FORM 10-Q/A
AMENDMENT NO. 1

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 November 30, 1996

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 0-7570

CANANDAIGUA WINE COMPANY, INC.

(Exact name of registrant as specified in its charter)

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

116 BUFFALO STREET, CANANDAIGUA, NEW YORK 14424
(Address of principal executive offices) (Zip Code)

(716) 394-7900
(Registrant's telephone number including area code)

None
(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

The number of shares outstanding of each of the Registrant's classes of common stock, as of January 10, 1997, is set forth below:

CLASS	NUMBER OF SHARES OUTSTANDING
Class A Common Stock, Par Value $.01 Per Share	15,547,625
Class B Common Stock, Par Value $.01 Per Share	3,330,458

Part 1 - Financial Information

Item 1. Financial Statements
<TABLE>
CANANDAIGUA WINE COMPANY, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)
<CAPTION>

<S>	November 30, 1996 (unaudited) <C>	February 29, 1996 (audited) <C>
ASSETS		
CURRENT ASSETS:		
Cash and cash investments	$ 4,997	$ 3,339
Accounts receivable, net	198,106	142,471
Inventories, net	373,631	341,838
Prepaid expenses and other current assets	14,598	30,372
Total current assets	591,332	518,020
PROPERTY, PLANT AND EQUIPMENT, NET	251,218	250,638
OTHER ASSETS	276,963	285,922

Total assets	$ 1,119,513	$ 1,054,580
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Notes payable	$ 130,000	$ 111,300
Current maturities of long-term debt	40,597	40,797
Accounts payable	79,567	59,730
Accrued Federal and state excise taxes	22,849	19,699
Other accrued expenses and liabilities	63,906	68,440
Total current liabilities	336,919	299,966
LONG-TERM DEBT, less current maturities	349,901	327,616
DEFERRED INCOME TAXES	64,194	58,194
OTHER LIABILITIES	9,934	12,298
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Class A Common Stock, $.01 par value- Authorized, 60,000,000 shares; Issued, 17,460,832 shares at November 30, 1996, and 17,423,082 shares at February 29, 1996	174	174
Class B Convertible Common Stock, $.01 par value- Authorized, 20,000,000 shares; Issued 3,956,183 shares at November 30, 1996, and 3,991,683 shares at February 29, 1996	40	40
Additional paid-in capital	222,026	221,133
Retained earnings	164,353	142,600
	386,593	363,947
Less-Treasury stock-		
Class A Common Stock, 1,913,207 shares at November 30, 1996, and 1,165,786 shares at February 29, 1996, at cost	(25,821)	(5,234)
Class B Convertible Common Stock, 625,725 shares at November 30, 1996, and February 29, 1996, at cost	(2,207)	(2,207)
	(28,028)	(7,441)
Total stockholders' equity	358,565	356,506
Total liabilities and stockholders' equity	$ 1,119,513	$ 1,054,580

<FN>
The accompanying notes to consolidated financial statements are an integral part of these balance sheets.
</FN>
</TABLE>

<TABLE>

CANANDAIGUA WINE COMPANY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except share data)

<CAPTION>

	For the Nine Months Ended November 30,		For the Three Months Ended November 30,	
	1996	1995	1996	1995
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<S>	<C>	<C>	<C>	<C>
GROSS SALES	$ 1,180,849	$ 983,955	$ 425,983	$ 391,186
Less - Excise taxes	(307,405)	(246,311)	(108,250)	(105,601)
Net sales	873,444	737,644	317,733	285,585
COST OF PRODUCT SOLD	(649,019)	(534,449)	(236,050)	(208,332)
Gross profit	224,425	203,195	81,683	77,253
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	(161,139)	(129,375)	(58,269)	(50,104)
NONRECURRING RESTRUCTURING EXPENSES	--	(3,301)	--	(1,748)
Operating income	63,286	70,519	23,414	25,401
INTEREST EXPENSE, net	(25,468)	(19,507)	(8,665)	(8,047)
Income before provision for Federal and state income taxes	37,818	51,012	14,749	17,354

PROVISION FOR FEDERAL AND STATE INCOME TAXES	(16,065)	(19,900)	(6,438)	(6,942)
NET INCOME	$ 21,753	$ 31,112	$ 8,311	$ 10,412
SHARE DATA:				
Net income per common and common equivalent share:				
Primary	$ 1.10	$ 1.55	$ .42	$ .52
Fully diluted	$ 1.10	$ 1.55	$ .42	$ .52
Weighted average common shares outstanding:				
Primary	19,864,901	20,038,649	19,617,854	20,103,679
Fully diluted	19,864,901	20,038,649	19,778,993	20,103,679

