ (91,214)	$ 48,878

Condensed Consolidating Statement of Income
for the Three Months Ended May 31, 2003

Sales	$ 172,326	$ 497,302	$ 411,271	$ (90,659)	$ 990,240
Less - excise taxes	(29,853)	(105,280)	(82,305)	-	(217,438)
Net sales	142,473	392,022	328,966	(90,659)	772,802
Cost of product sold	(118,292)	(272,615)	(263,400)	90,590	(563,717)
Gross profit	24,181	119,407	65,566	(69)	209,085
Selling, general and administrative expenses	(28,901)	(42,685)	(36,216)	-	(107,802)
Restructuring and related charges	-	(1,991)	(325)	-	(2,316)
Operating (loss) income	(4,720)	74,731	29,025	(69)	98,967
Gain on change in fair value of derivative instruments	1,181	-	-	-	1,181
Equity in earnings (loss) of equity method investees	44,311	21,622	(212)	(65,393)	328
Interest expense, net	(1,564)	(35,771)	(1,908)	-	(39,243)
Income before income taxes	39,208	60,582	26,905	(65,462)	61,233
Benefit from (provision for) income taxes	50	(16,271)	(5,823)	-	(22,044)
Net income	39,258	44,311	21,082	(65,462)	39,189
Dividends on preferred stock	-	-	-	-	-
Income available to common stockholders	$ 39,258	$ 44,311	$ 21,082	$ (65,462)	$ 39,189

(in thousands)

Condensed Consolidating Statement of Cash Flows
for the Three Months Ended May 31, 2004

(in thousands)	Parent Company	Subsidiary Guarantors	Subsidiary Nonguarantors	Eliminations	Consolidated
Net cash (used in) provided by operating activities	$ (41,380)	$ 27,847	$ (32,925)	$ -	$ (46,458)
Cash flows from investing activities:					
Purchases of property, plant and equipment	(2,006)	(6,560)	(13,547)	-	(22,113)
Payment of accrued earn-out amount	-	(1,338)	-	-	(1,338)
Proceeds from sale of assets	5	-	440	-	445
Purchases of businesses, net of cash acquired	-	-	-	-	-
Net cash used in investing activities	(2,001)	(7,898)	(13,107)	-	(23,006)
Cash flows from financing activities:					
Net proceeds from notes payable	235,000	48	30,843	-	265,891
Intercompany financing activities, net	22,000	(22,000)	-	-	-
Exercise of employee stock options	5,814	-	-	-	5,814
Proceeds from employee stock purchases	1	-	-	-	1
Principal payments of long-term debt	(215,014)	(1,021)	(1,169)	-	(217,204)
Payment of preferred stock dividends	(2,451)	-	-	-	(2,451)
Proceeds from issuance of long-term debt	-	-	-	-	-
Payment of issuance costs of long-term debt	-	-	-	-	-
Net cash provided by (used in) financing activities	45,350	(22,973)	29,674	-	52,051
Effect of exchange rate changes on cash and cash investments	27	619	(8,926)	-	(8,280)
Net increase (decrease) in cash and cash investments	1,996	(2,405)	(25,284)	-	(25,693)
Cash and cash investments, beginning of period	1,048	3,931	32,157	-	37,136
Cash and cash investments, end of period	$ 3,044	$ 1,526	$ 6,873	$ -	$ 11,443

Condensed Consolidating Statement of Cash Flows

for the Three Months Ended May 31, 2003	Parent Company	Subsidiary Guarantors	Subsidiary Nonguarantors	Eliminations	Consolidated
Net cash (used in) provided by operating activities	$ (7,108)	$ 3,759	$ (3,014)	$ -	$ (6,363)
Cash flows from investing activities:					
Purchases of property, plant and equipment	(3,288)	(5,268)	(9,535)	-	(18,091)
Payment of accrued earn-out amount	-	(978)	-	-	(978)
Proceeds from sale of assets	-	-	4,896	-	4,896
Purchases of businesses, net of cash acquired	-	(1,067,694)	-	-	(1,067,694)
Net cash used in investing activities	(3,288)	(1,073,940)	(4,639)	-	(1,081,867)

(in thousands)	Parent Company	Subsidiary Guarantors	Subsidiary Nonguarantors	Eliminations	Consolidated
Cash flows from financing activities:					
Net proceeds from notes payable	13,000	-	2,735	-	15,735
Intercompany financing activities, net	(1,418,274)	1,069,166	349,108	-	-
Exercise of employee stock options	7,571	-	-	-	7,571
Proceeds from employee stock purchases	-	-	-	-	-
Principal payments of long-term debt	(145,363)	(840)	(346,498)	-	(492,701)
Payment of preferred stock dividends	-	-	-	-	-
Proceeds from issuance of long-term debt	1,600,000	-	-	-	1,600,000
Payment of issuance costs of long-term debt	(32,547)	-	-	-	(32,547)
Net cash provided by financing activities	24,387	1,068,326	5,345	-	1,098,058
Effect of exchange rate changes on cash and cash investments	916	2,392	19,062	-	22,370
Net increase in cash and cash investments	14,907	537	16,754	-	32,198
Cash and cash investments, beginning of period	1,426	1,248	11,136	-	13,810
Cash and cash investments, end of period	$ 16,333	$ 1,785	$ 27,890	$ -	$ 46,008

</TABLE>

14) BUSINESS SEGMENT INFORMATION:

The Company reports its operating results in three segments: Constellation Wines (branded wine, and U.K. wholesale and other), Constellation Beers and

Spirits (imported beers and distilled spirits) and Corporate Operations and Other (primarily corporate related items and other). Amounts included in the Corporate Operations and Other segment consist of general corporate administration and finance expenses. These amounts include costs of executive management, investor relations, internal audit, treasury, tax, corporate development, legal, financial reporting, professional fees and public relations. Any costs incurred at the corporate office that are applicable to the segments are allocated to the appropriate segment. The amounts included in the Corporate Operations and Other segment are general costs that are applicable to the consolidated group and are therefore not allocated to the other reportable segments. All costs reported within the Corporate Operations and Other segment are not included in the chief operating decision maker's evaluation of the operating income performance of the other operating segments. The business segments reflect how the Company's operations are being managed, how operating performance within the Company is being evaluated by senior management and the structure of its internal financial reporting. In addition, the Company excludes restructuring and related charges and unusual costs that affect comparability from its definition of operating income for segment purposes. For the three months ended May 31, 2004, Restructuring and Unusual Costs consist of financing costs associated with the redemption of the Company's Senior Subordinated Notes (as defined in Note 7) of $10.3 million, restructuring and related charges of $1.6 million, and the flow through of inventory step-up associated with the Hardy Acquisition of $1.3 million. For the three months ended May 31, 2003, Restructuring and Unusual Costs consist of the flow through of inventory step-up and financing costs associated with the Hardy Acquisition of $5.5 million and $4.1 million, respectively, and restructuring and related charges of $2.3 million. The Company evaluates performance based on operating income of the respective business units. The accounting policies of the segments are the same as those described for the Company in the Summary of Significant Accounting Policies in Note 1 to the Company's consolidated financial statements included in the Company's Annual Report on Form 10-K for the fiscal

year ended February 29, 2004, and include the recently adopted accounting pronouncements described in Note 2. Transactions between segments consist mainly of sales of products and are accounted for at cost plus an applicable margin.

Segment information is as follows:

<TABLE>
<CAPTION>

(in thousands)	For the Three Months Ended May 31, 2004	2003
<S>	<C>	<C>
Constellation Wines:		
Net sales:		
Branded wine	$ 363,883	$ 310,480
Wholesale and other	247,235	184,853
Net sales	$ 611,118	$ 495,333
Segment operating income	$ 67,659	$ 61,023
Equity in earnings of equity method investees	$ 62	$ 328
Long-lived assets	$ 969,046	$ 885,832
Investments in equity method investees	$ 7,686	$ 5,459
Total assets	$ 4,697,738	$ 4,524,452
Capital expenditures	$ 19,529	$ 14,728
Depreciation and amortization	$ 18,932	$ 15,550
Constellation Beers and Spirits:		
Net sales:		
Imported beers	$ 236,896	$ 207,264
Spirits	79,291	70,205
Net sales	$ 316,187	$ 277,469
Segment operating income	$ 67,852	$ 59,883
Long-lived assets	$ 79,186	$ 81,564
Total assets	$ 778,492	$ 754,543
Capital expenditures	$ 1,826	$ 1,783
Depreciation and amortization	$ 2,760	$ 2,560
Corporate Operations and Other:		
Net sales	$ -	$ -
Segment operating loss	$ (11,869)	$ (10,071)
Long-lived assets	$ 12,474	$ 13,720
Total assets	$ 72,844	$ 79,961

Capital expenditures	$ 758	$ 1,580
Depreciation and amortization	$ 2,563	$ 5,684
Restructuring and Unusual Costs:		
- ------------------------------		
Operating loss	$ (13,221)	$ (11,868)
Consolidated:		
- ------------		
Net sales	$ 927,305	$ 772,802
Operating income	$ 110,421	$ 98,967
Equity in earnings of equity method investees	$ 62	$ 328
Long-lived assets	$ 1,060,706	$ 981,116
Investments in equity method investees	$ 7,686	$ 5,459
Total assets	$ 5,549,074	$ 5,358,956
Capital expenditures	$ 22,113	$ 18,091
Depreciation and amortization	$ 24,255	$ 23,794

</TABLE>

15) ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED:

In December 2003, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 132 (revised 2003) ("SFAS No. 132(R)"), "Employers' Disclosures about Pensions and Other Postretirement Benefits--an amendment of FASB Statements No. 87, 88, and 106." SFAS No. 132(R) supersedes Statement of Financial Accounting Standards No. 132 ("SFAS No. 132"), by revising employers' disclosures about pension plans and other postretirement benefit plans. SFAS No. 132(R) requires additional disclosures to those in SFAS No. 132 regarding the assets, obligations, cash flows, and net periodic benefit cost of defined benefit pension plans and other defined benefit postretirement plans. SFAS No. 132(R) also amends Accounting Principles Board Opinion No. 28 ("APB Opinion No. 28"), "Interim Financial Reporting," to require additional disclosures for interim periods. The Company has adopted certain of the annual disclosure provisions of SFAS No. 132(R), primarily those related to its U.S. postretirement plan, for the fiscal year ended February 29, 2004. In addition, the Company has adopted the interim disclosure provisions of SFAS No. 132(R) for the three months ended May 31, 2004. The Company is required to adopt the remaining annual disclosure provisions, primarily those related to its foreign plans, for the fiscal year ending February 28, 2005.

