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, 2003

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.)

300 WILLOWBROOK OFFICE PARK, 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, 2003, is set forth below:

CLASS	NUMBER OF SHARES OUTSTANDING
Class A Common Stock, Par Value $.01 Per Share	82,866,947
Class B Common Stock, Par Value $.01 Per Share	12,070,730

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)

	May 31, 2003	February 28, 2003
ASSETS		
<S>	<C>	<C>
CURRENT ASSETS:		
Cash and cash investments	$ 46,008	$ 13,810

Accounts receivable, net	566,348	399,095
Inventories, net	1,329,108	819,912
Prepaid expenses and other	108,773	97,284
Total current assets	2,050,237	1,330,101
PROPERTY, PLANT AND EQUIPMENT, net	981,116	602,469
GOODWILL	1,382,889	722,223
INTANGIBLE ASSETS, net	838,919	382,428
OTHER ASSETS	105,795	159,109
Total assets	$ 5,358,956	$ 3,196,330
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Notes payable to banks	$ 16,262	$ 2,623
Current maturities of long-term debt	468,575	71,264
Accounts payable	279,877	171,073
Accrued excise taxes	43,812	36,421
Other accrued expenses and liabilities	411,665	303,827
Total current liabilities	1,220,191	585,208
LONG-TERM DEBT, less current maturities	2,293,548	1,191,631
DEFERRED INCOME TAXES	253,467	145,239
OTHER LIABILITIES	152,088	99,268
STOCKHOLDERS' EQUITY:		
Preferred Stock, $.01 par value- Authorized, 1,000,000 shares; Issued, none at May 31, 2003, and February 28, 2003	-	-
Class A Common Stock, $.01 par value- Authorized, 275,000,000 shares; Issued, 85,428,198 shares at May 31, 2003, and 81,435,135 shares at February 28, 2003	854	814
Class B Convertible Common Stock, $.01 par value- Authorized, 30,000,000 shares; Issued, 14,573,670 shares at May 31, 2003, and 14,578,490 shares at February 28, 2003	146	146
Additional paid-in capital	556,712	469,724
Retained earnings	834,714	795,525
Accumulated other comprehensive income (loss)	79,178	(59,257)
	1,471,604	1,206,952
Less-Treasury stock-		
Class A Common Stock, 2,749,384 shares at May 31, 2003, and February 28, 2003, at cost	(29,610)	(29,610)
Class B Convertible Common Stock, 2,502,900 shares at May 31, 2003, and February 28, 2003, at cost	(2,207)	(2,207)
	(31,817)	(31,817)
Less-Unearned compensation-restricted stock awards	(125)	(151)
Total stockholders' equity	1,439,662	1,174,984
Total liabilities and stockholders' equity	$ 5,358,956	$ 3,196,330

<FN>

The accompanying notes are an integral part of these statements.
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CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share data)

	For the Three Months Ended May 31,	
	2003	2002

<S>	(unaudited) <C>	(unaudited) <C>
GROSS SALES	$ 989,067	$ 860,463
Less - Excise taxes	(217,438)	(210,070)
Net sales	771,629	650,393
COST OF PRODUCT SOLD	(563,717)	(473,667)
Gross profit	207,912	176,726
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	(106,629)	(90,761)
RESTRUCTURING CHARGES	(2,316)	-
Operating income	98,967	85,965
GAIN ON CHANGE IN FAIR VALUE OF DERIVATIVE INSTRUMENTS	1,181	-
EQUITY IN EARNINGS OF JOINT VENTURES	328	2,739
INTEREST EXPENSE, net	(39,243)	(27,141)
Income before income taxes	61,233	61,563
PROVISION FOR INCOME TAXES	(22,044)	(24,194)
NET INCOME	$ 39,189	$ 37,369
SHARE DATA:		
Earnings per common share:		
Basic	$ 0.42	$ 0.42
Diluted	$ 0.41	$ 0.40
Weighted average common shares outstanding:		
Basic	92,880	88,845
Diluted	95,661	92,353

<FN>

The accompanying notes are an integral part of these statements.

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

	For the Three Months Ended May 31,	
	2003	2002
<S>	(unaudited) <C>	(unaudited) <C>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 39,189	$ 37,369
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Depreciation of property, plant and equipment	17,828	14,384
Amortization of intangible and other assets	5,966	1,465
Deferred tax provision	4,650	1,354
Loss on extinguishment of debt	800	-
Stock-based compensation expense	158	25
Amortization of discount on long-term debt	20	14
(Gain) loss on sale of assets	(2,003)	916
Gain on change in fair value of derivative instruments	(1,181)	-
Equity in earnings of joint ventures	(328)	(2,739)
Change in operating assets and liabilities, net of effects from purchases of businesses:		
Accounts receivable, net	(39,765)	(32,522)
Inventories, net	(15,169)	8,993
Prepaid expenses and other current assets	15,571	(3,512)
Accounts payable	(28,400)	(174)
Accrued excise taxes	5,461	(14,452)
Other accrued expenses and liabilities	(9,494)	33,725
Other assets and liabilities, net	334	(2,495)
Total adjustments	(45,552)	4,982
Net cash (used in) provided by operating activities	(6,363)	42,351