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

<TABLE>

CANANDAIGUA WINE COMPANY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

<CAPTION>

	For the Nine Months Ended November 30,	
	1996	1995
	(unaudited)	(unaudited)
<S>	<C>	<C>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 21,753	$ 31,112
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation of property, plant and equipment	18,662	11,011
Amortization of intangible assets	7,175	4,383
Loss (gain) on sale of property, plant and equipment	201	(39)
Amortization of discount on long-term debt	29	-
Deferred tax provision	10,000	19,175
Restructuring charges - fixed asset write-down	-	(2,050)
Change in operating assets and liabilities, net of effects from purchase of business:		
Accounts receivable, net	(55,635)	(70,417)
Inventories, net	(31,793)	(35,460)
Prepaid expenses	9,176	(3,106)
Accounts payable	18,510	28,966
Accrued Federal and state excise taxes	3,150	(7,458)
Other accrued expenses and liabilities	17,951	(7,812)
Other	(3,815)	(11,695)
Total adjustments	(6,389)	(74,502)
Net cash provided by (used in) operating activities	15,364	(43,390)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment, net of minor disposals	(25,318)	(32,753)
Payment of accrued earn-out amounts	(13,848)	(10,000)
Proceeds from sale of property, plant and equipment	5,171	1,394
Net cash used in investing activities	(33,995)	(41,359)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of long-term debt, net of discount	61,668	13,219
Net proceeds from notes payable, short-term borrowings	18,700	118,500
Principal payments of long-term debt	(39,612)	(51,072)
Purchases of treasury stock	(19,997)	-
Payment of issuance costs of long-term debt	(1,478)	-
Proceeds from employee stock purchases	998	1,292
Exercise of employee stock options	10	1,014
Net cash provided by financing activities	20,289	82,953
NET INCREASE (DECREASE) IN CASH AND CASH INVESTMENTS	1,658	(1,796)
CASH AND CASH INVESTMENTS, beginning of period	3,339	3,090
CASH AND CASH INVESTMENTS, end of period	$ 4,997	$ 1,294

SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES:

Fair value of assets acquired	$ -	$ 144,936
Liabilities assumed	-	(3,155)
Cash paid	-	141,781
Less - Amounts borrowed	-	(141,781)
Net cash paid for acquisition	$ -	$ -
Goodwill reduction on settlement of disputed final closing net asset statement for Vintners Acquisition	$ 5,894	$ -

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

CANANDAIGUA WINE COMPANY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
NOVEMBER 30, 1996

1) MANAGEMENT'S REPRESENTATIONS:

The condensed consolidated financial statements included herein have been prepared by 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 the financial information for Canandaigua Wine Company, Inc. and its subsidiaries. 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 Transition Report on Form 10-K, for the transition period from September 1, 1995, to February 29, 1996.

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Certain November 1995 balances have been reclassified to conform with current year presentation.

3) INVENTORIES:

Inventories are valued at the lower of cost (computed in accordance with the last-in, first-out (LIFO) or first-in, first-out (FIFO) methods) or market. The percentage of inventories valued using the LIFO method is 94% at November 30, 1996, and February 29, 1996. Replacement cost of the inventories determined on a FIFO basis is approximately $386,421,000, and $332,849,000, at November 30, 1996, and February 29, 1996, respectively. The net realizable value of the Company's inventories is in excess of $373,631,000, and $341,838,000, at November 30, 1996, and February 29, 1996, respectively.

Elements of cost include materials, labor and overhead and consist of the following:

	November 30, 1996	February 29, 1996
(IN THOUSANDS)		
Raw materials and supplies	$ 25,930	$ 24,197
Wines and distilled spirits in process	269,959	254,956
Finished case goods	77,742	62,685
	$373,631	$341,838

If the FIFO method of inventory valuation had been used, reported net income would have been approximately $12,500,000, or $.63 per share, higher for

the nine months ended November 30, 1996; and reported net income would have been approximately $100,000, or $.01 per share, lower for the nine months ended November 30, 1995.

4) ACQUISITIONS:

VINTNERS HOLDBACK -

On September 26, 1996, the Company reached a final settlement with the company formerly known as Vintners International Company, Inc. and its lenders on the disputed final closing net asset statement. As a result, the Company recorded a purchase price reduction for the Vintners Acquisition, which reduced recorded goodwill by approximately $5,894,000.