In March 2004, the Financial Accounting Standards Board issued a proposed statement, "Share-Based Payment, an amendment of FASB Statements No. 123 and 95." The objective of the proposed statement is to require recognition in an entity's financial statements of the cost of employee services received in exchange for equity instruments issued, and liabilities incurred, to employees in share-based payment (or compensation) transactions based on the fair value of the instruments at the grant date. The proposed statement would eliminate the alternative of continuing to account for share-based payment arrangements with employees under APB No. 25 and require that the compensation cost resulting from all share-based payment transactions be recognized in an entity's financial statements. If adopted in its current form, the proposed statement would be effective for awards that are granted, modified, or settled in fiscal years beginning after December 15, 2004. Also, if adopted in its current form, the proposed statement could result in a significant charge to the Company's Consolidated Statement of Income for the fiscal year ended February 28, 2006.

In March 2004, the Emerging Issues Task Force ("EITF") ratified the consensuses reached in EITF Issue No. 03-6 ("EITF No. 03-6"), "Participating Securities and the Two-Class Method under FASB Statement No. 128." EITF No. 03-6 clarifies what is meant by a "participating security," provides guidance on applying the two-class method for computing earnings per share, and requires affected companies to retroactively restate earnings per share amounts presented. The Company is required to adopt EITF No. 03-6 for reporting periods beginning June 1, 2004. The Company is currently assessing the financial impact of EITF No. 03-6 on its basic earnings per share.

16) SUBSEQUENT EVENT:

Subsequent to May 31, 2004, four subsidiaries of the Company which were previously included as Subsidiary Nonguarantors, became Subsidiary Guarantors under the Company's existing indentures. As such, the following information sets forth the condensed consolidating balance sheets of the Company as of May 31, 2004, and February 29, 2004, and the condensed consolidating statements of income and cash flows for the three months ended May 31, 2004, and May 31, 2003, as if the new Subsidiary Guarantors had been in place as of and for all periods presented.

<TABLE>
<CAPTION>

(in thousands)	Parent Company	Subsidiary Guarantors	Subsidiary Nonguarantors	Eliminations	Consolidated
<S>	<C>	<C>	<C>	<C>	<C>
Condensed Consolidating Balance Sheet					
at May 31, 2004					
Current assets:					
Cash and cash investments	$ 3,044	$ 1,983	$ 6,416	$ -	$ 11,443
Accounts receivable, net	110,259	194,006	407,582	-	711,847
Inventories, net	9,457	676,782	637,321	(8,204)	1,315,356
Prepaid expenses and other	23,337	75,447	42,805	-	141,589
Intercompany (payable) receivable	(363,863)	(214,553)	578,416	-	-
Total current assets	(217,766)	733,665	1,672,540	(8,204)	2,180,235
Property, plant and equipment, net	49,638	407,551	603,517	-	1,060,706
Investments in subsidiaries	4,316,779	1,778,584	-	(6,095,363)	-
Goodwill	49,202	581,951	870,759	-	1,501,912
Intangible assets, net	10,572	387,598	325,717	-	723,887
Other assets	32,236	2,244	47,854	-	82,334
Total assets	$ 4,240,661	$ 3,891,593	$ 3,520,387	$ (6,103,567)	$ 5,549,074
Current liabilities:					
Notes payable to banks	$ 235,000	$ -	$ 8,552	$ -	$ 243,552
Current maturities of long-term debt	78,669	3,649	26,609	-	108,927
Accounts payable	23,613	60,906	276,987	-	361,506
Accrued excise taxes	7,869	21,330	26,178	-	55,377
Other accrued expenses and liabilities	134,573	9,206	254,200	-	397,979
Total current liabilities	479,724	95,091	592,526	-	1,167,341
Long-term debt, less current maturities	1,700,016	7,380	28,763	-	1,736,159
Deferred income taxes	41,773	119,310	17,175	-	178,258
Other liabilities	4,678	21,834	130,121	-	156,633
Stockholders' equity:					
Preferred stock	2	-	-	-	2
Class A and Class B common stock	1,122	6,443	141,573	(148,016)	1,122
Additional paid-in capital	1,030,121	1,954,709	2,418,486	(4,373,195)	1,030,121
Retained earnings	1,067,275	1,499,762	74,390	(1,582,356)	1,059,071
Accumulated other comprehensive (loss) income	(54,032)	187,064	117,353	-	250,385
Treasury stock and other	(30,018)	-	-	-	(30,018)
Total stockholders' equity	2,014,470	3,647,978	2,751,802	(6,103,567)	2,310,683
Total liabilities and					

stockholders' equity	$ 4,240,661	$ 3,891,593	$ 3,520,387	$ (6,103,567)	$ 5,549,074

Condensed Consolidating Balance Sheet

at February 29, 2004

Current assets:					
Cash and cash investments	$ 1,048	$ 4,664	$ 31,424	$ -	$ 37,136
Accounts receivable, net	137,422	145,152	353,336	-	635,910
Inventories, net	9,922	696,928	561,900	(7,372)	1,261,378
Prepaid expenses and other	8,734	72,788	55,525	-	137,047
Intercompany (payable) receivable	(381,765)	(176,470)	558,235	-	-
Total current assets	(224,639)	743,062	1,560,420	(7,372)	2,071,471
Property, plant and equipment, net	50,022	409,852	637,488	-	1,097,362
Investments in subsidiaries	4,270,871	1,757,700	-	(6,028,571)	-
Goodwill	50,338	586,259	904,040	-	1,540,637
Intangible assets, net	10,572	385,581	348,825	-	744,978
Other assets	36,041	2,146	66,038	-	104,225
Total assets	$ 4,193,205	$ 3,884,600	$ 3,516,811	$ (6,035,943)	$ 5,558,673

	Parent Company	Subsidiary Guarantors	Subsidiary Nonguarantors	Eliminations	Consolidated
(in thousands)					
Current liabilities:					
Notes payable to banks	$ -	$ -	$ 1,792	$ -	$ 1,792
Current maturities of long-term debt	260,061	3,949	3,235	-	267,245
Accounts payable	33,631	67,459	169,201	-	270,291
Accrued excise taxes	8,005	15,344	25,116	-	48,465
Other accrued expenses and liabilities	151,534	23,352	267,123	-	442,009
Total current liabilities	453,231	110,104	466,467	-	1,029,802
Long-term debt, less current maturities	1,739,221	8,510	31,122	-	1,778,853
Deferred income taxes	56,815	119,704	10,891	-	187,410
Other liabilities	6,209	21,646	157,134	-	184,989
Stockholders' equity:					
Preferred stock	2	-	-	-	2
Class A and Class B common stock	1,117	6,443	141,573	(148,016)	1,117
Additional paid-in capital	1,024,048	1,977,179	2,418,614	(4,395,793)	1,024,048
Retained earnings	1,017,565	1,431,384	53,378	(1,492,134)	1,010,193
Accumulated other comprehensive (loss) income	(74,960)	209,630	237,632	-	372,302
Treasury stock and other	(30,043)	-	-	-	(30,043)

	Parent Company	Subsidiary Guarantors	Subsidiary Nonguarantors	Eliminations	Consolidated
Total stockholders' equity	1,937,729	3,624,636	2,851,197	(6,035,943)	2,377,619
Total liabilities and stockholders' equity	$ 4,193,205	$ 3,884,600	$ 3,516,811	$ (6,035,943)	$ 5,558,673

Condensed Consolidating Statement of Income
for the Three Months Ended May 31, 2004

	Parent Company	Subsidiary Guarantors	Subsidiary Nonguarantors	Eliminations	Consolidated
Sales	$ 170,540	$ 488,748	$ 585,638	$ (70,611)	$ 1,174,315
Less - excise taxes	(31,855)	(109,219)	(105,936)	-	(247,010)
Net sales	138,685	379,529	479,702	(70,611)	927,305
Cost of product sold	(131,112)	(223,744)	(391,766)	69,779	(676,843)
Gross profit	7,573	155,785	87,936	(832)	250,462
Selling, general and administrative expenses	(38,844)	(52,067)	(47,517)	-	(138,428)
Restructuring and related charges	-	(1,301)	(312)	-	(1,613)
Operating (loss) income	(31,271)	102,417	40,107	(832)	110,421
Gain on change in fair value of derivative instruments	-	-	-	-	-
Equity in earnings of equity method investees	68,378	21,012	62	(89,390)	62
Interest income (expense), net	5,499	(28,408)	(7,372)	-	(30,281)
Income before income taxes	42,606	95,021	32,797	(90,222)	80,202
Benefit from (provision for) income taxes	9,555	(26,643)	(11,785)	-	(28,873)
Net income	52,161	68,378	21,012	(90,222)	51,329
Dividends on preferred stock	(2,451)	-	-	-	(2,451)
Income available to common stockholders	$ 49,710	$ 68,378	$ 21,012	$ (90,222)	$ 48,878

	Parent Company	Subsidiary Guarantors	Subsidiary Nonguarantors	Eliminations	Consolidated
(in thousands)					

Condensed Consolidating Statement of Income
for the Three Months Ended May 31, 2003

	Parent Company	Subsidiary Guarantors	Subsidiary Nonguarantors	Eliminations	Consolidated
Sales	$ 172,326	$ 519,597	$ 388,976	$ (90,659)	$ 990,240
Less - excise taxes	(29,853)	(105,914)	(81,671)	-	(217,438)

Net sales	142,473	413,683	307,305	(90,659)	772,802
Cost of product sold	(118,292)	(286,713)	(249,302)	90,590	(563,717)
Gross profit	24,181	126,970	58,003	(69)	209,085
Selling, general and administrative expenses	(28,901)	(44,563)	(34,338)	-	(107,802)
Restructuring and related charges	-	(1,991)	(325)	-	(2,316)
Operating (loss) income	(4,720)	80,416	23,340	(69)	98,967
Gain on change in fair value of derivative instruments	1,181	-	-	-	1,181
Equity in earnings (loss) of equity method investees	44,311	16,900	(212)	(60,671)	328
Interest expense, net	(1,564)	(35,763)	(1,916)	-	(39,243)
Income before income taxes	39,208	61,553	21,212	(60,740)	61,233
Benefit from (provision for) income taxes	50	(17,242)	(4,852)	-	(22,044)
Net income	39,258	44,311	16,360	(60,740)	39,189
Dividends on preferred stock	-	-	-	-	-
Income available to common stockholders	$ 39,258	$ 44,311	$ 16,360	$ (60,740)	$ 39,189

Condensed Consolidating Statement of Cash Flows
for the Three Months Ended May 31, 2004

Net cash (used in) provided by operating activities	$ (41,380)	$ 28,259	$ (33,337)	$ -	$ (46,458)
Cash flows from investing activities:					
Purchases of property, plant and equipment	(2,006)	(6,842)	(13,265)	-	(22,113)
Payment of accrued earn-out amount	-	(1,338)	-	-	(1,338)
Proceeds from sale of assets	5	3	437	-	445
Purchases of businesses, net of cash acquired	-	-	-	-	-
Net cash used in investing activities	(2,001)	(8,177)	(12,828)	-	(23,006)
Cash flows from financing activities:					
Net proceeds from notes payable	235,000	48	30,843	-	265,891
Intercompany financing activities, net	22,000	(22,000)	-	-	-
Exercise of employee stock options	5,814	-	-	-	5,814
Proceeds from employee stock purchases	1	-	-	-	1
Principal payments of long-term debt	(215,014)	(1,430)	(760)	-	(217,204)
Payment of preferred stock dividends	(2,451)	-	-	-	

					(2,451)
Proceeds from issuance of long-term debt	-	-	-	-	-
Payment of issuance costs of long-term debt	-	-	-	-	-
Net cash provided by (used in) financing activities	45,350	(23,382)	30,083	-	52,051
Effect of exchange rate changes on cash and cash investments	27	619	(8,926)	-	(8,280)

	Parent Company	Subsidiary Guarantors	Subsidiary Nonguarantors	Eliminations	Consolidated
(in thousands)					
Net increase (decrease) in cash and cash investments	1,996	(2,681)	(25,008)	-	(25,693)
Cash and cash investments, beginning of period	1,048	4,664	31,424	-	37,136
Cash and cash investments, end of period	$ 3,044	$ 1,983	$ 6,416	$ -	$ 11,443

Condensed Consolidating Statement of Cash Flows
for the Three Months Ended May 31, 2003

Net cash (used in) provided by operating activities	$ (7,108)	$ 116	$ 629	$ -	$ (6,363)
Cash flows from investing activities:					
Purchases of property, plant and equipment	(3,288)	(5,671)	(9,132)	-	(18,091)
Payment of accrued earn-out amount	-	(978)	-	-	(978)
Proceeds from sale of assets	-	4,500	396	-	4,896
Purchases of businesses, net of cash acquired	-	(1,067,694)	-	-	(1,067,694)
Net cash used in investing activities	(3,288)	(1,069,843)	(8,736)	-	(1,081,867)
Cash flows from financing activities:					
Net proceeds from notes payable	13,000	-	2,735	-	15,735
Intercompany financing activities, net	(1,418,274)	1,069,177	349,097	-	-
Exercise of employee stock options	7,571	-	-	-	7,571
Proceeds from employee stock purchases	-	-	-	-	-
Principal payments of long-term debt	(145,363)	(1,138)	(346,200)	-	(492,701)
Payment of preferred stock dividends	-	-	-	-	-
Proceeds from issuance of long-term debt	1,600,000	-	-	-	

					1,600,000
Payment of issuance costs of long-term debt	(32,547)	-	-	-	(32,547)
Net cash provided by financing activities	24,387	1,068,039	5,632	-	1,098,058
Effect of exchange rate changes on cash and cash investments	916	2,392	19,062	-	22,370
Net increase in cash and cash investments	14,907	704	16,587	-	32,198
Cash and cash investments, beginning of period	1,426	1,248	11,136	-	13,810
Cash and cash investments, end of period	$ 16,333	$ 1,952	$ 27,723	$ -	$ 46,008

</TABLE>

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

The Company generates revenue through the production, marketing and sale of beverage alcohol products, primarily in North America, Europe and Australia. The Company has a broad portfolio of brands across the wine, imported beer and distilled spirits categories, and is the largest wine company in the world.

The Company's business strategy is to remain focused across the beverage alcohol industry by offering a broad range of products in each of the Company's three major categories: wine, beer and spirits. The Company intends to keep its portfolio positioned for superior top-line growth while maximizing the profitability of its brands. In addition, the Company seeks to increase its relative importance to key customers in major markets by increasing its share of their overall purchasing, which is increasingly important in a consolidating industry. The Company's strategy of breadth across categories and geographies, and strengthening scale in core markets, is designed to deliver long-term profitable growth. This strategy allows the Company more investment choices, provides flexibility to address changing market conditions and creates stronger routes-to-market.

The Company desires to maintain a balance between growth businesses and scale businesses. The Company's growth businesses include approximately half of the Company's branded wine business (specifically premium wines in the U.S. and wines in the U.K.), imported beer in the U.S. and the U.K. wholesale business. The scale businesses include spirits, the remaining half of the Company's branded wine business, cider, and non-branded sales. The scale businesses are operated to maximize profitability and cash flow and to maintain strong routes-to-market. With a solid foundation of growth and scale businesses, the Company expects to continue to be able to leverage sales growth into even higher growth in earnings and cash flow.

The Company remains committed to its long-term financial model of growing sales (both organically and through acquisitions), expanding margins and increasing cash flow to achieve superior earnings per share growth and improve return on invested capital.

In First Quarter 2005 (as defined below), the Company's net sales increased 20.0% over First Quarter 2004 (as defined below) primarily from the inclusion of an additional one month of sales of products acquired in the Hardy Acquisition as well as increases in imported beer sales, U.K. wholesale sales, spirits sales and a favorable foreign currency impact. Operating income increased 11.6% over the comparable prior year period as the net sales growth and related gross profit growth were partially offset by (i) an increase in unusual costs as a result of the redemption of the Company's Senior Subordinated Notes and (ii) increased selling and advertising expenses, as the Company continues to invest dollars behind the imported beer portfolio and certain wine brands to drive growth and broader distribution. Lastly, as a result of the above factors and lower interest expense for First Quarter 2005, net income increased 31.0% over the comparable prior year period.

INTRODUCTION
- ------------

The Company is a leading international producer and marketer of beverage alcohol brands with a broad portfolio across the wine, spirits and imported beer categories. The Company has the largest wine business in the world and is the largest multi-category supplier of beverage alcohol in the United States; a leading producer and exporter of wine from Australia and New Zealand; and both a major producer and independent drinks wholesaler in the United Kingdom.

The Company reports its operating results in three segments: Constellation Wines (branded wine, and U.K. wholesale and other), Constellation Beers and Spirits (imported beer and distilled spirits) and Corporate Operations and Other (primarily corporate related items and other). Amounts included in the Corporate Operations and Other segment consist of general corporate administration and finance expenses. These amounts include costs of executive management, investor relations, internal audit, treasury, tax, corporate development, legal, financial reporting, professional fees and public relations. Any costs incurred at the corporate office that are applicable to the segments are allocated to the appropriate segment. The amounts included in the Corporate Operations and Other segment are general costs that are applicable to the consolidated group and are therefore not allocated to the other reportable segments. All costs reported within the Corporate Operations and Other segment are not included in the chief operating decision maker's evaluation of the operating income performance of the other operating segments. The business segments reflect how the Company's operations are being managed, how operating performance within the Company is being evaluated by senior management and the structure of its internal financial reporting. In addition, the Company excludes restructuring and related charges and unusual costs that affect comparability from its definition of operating income for segment purposes.

The following discussion and analysis summarizes the significant factors affecting (i) consolidated results of operations of the Company for the three months ended May 31, 2004 ("First Quarter 2005"), compared to the three months ended May 31, 2003 ("First Quarter 2004"), and (ii) financial liquidity and capital resources for First Quarter 2005. This discussion and analysis also identifies certain restructuring and related charges expected to affect consolidated results of operations of the Company for the year ending February 28, 2005 ("Fiscal 2005"). This discussion and analysis should be read in conjunction with the Company's consolidated financial statements and notes thereto included herein and in the Company's Annual Report on Form 10-K for the fiscal year ended February 29, 2004 ("Fiscal 2004").

ACQUISITION IN FISCAL 2004

ACQUISITION OF HARDY

On March 27, 2003, the Company acquired control of BRL Hardy Limited, now known as Hardy Wine Company Limited ("Hardy"), and on April 9, 2003, the Company completed its acquisition of all of Hardy's outstanding capital stock. As a result of the acquisition of Hardy, the Company also acquired the remaining 50% ownership of Pacific Wine Partners LLC ("PWP"), the joint venture the Company established with Hardy in July 2001. The acquisition of Hardy along with the remaining interest in PWP is referred to together as the "Hardy Acquisition." Through this acquisition, the Company acquired Australia's largest wine producer with interests in wineries and vineyards in most of Australia's major wine regions as well as New Zealand and the United States. Hardy has a comprehensive portfolio of wine products across all price points with a strong focus on premium wine production. Hardy's wines are distributed worldwide through a network of marketing and sales operations, with the majority of sales generated in Australia, the United Kingdom and the United States.

Total consideration paid in cash and Class A Common Stock to the Hardy shareholders was $1,137.4 million. Additionally, the Company recorded direct acquisition costs of $17.4 million. The acquisition date for accounting purposes is March 27, 2003. The Company has recorded a $1.6 million reduction in the purchase price to reflect imputed interest between the accounting acquisition date and the final payment of consideration. This charge is included as interest expense in the Consolidated Statement of Income for the three months ended May 31, 2003. The cash portion of the purchase price paid to the Hardy shareholders and optionholders ($1,060.2 million) was financed with $660.2 million of borrowings under the Company's March 2003 Credit Agreement (as defined below) and $400.0 million of borrowings under the Company's then existing bridge loan agreement. Additionally, the Company issued 3,288,913 shares of the Company's Class A Common Stock, which were valued at $77.2 million based on the simple average of the closing market price of the Company's Class A Common Stock beginning two days before and ending two days after April 4, 2003, the day the Hardy shareholders elected the form of consideration they wished to receive. The purchase price was based primarily on a discounted cash flow analysis that contemplated, among other things, the value of a broader geographic distribution in strategic international markets and a presence in the important Australian winemaking regions. The Company and Hardy have complementary businesses that share a common growth orientation and operating philosophy. The Hardy Acquisition supports the Company's strategy of growth and breadth across categories and geographies, and strengthens its competitive position in its core markets. The purchase price and resulting goodwill were primarily based on the growth opportunities of the brand portfolio of Hardy. In particular, the Company believes there are growth opportunities for Australian wines in the United Kingdom, United States and other wine markets. This acquisition supports the Company's strategy of driving long-term growth and positions the Company to capitalize on the growth opportunities in "new world" wine markets.