UNITED DISTILLERS -

The following table sets forth the unaudited pro forma consolidated results of operations of the Company for the nine months ended November 30, 1996 and 1995. The nine month unaudited pro forma consolidated results of operations for the period ended November 30, 1995, gives effect to the UDG Acquisition as if it occurred on March 1, 1995. The unaudited pro forma consolidated results of operations are presented after giving effect to certain adjustments for depreciation, amortization of goodwill, interest expense on the acquisition financing and related income tax effects. The unaudited pro forma consolidated results of operations are based upon currently available information and upon certain assumptions that the Company believes are reasonable under the circumstances. The unaudited pro forma consolidated results of operations do not purport to represent what the Company's consolidated results of operations would actually have been if the UDG Acquisition in fact had occurred on such date or to project the Company's consolidated results of operations at any future date or for any future period.

	For the Nine Months Ended November 30,	
	1996	1995
(IN THOUSANDS, EXCEPT SHARE DATA)		
Net sales	$ 873,444	$ 779,157
Income before provision for Federal and state income taxes	$ 37,818	$ 54,495
Net income	$ 21,753	$ 33,254
Share data:		
Net income per common and common equivalent share:		
Primary	$ 1.10	$ 1.66
Fully diluted	$ 1.10	$ 1.66
Weighted average common shares outstanding:		
Primary	19,864,901	20,038,649
Fully diluted	19,864,901	20,038,649

5) BORROWINGS:

Borrowings consist of the following at November 30, 1996:
<TABLE>
<CAPTION>

<S>	Current <C>	Long-term <C>	Total <C>
(IN THOUSANDS)			
Notes Payable:			
Senior Credit Facility:			
Revolving Credit Loans	$ 130,000	$ -	$ 130,000
Long-term Debt:			
Senior Credit Facility:			
Term loan, variable rate, aggregate proceeds of $246,000, due in installments through August 2001	$ 40,000	$ 157,000	$ 197,000
Senior Subordinated Notes:			
8.75% redeemable after December 15, 1998, due 2003	-	130,000	130,000
8.75% Series B redeemable after December 15, 1998, due 2003 (less unamortized discount of $3,303 - effective rate 9.76%)	-	61,697	61,697
Capitalized Lease Agreements:			
Capitalized facility and equipment leases at interest rates ranging from 8.9% to 11.5%, due in monthly installments through fiscal 1998	479	-	479
Industrial Development Agencies:			
7.5% 1980 issue, original proceeds $2,370, due in annual installments of $118 through fiscal 2000	118	237	355
Other Long-term Debt:			
Loans payable - 5.0% secured by cash surrender value of officers' life insurance policies	-	967	967

$ 40,597	$ 349,901	$ 390,498
=========	=========	=========

</TABLE>

On October 29, 1996, the Company issued $65,000,000 aggregate principal amount of unsecured Series B Senior Subordinated Notes (the "Series B Notes") due 2003 at a stated rate of 8.75% per annum. The net proceeds from the sale of the Series B Notes were used to repay amounts outstanding under its bank credit facility, including revolving loans. Interest on the Series B Notes will be payable semiannually on June 15 and December 15 of each year. The Series B Notes are redeemable at the option of the Company, in whole or in part, on or after December 15, 1998. The Series B Notes are unsecured and subordinated to the prior payment in full of all senior indebtedness of the Company, which includes

the credit facility, and the Series B Notes are guaranteed, on a senior subordinated basis, by substantially all of the Company's operating subsidiaries.

The indenture relating to the Series B Notes contains certain covenants, including, but not limited to, (i) limitation on indebtedness; (ii) limitation on restricted payments; (iii) limitation on transactions with affiliates; (iv) limitation on senior subordinated indebtedness; (v) limitation on liens; (vi) limitation on sale of assets; (vii) limitation on issuances of guarantees of and pledges for indebtedness; (viii) restriction on transfer of assets; (ix) limitation on subsidiary capital stock; (x) limitation on the creation of any restriction on the ability of the Company's subsidiaries to make distributions and other payments; and (xi) restrictions on mergers, consolidation and the transfer of all or substantially all of the assets of the Company to another person. The limitation on indebtedness covenant is governed by a rolling four quarter fixed charge coverage ratio.

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.

CANANDAIGUA WINE COMPANY, INC.

Dated: January 31, 1997 By: /s/ Thomas F. Howe

Thomas F. Howe, Vice President,
Corporate Reporting and Controller