The results of operations of Hardy and PWP have been reported in the Company's Constellation Wines segment since March 27, 2003. Accordingly, the Company's results of operations for First Quarter 2005 include the results of operations of Hardy and PWP for the entire period, whereas the results of operations for First Quarter 2004 only include the results of operations of Hardy and PWP from March 27, 2003, to the end of First Quarter 2004.

RESULTS OF OPERATIONS

FIRST QUARTER 2005 COMPARED TO FIRST QUARTER 2004

NET SALES

The following table sets forth the net sales (in thousands of dollars) by operating segment of the Company for First Quarter 2005 and First Quarter 2004.

<TABLE>
<CAPTION>

	First Quarter 2005 Compared to First Quarter 2004		
	Net Sales		
	2005	2004	%Increase
<S>	<C>	<C>	<C>
Constellation Wines:			
Branded wine	$ 363,883	$ 310,480	17.2%
Wholesale and other	247,235	184,853	33.7%
Constellation Wines net sales	$ 611,118	$ 495,333	23.4%
Constellation Beers and Spirits:			
Imported beers	$ 236,896	$ 207,264	14.3%
Spirits	79,291	70,205	12.9%
Constellation Beers and Spirits net sales	$ 316,187	$ 277,469	14.0%
Corporate Operations and Other	$ -	$ -	N/A
Consolidated Net Sales	$ 927,305	$ 772,802	20.0%

</TABLE>

Net sales for First Quarter 2005 increased to $927.3 million from $772.8 million for First Quarter 2004, an increase of $154.5 million, or 20.0%. This increase resulted primarily from the inclusion of $48.9 million of net sales of products acquired in the Hardy Acquisition as well as increases in imported beer sales of $29.6 million, U.K. wholesale sales of $26.5 million (on a local currency basis) and spirits sales of $9.1 million. In addition, net sales benefited from a favorable foreign currency impact of $42.1 million.

Constellation Wines

Net sales for Constellation Wines increased to $611.1 million for First Quarter 2005 from $495.3 million in First Quarter 2004, an increase of $115.8 million, or 23.4%. Branded wine net sales increased

$53.4 million. This increase resulted primarily from an additional one month of sales of $45.7 million of branded wines acquired in the Hardy Acquisition, completed in March 2003, and a favorable foreign currency impact of $14.3 million. Wholesale and other net sales increased $62.4 million primarily due to growth in the U.K. wholesale business of $26.5 million (on a local currency basis) and a favorable foreign currency impact of $27.7 million. The net sales increase in the U.K. wholesale business on a local currency basis is primarily due to the addition of new national accounts and increased sales in existing accounts during First Quarter 2005. The Company continues to face competitive discounting within select markets and geographies driven in part by excess grape supplies. The Company believes that the grape supply/demand cycle should come into balance over the next couple of years. The Company has taken a strategy of preserving the long-term brand equity of its portfolio and investing its marketing dollars in the higher growth sectors of the wine business.

Constellation Beers and Spirits

Net sales for Constellation Beers and Spirits increased to $316.2 million for First Quarter 2005 from $277.5 million for First Quarter 2004, an increase of $38.7 million, or 14.0%. This increase resulted from both pricing and volume gains on the Company's imported beer portfolio, which increased $29.6 million, as well as an increase in spirits net sales of $9.1 million. The pricing gains are due to the price increase on the Company's Mexican beer portfolio that was introduced in January 2004. The Company believes the volume gains for First Quarter 2005 were attributable to several factors, including (i) good acceptance by beer retailers of the price increase; (ii) the inclusion of Corona in special product promotions by certain grocery stores in California, the purpose of which were to attract customers back to those stores following the end of strikes; and (iii) increased advertising and selling expenses behind the Mexican beer portfolio. The growth in spirits net sales is attributable to increases in both the Company's branded sales as well as contract production sales.

The Company's imported beer volume was better than expected for First Quarter 2005. The Company expects net sales growth for imported beer for Fiscal 2005 to be in the mid to high single digits despite difficult volume comparisons for the third and fourth quarters of Fiscal 2005. The difficult volume comparisons are primarily due to the timing of the price increase which resulted in strong wholesaler and retailer demand in the third and fourth quarters of Fiscal 2004.

GROSS PROFIT

The Company's gross profit increased to $250.5 million for First Quarter 2005 from $209.1 million for First Quarter 2004, an increase of $41.4 million, or 19.8%. The Constellation Wines segment's gross profit increased $24.1 million primarily due to the additional one month of sales of branded wines acquired in the Hardy Acquisition plus a favorable foreign currency impact. The Constellation Beers and Spirits segment's gross profit increased $13.1 million primarily due to the price increase and volume growth in the segment's imported beer portfolio. In addition, unusual costs, which consist of certain costs that are excluded by management in their evaluation of the results of each operating segment, were lower by $4.2 million in First Quarter 2005 versus First Quarter 2004. This decrease resulted from reduced flow through of inventory step-up associated with the Hardy Acquisition. Gross profit as a percent of net sales decreased slightly to 27.0% for First Quarter 2005 from 27.1% for First Quarter 2004 as increased gross margins in the Constellation Beers and Spirits segment, driven primarily by increased sales of higher margin imported beer brands and reduced flow through of inventory step-up were more than offset by increased sales of lower margin U.K. wholesale products.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses increased to $138.4 million for First Quarter 2005 from $107.8 million for First Quarter 2004, an increase of $30.6 million, or 28.4%. The Constellation Wines segment's selling, general and administrative expenses increased $17.4 million primarily due to

the additional one month of selling, general and administrative expenses from the Hardy and PWP businesses, plus increased selling and advertising expenses as the Company continues to invest dollars behind specific wine brands to drive broader distribution. The Constellation Beers and Spirits segment's selling, general and administrative expenses increased $5.1 million due to increased advertising and general and administrative expenses to support the growth across this segment's businesses. The Corporate Operations and Other segment's selling, general and administrative expenses increased $1.8 million primarily due to increased general and administrative expenses to support the Company's growth. Lastly, there was an increase of $6.3 million of net unusual costs which consist of certain items that are excluded by management in their evaluation of the results of each operating segment. This increase consists of $10.3 million of financing costs recorded in First Quarter 2005 related to the Company's redemption of its Senior Subordinated Notes (as defined below) offset by $4.0 million of financing costs recorded in First Quarter 2004 in connection with the Hardy Acquisition. Selling, general and administrative expenses as a percent of net sales increased to 14.9% for First Quarter 2005 as compared to 13.9% for First Quarter 2004 primarily due to the increase in unusual costs as a result of the redemption of the Company's Senior Subordinated Notes and increased advertising and selling expenses discussed above.

RESTRUCTURING AND RELATED CHARGES

The Company recorded $1.6 million of restructuring and related charges for First Quarter 2005 associated with the restructuring plan of the Constellation Wines segment. Restructuring and related charges resulted from further realignment of business operations as previously announced in Fiscal 2004, and included $1.2 million of employee termination benefit costs, $0.3 million of facility consolidation and relocation costs, and other related charges of $0.1 million. The Company recorded $2.3 million of restructuring and related charges for First Quarter 2004 associated with the restructuring plan of the Constellation Wines segment.

For Fiscal 2005, the Company expects to incur total restructuring and related charges of $11.8 million associated with the restructuring plan of the Constellation Wines segment. These charges are expected to consist of $7.4 million related to the further realignment of business operations in the Constellation Wines segment and $4.4 million related to renegotiating existing grape contracts as a result of both exiting the commodity concentrate product line and selling the Escalon facility in Fiscal 2004.

OPERATING INCOME

The following table sets forth the operating income (loss) (in thousands of dollars) by operating segment of the Company for First Quarter 2005 and First Quarter 2004.

<TABLE>
<CAPTION>

	First Quarter 2005 Compared to First Quarter 2004		
	Operating Income (Loss)		
	2005	2004	%Increase
<S>	<C>	<C>	<C>
Constellation Wines	$ 67,659	$ 61,023	10.9%
Constellation Beers and Spirits	67,852	59,883	13.3%
Corporate Operations and Other	(11,869)	(10,071)	17.9%
Total Reportable Segments	123,642	110,835	11.6%
Restructuring and Related Charges and Unusual Costs	(13,221)	(11,868)	11.4%
Consolidated Operating Income	$ 110,421	$ 98,967	11.6%

</TABLE>

Restructuring and related charges and unusual costs of $13.2 million for First Quarter 2005 consist of certain costs that are excluded by management in their evaluation of the results of each operating segment. These costs represent the flow through of inventory step-up associated with the Hardy Acquisition of $1.3 million, financing costs associated with the redemption of the Company's Senior Subordinated Notes of $10.3 million, and restructuring and related charges associated with the

Company's realignment of its business operations in the wine segment of $1.6 million. Restructuring and related charges and unusual costs of $11.9 million for First Quarter 2004 represent the flow through of inventory step-up and the amortization of deferred financing costs associated with the Hardy Acquisition of $5.5 million and $4.0 million, respectively, and restructuring and related charges associated with the Company's realignment of its business operations in the wine segment of $2.3 million. As a result of these costs and the factors discussed above, consolidated operating income increased to $110.4 million for First Quarter 2005 from $99.0 million for First Quarter 2004, an increase of $11.5 million, or 11.6%.

INTEREST EXPENSE, NET

Interest expense, net of interest income of $0.5 million and $1.1 million for First Quarter 2005 and First Quarter 2004, respectively, decreased to $30.3 million for First Quarter 2005 from $39.2 million for First Quarter 2004, a decrease of $9.0 million, or (22.8%). The decrease resulted from lower average borrowings in First Quarter 2005 as well as slightly lower average borrowing rates. The reduction in debt resulted from the use of proceeds from the July 2003 Equity Offerings to pay down debt incurred to partially finance the Hardy Acquisition, and the reduced average borrowing rates were attributed in part to the replacement of $200.0 million of higher fixed rate subordinated note debt with lower variable rate revolver debt.

PROVISION FOR INCOME TAXES

The Company's effective tax rate remained the same at 36.0% for First Quarter 2005 and First Quarter 2004.

NET INCOME

As a result of the above factors, net income increased to $51.3 million for First Quarter 2005 from $39.2 million for First Quarter 2004, an increase of $12.1 million, or 31.0%.

FINANCIAL LIQUIDITY AND CAPITAL RESOURCES

GENERAL

The Company's principal use of cash in its operating activities is for purchasing and carrying inventories and carrying seasonal accounts receivable. The Company's primary source of liquidity has historically been cash flow from operations, except during annual grape harvests when the Company has relied on short-term borrowings. In the United States, the annual grape crush normally begins in August and runs through October. In Australia, the annual grape crush normally begins in February and runs through May. The Company generally begins taking delivery of grapes at the beginning of the crush season with payments for such grapes beginning to come due one month later. The Company's short-term borrowings to support such purchases generally reach their highest levels one to two months after the crush season has ended. Historically, the Company has used cash flow from operating activities to repay its short-term borrowings and fund capital expenditures. The Company will continue to use its short-term borrowings to support its working capital requirements. The Company believes that cash provided by operating activities and its financing activities, primarily short-term borrowings, will provide adequate resources to satisfy its working capital, scheduled principal and interest payments on debt, preferred dividend payment requirements, and anticipated capital expenditure requirements for both its short-term and long-term capital needs.

FIRST QUARTER 2005 CASH FLOWS

OPERATING ACTIVITIES

Net cash used in operating activities for First Quarter 2005 was $46.5 million, which resulted from $51.3 million of net income, plus $33.0 million of net noncash items charged to the Consolidated Statement of Income, less $130.8 million representing the net change in the Company's operating assets and liabilities. The net noncash items consisted primarily of depreciation of property, plant and equipment and deferred tax provision. The net change in operating assets and liabilities resulted primarily from seasonal increases in inventories (primarily due to the Australian grape harvest) and accounts receivable, and decreases in income taxes payable and accrued salaries, partially offset by a seasonal increase in accounts payable.

INVESTING ACTIVITIES

Net cash used in investing activities for First Quarter 2005 was $23.0 million, which resulted primarily from $22.1 million of capital expenditures.

FINANCING ACTIVITIES

Net cash provided by financing activities for First Quarter 2005 was $52.1 million resulting primarily from net proceeds of $265.9 million from notes payable partially offset by principal payments of long-term debt of $217.2 million.

During June 1998, the Company's Board of Directors authorized the repurchase of up to $100.0 million of its Class A Common Stock and Class B Common Stock. The repurchase of shares of common stock will be accomplished, from time to time, in management's discretion and depending upon market conditions, through open market or privately negotiated transactions. The Company may finance such repurchases through cash generated from operations or through the senior credit facility. The repurchased shares will become treasury shares. As of July 12, 2004, the Company had purchased 4,075,344 shares of Class A Common Stock at an aggregate cost of $44.9 million, or at an average cost of $11.01 per share. No shares were repurchased during First Quarter 2005.

DEBT

Total debt outstanding as of May 31, 2004, amounted to $2,088.6 million, an increase of $40.7 million from February 29, 2004. The ratio of total debt to total capitalization increased to 47.5% as of May 31, 2004, from 46.3% as of February 29, 2004. This increase is due primarily to lower total capitalization as a result of movements in foreign currency exchange rates.

SENIOR CREDIT FACILITY

In connection with the Hardy Acquisition, on January 16, 2003, the Company, certain subsidiaries of the Company, JPMorgan Chase Bank, as a lender and administrative agent (the "Administrative Agent"), and certain other lenders entered into a new credit agreement (as subsequently amended and restated as of March 19, 2003, the "March 2003 Credit Agreement"). In October 2003, the Company entered into a Second Amended and Restated Credit Agreement (the "October Credit Agreement") that (i) refinanced the then outstanding principal balance under the Tranche B Term Loan facility on essentially the same terms as the Tranche B Term Loan facility under the March 2003 Credit Agreement, but at a lower Applicable Rate (as such term is defined in the October Credit Agreement) and (ii) otherwise restated the terms of the March 2003 Credit Agreement, as amended. The October Credit Agreement was further amended during February 2004 (the "Credit Agreement"). The March 2003 Credit Agreement provided for aggregate credit facilities of $1.6 billion consisting of a $400.0 million

Tranche A Term Loan facility due in February 2008, an $800.0 million Tranche B Term Loan facility due in November 2008 and a $400.0 million Revolving Credit facility (including an Australian Dollar revolving sub-facility of up to A$10.0 million and a sub-facility for letters of credit of up to $40.0 million) which expires on February 29, 2008. Proceeds of the March 2003 Credit Agreement were used to pay off the Company's obligations under its prior senior credit facility, to fund a portion of the cash required to pay the former Hardy shareholders and to pay indebtedness outstanding under certain of Hardy's credit facilities. The Company uses the remaining availability under the Credit Agreement to fund its working capital needs on an on-going basis.

The Tranche A Term Loan facility and the Tranche B Term Loan facility were fully drawn on March 27, 2003. As of May 31, 2004, the Company has made $55.0 million of scheduled and required payments on the Tranche A Term Loan facility, including $15.0 million during First Quarter 2005. In August 2003, the Company paid $100.0 million of the Tranche B Term Loan facility. In October 2003, the Company paid an additional $200.0 million of the Tranche B Term Loan facility. As of May 31, 2004, the required repayments of the Tranche A Term Loan and the Tranche B Term Loan are as follows:

<TABLE>
<CAPTION>

(in thousands)	Tranche A Term Loan	Tranche B Term Loan	Total
<S>	<C>	<C>	<C>
2005	$ 45,000	$ -	$ 45,000
2006	80,000	54,420	134,420
2007	100,000	54,420	154,420
2008	120,000	119,048	239,048
2009	-	272,112	272,112
	$ 345,000	$ 500,000	$ 845,000

</TABLE>

The rate of interest payable, at the Company's option, is a function of LIBOR plus a margin, the federal funds rate plus a margin, or the prime rate plus a margin. The margin is adjustable based upon the Company's Debt Ratio (as defined in the Credit Agreement) and, with respect to LIBOR borrowings, ranges between 1.50% and 2.50%. As of May 31, 2004, the LIBOR margin for the Revolving Credit facility and the Tranche A Term Loan facility is 1.75%, while the LIBOR margin on the Tranche B Term Loan facility is 2.00%.

The Company's obligations are guaranteed by certain subsidiaries of the Company ("Guarantors") and the Company is obligated to pledge collateral of (i) 100% of the capital stock of all of the Company's U.S. subsidiaries and certain foreign subsidiaries and (ii) 65% of the voting capital stock of certain other foreign subsidiaries of the Company.

The Company and its subsidiaries are subject to customary lending covenants including those restricting additional liens, the incurrence of additional indebtedness (including guarantees of indebtedness), the sale of assets, the payment of dividends, transactions with affiliates and the making of certain investments, in each case subject to baskets, exceptions and/or thresholds. The primary financial covenants require the maintenance of a debt coverage ratio, a senior debt coverage ratio, a fixed charge ratio and an interest coverage ratio. As of May 31, 2004, the Company is in compliance with all of its covenants under its Credit Agreement.

As of May 31, 2004, under the Credit Agreement, the Company had outstanding Tranche A Term Loans of $345.0 million bearing a weighted average interest rate of 2.9%, Tranche B Term Loans of $500.0 million bearing a weighted average interest rate of 3.2%, $235.0 million of revolving loans bearing a weighted average interest rate of 2.9%, undrawn revolving letters of credit of $18.4 million, and $146.7 million in revolving loans available to be drawn.

SUBSIDIARY FACILITIES

The Company has additional line of credit facilities totaling $101.9 million as of May 31, 2004. These lines support the borrowing needs of certain of the Company's foreign subsidiary operations. Interest rates and other terms of these borrowings vary from country to country, depending on local market conditions. As of May 31, 2004, amounts outstanding under the subsidiary revolving credit facilities were $8.4 million.

SENIOR NOTES

As of May 31, 2004, the Company had outstanding $200.0 million aggregate principal amount of 8 5/8% Senior Notes due August 2006 (the "Senior Notes"). The Senior Notes are currently redeemable, in whole or in part, at the option of the Company.

As of May 31, 2004, the Company had outstanding (pound) 1.0 million ($1.8 million) aggregate principal amount of 8 1/2% Series B Senior Notes due November 2009 (the "Sterling Series B Senior Notes"). In addition, as of May 31, 2004, the Company had outstanding (pound) 154.0 million ($281.7 million, net of $0.5 million unamortized discount) aggregate principal amount of 8 1/2% Series C Senior Notes due November 2009 (the "Sterling Series C Senior Notes"). The Sterling Series B Senior Notes and Sterling Series C Senior Notes are currently redeemable, in whole or in part, at the option of the Company.

Also, as of May 31, 2004, the Company had outstanding $200.0 million aggregate principal amount of 8% Senior Notes due February 2008 (the "February 2001 Senior Notes"). The February 2001 Senior Notes are currently redeemable, in whole or in part, at the option of the Company.

SENIOR SUBORDINATED NOTES

On March 4, 1999, the Company issued $200.0 million aggregate principal amount of 8 1/2% Senior Subordinated Notes due March 2009 ("Senior Subordinated Notes"). The Senior Subordinated Notes were redeemable at the option of the Company, in whole or in part, at any time on or after March 1, 2004. On February 10, 2004, the Company issued a Notice of Redemption for its Senior Subordinated Notes. The Senior Subordinated Notes were redeemed with proceeds from the Revolving Credit facility on March 11, 2004, at 104.25% of par plus accrued interest. During First Quarter 2005, in connection with this redemption, the Company recorded a charge of $10.3 million in selling, general and administrative expenses for the call premium and the remaining unamortized financing fees associated with the original issuance of the Senior Subordinated Notes.

As of May 31, 2004, the Company had outstanding $250.0 million aggregate principal amount of 8 1/8% Senior Subordinated Notes due January 2012 (the "January 2002 Senior Subordinated Notes"). The January 2002 Senior Subordinated Notes are redeemable at the option of the Company, in whole or in part, at any time on or after January 15, 2007. The Company may also redeem up to 35% of the January 2002 Senior Subordinated Notes using the proceeds of certain equity offerings completed before January 15, 2005.

GUARANTEES

A foreign subsidiary of the Company has guaranteed debt of a joint venture in the maximum amount of $3.9 million as of May 31, 2004. The liability for this guarantee is not material and the Company does not have any collateral from this entity.

ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED

In December 2003, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 132 (revised 2003) ("SFAS No. 132(R)"), "Employers' Disclosures about Pensions and Other Postretirement Benefits--an amendment of FASB Statements No. 87, 88, and 106." SFAS No. 132(R) supersedes Statement of Financial Accounting Standards No. 132 ("SFAS No. 132"), by revising employers' disclosures about pension plans and other postretirement benefit plans. SFAS No. 132(R) requires additional disclosures to those in SFAS No. 132 regarding the assets, obligations, cash flows, and net periodic benefit cost of defined benefit pension plans and other defined benefit postretirement plans. SFAS No. 132(R) also amends Accounting Principles Board Opinion No. 28 ("APB Opinion No. 28"), "Interim Financial Reporting," to require additional disclosures for interim periods. The Company has adopted certain of the annual disclosure provisions of SFAS No. 132(R), primarily those related to its U.S. postretirement plan, for the fiscal year ended February 29, 2004. In addition, the Company has adopted the interim disclosure provisions of SFAS No. 132(R) for the three months ended May 31, 2004. The Company is required to adopt the remaining annual disclosure provisions, primarily those related to its foreign plans, for the fiscal year ending February 28, 2005.

In March 2004, the Financial Accounting Standards Board issued a proposed statement, "Share-Based Payment, an amendment of FASB Statements No. 123 and 95." The objective of the proposed statement is to require recognition in an entity's financial statements of the cost of employee services received in exchange for equity instruments issued, and liabilities incurred, to employees in share-based payment (or compensation) transactions based on the fair value of the instruments at the grant date. The proposed statement would eliminate the alternative of continuing to account for share-based payment arrangements with employees under APB No. 25 and require that the compensation cost resulting from all share-based payment transactions be recognized in an entity's financial statements. If adopted in its current form, the proposed statement would be effective for awards that are granted, modified, or settled in fiscal years beginning after December 15, 2004. Also, if adopted in its current form, the proposed statement could result in a significant charge to the Company's Consolidated Statement of Income for the fiscal year ending February 28, 2006.

In March 2004, the Emerging Issues Task Force ("EITF") ratified the consensuses reached in EITF Issue No. 03-6 ("EITF No. 03-6"), "Participating Securities and the Two-Class Method under FASB Statement No. 128." EITF No. 03-6 clarifies what is meant by a "participating security," provides guidance on applying the two-class method for computing earnings per share, and requires affected companies to retroactively restate earnings per share amounts presented. The Company is required to adopt EITF No. 03-6 for reporting periods beginning June 1, 2004. The Company is currently assessing the financial impact of EITF No. 03-6 on its basic earnings per share.

INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's control, that could cause actual results to differ materially from those set forth in, or implied by, such forward-looking statements. All statements other than statements of historical facts included in this Quarterly Report on Form 10-Q, including statements regarding the Company's future financial position and prospects, are forward-looking statements. All forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In addition to the risks and uncertainties of ordinary business operations, the forward-looking statements of the Company contained in this Form 10-Q are also subject to the following risks and uncertainties: the Company achieving certain sales projections and meeting certain cost targets; wholesalers and retailers may give higher priority to products of the Company's competitors; raw material

supply, production or shipment difficulties could adversely affect the Company's ability to supply its customers; increased competitive activities in the form of pricing, advertising and promotions could adversely impact consumer demand for the Company's products and/or result in higher than expected selling, general and administrative expenses; a general decline in alcohol consumption; increases in excise and other taxes on beverage alcohol products; and changes in foreign currency exchange rates. For additional information about risks and uncertainties that could adversely affect the Company's forward-looking statements, please refer to the Company's Annual Report on Form 10-K for the fiscal year ended February 29, 2004.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company, as a result of its global operating and financing activities, is exposed to market risk associated with changes in interest rates and foreign currency exchange rates. To manage the volatility relating to these risks, the Company periodically enters into derivative transactions including foreign currency exchange contracts and interest rate swap agreements. The Company uses derivative instruments solely to reduce the financial impact of these risks and does not use derivative instruments for trading purposes.

Foreign currency forward contracts and foreign currency options are used to hedge existing foreign currency denominated assets and liabilities, forecasted foreign currency denominated sales both to third parties as well as intercompany sales, and intercompany principal and interest payments. As of May 31, 2004, the Company had exposures to foreign currency risk primarily related to the Australian Dollar, Euro, New Zealand Dollar, British Pound Sterling, Canadian Dollar and Mexican Peso.

As of May 31, 2004, and May 31, 2003, the Company had outstanding derivative contracts with a notional value of $705.2 million and $601.1 million, respectively. Using a sensitivity analysis based on estimated fair value of open contracts using forward rates, if the U.S. dollar had been 10% weaker as of

May 31, 2004, and May 31, 2003, the fair value of open foreign exchange contracts would have been increased by $4.0 million and $3.2 million, respectively. Losses or gains from the revaluation or settlement of the related underlying positions would substantially offset such gains or losses.

The fair value of fixed rate debt is subject to interest rate risk. The fair value of fixed rate debt will increase as interest rates fall and decrease as interest rates rise. The estimated fair value of the Company's total fixed rate debt, including current maturities, was $1,001.6 million and $1,097.6 million as of May 31, 2004, and May 31, 2003, respectively. A hypothetical 1% increase from prevailing interest rates as of May 31, 2004, and May 31, 2003, would have resulted in a decrease in fair value of fixed interest rate long-term debt by $39.2 million and $51.0 million, respectively.

In addition to the $1.0 billion fair value of fixed rate debt outstanding, the Company also had variable rate debt outstanding (primarily LIBOR based) as of May 31, 2004, and May 31, 2003, of $1,080.0 million and $1,615.0 million, respectively. Using a sensitivity analysis based on a hypothetical 1% increase in prevailing interest rates at May 31, 2004, and May 31, 2003, would result in an approximate increase in cash required for interest of $9.5 million and $8.7 million, respectively.

The Company has on occasion entered into interest rate swap agreements to reduce its exposure to interest rate changes relative to its variable rate debt. As of May 31, 2004, and May 31, 2003, the Company had no interest rate swap agreements outstanding.

ITEM 4. CONTROLS AND PROCEDURES

The Company's Chief Executive Officer and its Chief Financial Officer have concluded, based on their evaluation as of the end of the period covered by this report, that the Company's "disclosure controls and procedures" (as defined in the Securities Exchange Act of 1934 Rules 13a-15(e) and 15d-15(e)) are effective to ensure that information required to be disclosed in the reports that the Company files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. In connection with that evaluation, no changes were identified in the Company's "internal control over financial reporting" (as defined in the Securities Exchange Act of 1934 Rules 13a-15(f) and 15d-15(f)) that occurred during the Company's fiscal quarter ended May 31, 2004 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) The following Exhibits are furnished as part of this Form 10-Q:

Exhibit Number	Description
(2)	PLAN OF ACQUISITION, REORGANIZATION, ARRANGEMENT, LIQUIDATION OR SUCCESSION.
2.1	Implementation Deed dated 17 January 2003 between Constellation Brands, Inc. and BRL Hardy Limited.
2.2	Transaction Compensation Agreement dated 17 January 2003 between Constellation Brands, Inc. and BRL Hardy Limited.
2.3	No Solicitation Agreement dated 13 January 2003 between Constellation Brands, Inc. and BRL Hardy Limited.
2.4	Backstop Fee Agreement dated 13 January 2003 between Constellation Brands, Inc. and BRL Hardy Limited.
2.5	Letter Agreement dated 6 February 2003 between Constellation Brands, Inc. and BRL Hardy Limited.
(3)	ARTICLES OF INCORORATION AND BY-LAWS.
3.1	Restated Certificate of Incorporation of the Company.
3.2	Certificate of Designations of 5.75% Series A Mandatory Convertible Preferred Stock of the Company.
3.3	By-Laws of the Company.
(4)	INSTRUMENTS DEFINING THE RIGHTS OF SECURITY HOLDERS, INCLUDING INDENTURES.

4.1 Indenture, dated as of February 25, 1999, among the Company, as issuer, certain principal subsidiaries, as Guarantors, and BNY Midwest Trust Company (successor Trustee to Harris Trust and Savings Bank), as Trustee.

4.2 Supplemental Indenture No. 1, with respect to 8 1/2% Senior Subordinated Notes due 2009, dated as of February 25, 1999, by and among the Company, as Issuer, certain principal subsidiaries, as Guarantors, and BNY Midwest Trust Company (successor Trustee to Harris Trust and Savings Bank), as Trustee.

4.3 Supplemental Indenture No. 2, with respect to 8 5/8% Senior Notes due 2006, dated as of August 4, 1999, by and among the Company, as Issuer, certain principal subsidiaries, as Guarantors, and BNY Midwest Trust Company (successor Trustee to Harris Trust and Savings Bank), as Trustee.

4.4 Supplemental Indenture No. 3, dated as of August 6, 1999, by and among the Company, Canandaigua B.V., Barton Canada, Ltd., Simi Winery, Inc., Franciscan Vineyards, Inc., Allberry, Inc., M.J. Lewis Corp., Cloud Peak Corporation, Mt. Veeder Corporation, SCV-EPI Vineyards, Inc., and BNY Midwest Trust Company (successor Trustee to Harris Trust and Savings Bank), as Trustee.

4.5 Supplemental Indenture No. 4, with respect to 8 1/2% Senior Notes due 2009, dated as of May 15, 2000, by and among the Company, as Issuer, certain principal subsidiaries, as Guarantors, and BNY Midwest Trust Company (successor Trustee to Harris Trust and Savings Bank), as Trustee.

4.6 Supplemental Indenture No. 5, dated as of September 14, 2000, by and among the Company, as Issuer, certain principal subsidiaries, as Guarantors, and BNY Midwest Trust Company (successor Trustee to The Bank of New York), as Trustee.

4.7 Supplemental Indenture No. 6, dated as of August 21, 2001, among the Company, Ravenswood Winery, Inc. and BNY Midwest Trust Company (successor trustee to Harris Trust and Savings Bank and The Bank of New York, as applicable), as Trustee.

4.8 Supplemental Indenture No. 7, dated as of January 23, 2002, by and among the Company, as Issuer, certain principal subsidiaries, as Guarantors, and BNY Midwest Trust Company, as Trustee.

4.9 Supplemental Indenture No. 8, dated as of March 27, 2003, by and among the Company, CBI Australia Holdings Pty Limited (ACN 103 359 299), Constellation Australia Pty Limited (ACN 103 362 232) and BNY Midwest Trust Company, as Trustee.

4.10 Indenture, with respect to 8 1/2% Senior Notes due 2009, dated as of November 17, 1999, among the Company, as Issuer, certain principal subsidiaries, as Guarantors, and BNY Midwest Trust Company (successor to Harris Trust and Savings Bank), as Trustee.

4.11 Supplemental Indenture No. 1, dated as of August 21, 2001, among the Company, Ravenswood Winery, Inc. and BNY Midwest Trust Company (successor to Harris Trust and Savings Bank), as Trustee.

4.12 Supplemental Indenture No. 2, dated as of March 27, 2003, among the Company, CBI Australia Holdings Pty Limited (ACN 103 359 299), Constellation Australia Pty Limited (ACN 103 362 232) and BNY Midwest Trust Company (successor to Harris Trust and Savings Bank), as Trustee.

4.13 Indenture, with respect to 8% Senior Notes due 2008, dated as of February 21, 2001, by and among the Company, as Issuer, certain principal subsidiaries, as Guarantors and BNY Midwest Trust Company, as Trustee.

4.14 Supplemental Indenture No. 1, dated as of August 21, 2001, among the Company, Ravenswood Winery, Inc. and BNY Midwest Trust Company, as Trustee.

4.15 Supplemental Indenture No. 2, dated as of March 27, 2003, among the Company, CBI Australia Holdings Pty Limited (ACN 103 359 299), Constellation Australia Pty Limited (ACN 103 362 232) and BNY Midwest Trust Company, as Trustee.

4.16 Amended and Restated Credit Agreement, dated as of March 19, 2003, among the Company and certain of its subsidiaries, the lenders named therein, JPMorgan Chase Bank, as Administrative Agent, and J.P. Morgan Europe Limited, as London Agent.

4.17 Amendment No. 1 to the Amended and Restated Credit Agreement, dated as of July 18, 2003, among the Company, certain of its subsidiaries, and JPMorgan Chase Bank, as Administrative Agent.

4.18 Second Amended and Restated Credit Agreement, dated as of October 31, 2003, among the Company and certain of its subsidiaries, the lenders named therein, JP Morgan Chase Bank, as Administrative Agent, and J.P. Morgan Europe Limited, as London Agent.

4.19 Amendment No. 1, dated as of February 10, 2004, to the Second Amended and Restated Credit Agreement, dated as of October 31, 2003, among the Company, the Subsidiary Guarantors party thereto, the Lenders party thereto and JPMorgan Chase Bank, as Administrative Agent.

4.20 Amended and Restated Bridge Loan Agreement, dated as of January 16, 2003 and amended and restated as of March 26, 2003, among the Company and certain of its subsidiaries, the lenders named therein, and JPMorgan Chase Bank, as Administrative Agent.

4.21 Certificate of Designations of 5.75% Series A Mandatory Convertible Preferred Stock of the Company.

4.22 Deposit Agreement by and among the Company, Mellon Investor Services LLC and all holders from time to time of Depositary Receipts evidencing Depositary Shares Representing 5.75% Series A Mandatory Convertible Preferred Stock of the Company.

(11) STATEMENT RE COMPUTATION OF PER SHARE EARNINGS.

11.1 Computation of per share earnings.

(31) RULE 13a-14(a)/15d-14(a) CERTIFICATIONS.

31.1 Certificate of Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.

31.2 Certificate of Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.

(32) SECTION 1350 CERTIFICATIONS.

32.1 Certification of Chief Executive Officer pursuant to Section 18 U.S.C. 1350.

32.2 Certification of Chief Financial Officer pursuant to Section 18 U.S.C. 1350.

(b) The following Reports on Form 8-K were filed with the Securities and Exchange Commission during the quarter ended May 31, 2004:

(i) Form 8-K dated April 7, 2004 and filed as of April 7, 2004. This Form 8-K reported information under Items 7, 9 and 12, and included (i) the Company's Condensed Consolidated Balance Sheets as of February 29, 2004 and February 28, 2003; (ii) the Company's Consolidated Statements of Income on a Reported Basis for the three months ended February 29, 2004 and February 28, 2003; (iii) the Company's Consolidated Statements of Income on a Reported Basis for the year ended February 29, 2004 and February 28, 2003; (iv) the Company's Consolidated Statements of Cash Flows for the year ended February 29, 2004 and February 28, 2003; (v) the Company's Reconciliation of Reported and Comparable Historical Information for the three months ended February 29, 2004 and February 28, 2003 and the year ended February 29, 2004 and February 28, 2003; (vi) the Company's Reconciliation of Reported and Pro Forma Net Sales for the three months ended February 29, 2004 and February 28, 2003 and the year ended February 29, 2004 and February 28, 2003; and (vii) the Company's Reconciliation of Reported and Comparable Diluted Earnings Per Share Guidance.*

(ii) Form 8-K dated May 17, 2004 and filed as of May 17, 2004. This Form 8-K reported information under Items 7 and 9.*

*Designates Form 8-K was furnished rather than filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the

Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CONSTELLATION BRANDS, INC.

Dated: July 12, 2004 By:/s/ Thomas F. Howe

Thomas F. Howe, Senior Vice President, Controller

Dated: July 12, 2004 By:/s/ Thomas S. Summer

Thomas S. Summer, Executive Vice President and Chief Financial Officer (principal financial officer and principal accounting officer)

INDEX TO EXHIBITS

(2) PLAN OF ACQUISITION, REORGANIZATION, ARRANGEMENT, LIQUIDATION OR SUCCESSION.

2.1 Implementation Deed dated 17 January 2003 between Constellation Brands, Inc. and BRL Hardy Limited (filed as Exhibit 99.1 to the Company's Current Report on Form 8-K dated January 21, 2003 and incorporated herein by reference).

2.2 Transaction Compensation Agreement dated 17 January 2003 between Constellation Brands, Inc. and BRL Hardy Limited (filed as Exhibit 99.2 to the Company's Current Report on Form 8-K dated January 21, 2003 and incorporated herein by reference).

2.3 No Solicitation Agreement dated 13 January 2003 between Constellation Brands, Inc. and BRL Hardy Limited (filed as Exhibit 99.3 to the Company's Current Report on Form 8-K dated January 21, 2003 and incorporated herein by reference).

2.4 Backstop Fee Agreement dated 13 January 2003 between Constellation Brands, Inc. and BRL Hardy Limited (filed as Exhibit 99.4 to the Company's Current Report on Form 8-K dated January 21, 2003 and incorporated herein by reference).

2.5 Letter Agreement dated 6 February 2003 between Constellation Brands, Inc. and BRL Hardy Limited (filed as Exhibit 2.5 to the Company's Current Report on Form 8-K dated March 27, 2003 and incorporated herein by reference).

(3) ARTICLES OF INCORPORATION AND BY-LAWS.

3.1 Restated Certificate of Incorporation of the Company (filed as Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended August 31, 2002 and incorporated herein by reference).

3.2 Certificate of Designations of 5.75% Series A Mandatory Convertible Preferred Stock of the Company (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K dated July 24, 2003, filed July 30, 2003 and incorporated herein by reference).

3.3 By-Laws of the Company (filed as Exhibit 3.2 to the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended August 31, 2002 and incorporated herein by reference).

(4) INSTRUMENTS DEFINING THE RIGHTS OF SECURITY HOLDERS, INCLUDING INDENTURES.

4.1 Indenture, dated as of February 25, 1999, among the Company, as issuer, certain principal subsidiaries, as Guarantors, and BNY Midwest Trust Company (successor Trustee to Harris Trust and Savings Bank), as Trustee (filed as Exhibit 99.1 to the Company's Current Report on Form 8-K dated February 25, 1999 and incorporated herein by reference).

4.2 Supplemental Indenture No. 1, with respect to 8 1/2% Senior Subordinated Notes due 2009, dated as of February 25, 1999, by and among the Company, as Issuer, certain principal subsidiaries, as Guarantors, and BNY Midwest Trust Company (successor Trustee to Harris Trust and Savings Bank), as Trustee (filed as Exhibit 99.2 to the Company's Current Report on Form 8-K dated February 25, 1999 and incorporated herein by reference).

4.3 Supplemental Indenture No. 2, with respect to 8 5/8% Senior Notes due 2006, dated as of August 4, 1999, by and among the Company, as Issuer, certain principal subsidiaries, as Guarantors, and BNY Midwest Trust

Company (successor Trustee to Harris Trust and Savings Bank), as Trustee

(filed as Exhibit 4.1 to the Company's Current Report on Form 8-K dated July 28, 1999 and incorporated herein by reference).

4.4 Supplemental Indenture No. 3, dated as of August 6, 1999, by and among the Company, Canandaigua B.V., Barton Canada, Ltd., Simi Winery, Inc., Franciscan Vineyards, Inc., Allberry, Inc., M.J. Lewis Corp., Cloud Peak Corporation, Mt. Veeder Corporation, SCV-EPI Vineyards, Inc., and BNY Midwest Trust Company (successor Trustee to Harris Trust and Savings Bank), as Trustee (filed as Exhibit 4.20 to the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended August 31, 1999 and incorporated herein by reference).

4.5 Supplemental Indenture No. 4, with respect to 8 1/2% Senior Notes due 2009, dated as of May 15, 2000, by and among the Company, as Issuer, certain principal subsidiaries, as Guarantors, and BNY Midwest Trust Company (successor Trustee to Harris Trust and Savings Bank), as Trustee (filed as Exhibit 4.17 to the Company's Annual Report on Form 10-K for the fiscal year ended February 29, 2000 and incorporated herein by reference).

4.6 Supplemental Indenture No. 5, dated as of September 14, 2000, by and among the Company, as Issuer, certain principal subsidiaries, as Guarantors, and BNY Midwest Trust Company (successor Trustee to The Bank of New York), as Trustee (filed as Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended August 31, 2000 and incorporated herein by reference).

4.7 Supplemental Indenture No. 6, dated as of August 21, 2001, among the Company, Ravenswood Winery, Inc. and BNY Midwest Trust Company (successor trustee to Harris Trust and Savings Bank and The Bank of New York, as applicable), as Trustee (filed as Exhibit 4.6 to the Company's Registration Statement on Form S-3 (Pre-effective Amendment No. 1) (Registration No. 333-63480) and incorporated herein by reference).

4.8 Supplemental Indenture No. 7, dated as of January 23, 2002, by and among the Company, as Issuer, certain principal subsidiaries, as Guarantors, and BNY Midwest Trust Company, as Trustee (filed as Exhibit 4.2 to the Company's Current Report on Form 8-K dated January 17, 2002 and incorporated herein by reference).

4.9 Supplemental Indenture No. 8, dated as of March 27, 2003, by and among the Company, CBI Australia Holdings Pty Limited (ACN 103 359 299), Constellation Australia Pty Limited (ACN 103 362 232) and BNY Midwest Trust Company, as Trustee (filed as Exhibit 4.9 to the Company's Annual Report on Form 10-K for the fiscal year ended February 28, 2003 and incorporated herein by reference).

4.10 Indenture, with respect to 8 1/2% Senior Notes due 2009, dated as of November 17, 1999, among the Company, as Issuer, certain principal subsidiaries, as Guarantors, and BNY Midwest Trust Company (successor to Harris Trust and Savings Bank), as Trustee (filed as Exhibit 4.1 to the Company's Registration Statement on Form S-4 (Registration No. 333-94369) and incorporated herein by reference).

4.11 Supplemental Indenture No. 1, dated as of August 21, 2001, among the Company, Ravenswood Winery, Inc. and BNY Midwest Trust Company (successor to Harris Trust and Savings Bank), as Trustee (filed as Exhibit 4.4 to the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended August 31, 2001 and incorporated herein by reference).

4.12 Supplemental Indenture No. 2, dated as of March 27, 2003, among the Company, CBI Australia Holdings Pty Limited (ACN 103 359 299), Constellation Australia Pty Limited (ACN 103 362 232) and BNY Midwest Trust Company (successor to Harris Trust and Savings Bank), as Trustee (filed as Exhibit 4.18 to the Company's Annual Report on Form 10-K for the fiscal year ended February 28, 2003 and incorporated herein by reference).

4.13 Indenture, with respect to 8% Senior Notes due 2008, dated as of February 21, 2001, by and among the Company, as Issuer, certain principal subsidiaries, as Guarantors and BNY Midwest Trust Company, as Trustee (filed as Exhibit 4.1 to the Company's Registration Statement filed on Form S-4 (Registration No. 333-60720) and incorporated herein by reference).

4.14 Supplemental Indenture No. 1, dated as of August 21, 2001, among the Company, Ravenswood Winery, Inc. and BNY Midwest Trust Company, as Trustee (filed as Exhibit 4.7 to the Company's Pre-effective Amendment

No. 1 to its Registration Statement on Form S-3 (Registration No. 333-63480) and incorporated herein by reference).

4.15 Supplemental Indenture No. 2, dated as of March 27, 2003, among the Company, CBI Australia Holdings Pty Limited (ACN 103 359 299), Constellation Australia Pty Limited (ACN 103 362 232) and BNY Midwest Trust Company, as Trustee (filed as Exhibit 4.21 to the Company's Annual Report on Form 10-K for the fiscal year ended February 28, 2003 and incorporated herein by reference).

4.16 Amended and Restated Credit Agreement, dated as of March 19, 2003, among the Company and certain of its subsidiaries, the lenders named therein, JPMorgan Chase Bank, as Administrative Agent, and J.P. Morgan Europe Limited, as London Agent (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K dated March 27, 2003 and incorporated herein by reference).

4.17 Amendment No. 1 to the Amended and Restated Credit Agreement, dated as of July 18, 2003, among the Company, certain of its subsidiaries, and JPMorgan Chase Bank, as Administrative Agent (filed as Exhibit 4.17 to the Company's Report on Form 10-Q for the fiscal quarter ended August 31, 2003 and incorporated herein by reference).

4.18 Second Amended and Restated Credit Agreement, dated as of October 31, 2003, among the Company and certain of its subsidiaries, the lenders named therein, JP Morgan Chase Bank, as Administrative Agent, and J.P. Morgan Europe Limited, as London Agent (filed as Exhibit 4.18 to the Company's Report on Form 10-Q for the fiscal quarter ended November 30, 2003 and incorporated herein by reference).

4.19 Amendment No. 1, dated as of February 10, 2004, to the Second Amended and Restated Credit Agreement, dated as of October 31, 2003, among the Company, the Subsidiary Guarantors party thereto, the Lenders party thereto and JPMorgan Chase Bank, as Administrative Agent (filed as Exhibit 4.25 to the Company's Annual Report on Form 10-K for the fiscal year ended February 29, 2004 and incorporated herein by reference).

4.20 Amended and Restated Bridge Loan Agreement, dated as of January 16, 2003 and amended and restated as of March 26, 2003, among the Company and certain of its subsidiaries, the lenders named therein, and JPMorgan Chase Bank, as Administrative Agent (filed as Exhibit 4.2 to the Company's Current Report on Form 8-K dated March 27, 2003 and incorporated herein by reference).

4.21 Certificate of Designations of 5.75% Series A Mandatory Convertible Preferred Stock of the Company (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K dated July 24, 2003, filed July 30, 2003 and incorporated herein by reference).

4.22 Deposit Agreement, dated as of July 30, 2003, by and among the Company, Mellon Investor Services LLC and all holders from time to time of Depositary Receipts evidencing Depositary Shares Representing 5.75% Series A Mandatory Convertible Preferred Stock of the Company (filed as Exhibit 4.2 to the Company's Current Report on Form 8-K dated July 24, 2003, filed July 30, 2003 and incorporated herein by reference).

(10) MATERIAL CONTRACTS.

Not applicable.

(11) STATEMENT RE COMPUTATION OF PER SHARE EARNINGS.

11.1 Computation of per share earnings (filed herewith).

(15) LETTER RE UNAUDITED INTERIM FINANCIAL INFORMATION.

Not applicable.

(18) LETTER RE CHANGE IN ACCOUNTING PRINCIPLES.

Not applicable.

(19) REPORT FURNISHED TO SECURITY HOLDERS.

Not applicable.

(22) PUBLISHED REPORT REGARDING MATTERS SUBMITTED TO A VOTE OF SECURITY HOLDERS.

Not applicable.

(23) CONSENTS OF EXPERTS AND COUNSEL.

Not applicable.

(24) POWER OF ATTORNEY.

Not applicable.

(31) RULE 13a-14(a)/15d-14(a) CERTIFICATIONS.

31.1 Certificate of Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended (filed herewith).

31.2 Certificate of Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended (filed herewith).

(32) SECTION 1350 CERTIFICATIONS.

32.1 Certificate of Chief Executive Officer pursuant to Section 18 U.S.C. 1350 (filed herewith).

32.2 Certificate of Chief Financial Officer pursuant to Section 18 U.S.C. 1350 (filed herewith).

(99) ADDITIONAL EXHIBITS.

Not applicable.

<TABLE>
<CAPTION>

EXHIBIT 11

CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
COMPUTATION OF EARNINGS PER COMMON SHARE
(in thousands, except per share data)

	For the Three Months Ended May 31,			
	2004		2003	
	Basic	Diluted	Basic	Diluted
<S>	<C>	<C>	<C>	<C>
Net income	$ 51,329	$ 51,329	$ 39,189	$ 39,189
Dividends on preferred stock	(2,451)	-	-	-
Income available to common stockholders	$ 48,878	$ 51,329	$ 39,189	$ 39,189
Shares:				
Weighted average common shares outstanding	106,778	106,778	92,880	92,880
Adjustments:				
Stock options	-	3,292	-	2,781
Preferred stock	-	4,992	-	-
Adjusted weighted average common shares outstanding	106,778	115,062	92,880	95,661
Earnings per common share	$ 0.46	$ 0.45	$ 0.42	$ 0.41

</TABLE>

EXHIBIT 31.1

RULE 13a-14(a)/15d-14(a) CERTIFICATION
OF CHIEF EXECUTIVE OFFICER

CONSTELLATION BRANDS, INC.
FORM 10-Q FOR FISCAL QUARTER ENDED MAY 31, 2004

I, Richard Sands, certify that:

1. I have reviewed this report on Form 10-Q of Constellation Brands, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and we have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 12, 2004

/s/ Richard Sands
- ------------------
Richard Sands
Chairman of the Board and
Chief Executive Officer

EXHIBIT 31.2

RULE 13a-14(a)/15d-14(a) CERTIFICATION
OF CHIEF FINANCIAL OFFICER

CONSTELLATION BRANDS, INC.
FORM 10-Q FOR FISCAL QUARTER ENDED MAY 31, 2004

I, Thomas S. Summer, certify that:

1. I have reviewed this report on Form 10-Q of Constellation Brands, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and we have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 12, 2004

/s/ Thomas S. Summer

Thomas S. Summer
Executive Vice President and Chief
Financial Officer

EXHIBIT 32.1

SECTION 1350 CERTIFICATION
OF CHIEF EXECUTIVE OFFICER

CONSTELLATION BRANDS, INC.
FORM 10-Q FOR FISCAL QUARTER ENDED MAY 31, 2004

In connection with the Constellation Brands, Inc. Quarterly Report on Form 10-Q for the Fiscal Quarter Ended May 31, 2004, I, Richard Sands, certify that, to the best of my knowledge:

1. The Quarterly Report on Form 10-Q for the Fiscal Quarter Ended May 31, 2004 of Constellation Brands, Inc. fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

2. The information contained in the periodic report on Form 10-Q for the Fiscal Quarter Ended May 31, 2004 of Constellation Brands, Inc. fairly presents, in all material respects, the financial condition and results of operations of Constellation Brands, Inc.

Dated: July 12, 2004

/s/ Richard Sands
Richard Sands,
Chairman of the Board and
Chief Executive Officer

A signed original of this written statement required by 18 U.S.C. 1350 as adopted by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to Constellation Brands, Inc., and will be retained by Constellation Brands, Inc., and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

SECTION 1350 CERTIFICATION
OF CHIEF FINANCIAL OFFICER

CONSTELLATION BRANDS, INC.
FORM 10-Q FOR FISCAL QUARTER ENDED MAY 31, 2004

In connection with the Constellation Brands, Inc. Quarterly Report on Form 10-Q for the Fiscal Quarter Ended May 31, 2004, I, Thomas S. Summer, certify that, to the best of my knowledge:

1. The Quarterly Report on Form 10-Q for the Fiscal Quarter Ended May 31, 2004 of Constellation Brands, Inc. fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

2. The information contained in the periodic report on Form 10-Q for the Fiscal Quarter Ended May 31, 2004 of Constellation Brands, Inc. fairly presents, in all material respects, the financial condition and results of operations of Constellation Brands, Inc.

Dated: July 12, 2004

/s/ Thomas S. Summer

Thomas S. Summer,
Executive Vice President and
Chief Financial Officer

A signed original of this written statement required by 18 U.S.C. 1350 as adopted by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to Constellation Brands, Inc., and will be retained by Constellation Brands, Inc., and furnished to the Securities and Exchange Commission or its staff upon request.