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchases of businesses, net of cash acquired	(1,067,694)	-
Purchases of property, plant and equipment	(18,091)	(12,342)
Payment of accrued earn-out amount	(978)	(804)
Proceeds from sale of assets	4,896	633
Net cash used in investing activities	(1,081,867)	(12,513)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of long-term debt	1,600,000	-
Net proceeds from (repayments of) notes payable	15,735	(22,560)
Exercise of employee stock options	7,571	8,816
Principal payments of long-term debt	(492,701)	(18,957)
Payment of issuance costs of long-term debt	(32,547)	(4)
Net cash provided by (used in) financing activities	1,098,058	(32,705)
Effect of exchange rate changes on cash and cash investments	22,370	470
NET INCREASE (DECREASE) IN CASH AND CASH INVESTMENTS	32,198	(2,397)
CASH AND CASH INVESTMENTS, beginning of period	13,810	8,961
CASH AND CASH INVESTMENTS, end of period	$ 46,008	$ 6,564
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 previously paid or accrued	(10,343)	-
Less - cash acquired	(1,505)	-
Net cash paid for purchases of businesses	$ 1,067,694	$ -

<FN>

The accompanying notes are an integral part of these statements.

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CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MAY 31, 2003

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 28, 2003. Results of operations for interim periods are not necessarily indicative of annual results.

Certain February 28, 2003, and May 31, 2002, balances have been reclassified to conform to current year presentation.

2) RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS:

Effective March 1, 2003, the Company adopted Statement of Financial Accounting Standards No. 143 ("SFAS No. 143"), "Accounting for Asset Retirement Obligations." SFAS No. 143 addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated retirement costs. The adoption of SFAS No. 143 did not have a material impact on the Company's financial statements.

Effective March 1, 2003, the Company completed its adoption of Statement of Financial Accounting Standards No. 145 ("SFAS No. 145"), "Rescission of FASB Statements No. 4, 44, and 64, Amendment of FASB Statement No. 13, and Technical Corrections." SFAS No. 145 rescinds Statement of Financial Accounting Standards No. 4 ("SFAS No. 4"), "Reporting Gains and Losses from Extinguishment of Debt," Statement of Financial Accounting Standards No. 44, "Accounting for Intangible Assets of Motor Carriers," and Statement of Financial Accounting Standards No.

64, "Extinguishments of Debt Made to Satisfy Sinking-Fund Requirements." In addition, SFAS No. 145 amends Statement of Financial Accounting Standards No. 13, "Accounting for Leases," to eliminate an inconsistency between required accounting for sale-leaseback transactions and the required accounting for certain lease modifications that have economic effects that are similar to sale-leaseback transactions. Lastly, SFAS No. 145 also amends other existing authoritative pronouncements to make various technical corrections, clarify meanings, or describe their applicability under changed conditions. The adoption of the provisions rescinding SFAS No. 4 will result in a reclassification of the extraordinary loss related to the extinguishment of debt recorded in the fourth quarter of Fiscal 2002 ($1.6 million, net of income taxes), by increasing selling, general and administrative expenses ($2.6 million) and decreasing the provision for income taxes ($1.0 million). The adoption of the remaining provisions of SFAS No. 145 did not have a material impact on the Company's financial statements.

Effective March 1, 2003, the Company completed its adoption of Statement of Financial Accounting Standards No. 148 ("SFAS No. 148"), "Accounting for Stock-Based Compensation-Transition and Disclosure." SFAS No. 148 amends Statement of Financial Accounting Standards No. 123 ("SFAS No. 123"), "Accounting for Stock-Based Compensation," to provide alternative methods of transition for an entity that voluntarily changes to the fair value based method of accounting for stock-based employee compensation. SFAS No. 148 also amends the disclosure provisions of SFAS No. 123 to require prominent disclosure about the effects on reported net income of an entity's accounting policy decisions with respect to stock-based employee compensation. Lastly, SFAS No. 148 amends Accounting Principles Board Opinion No. 28 ("APB Opinion No. 28"), "Interim Financial Reporting," to require disclosure about those effects in interim financial information. Accordingly, 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.

	For the Three Months Ended May 31,	
	2003	2002
(in thousands, except per share data)		
Net income, as reported	$ 39,189	$ 37,369
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards, net of related tax effects	(2,360)	(3,362)
Pro forma net income	$ 36,829	$ 34,007
Earnings per common share:		
Basic-as reported	$ 0.42	$ 0.42
Basic-pro forma	$ 0.40	$ 0.38
Diluted-as reported	$ 0.41	$ 0.40
Diluted-pro forma	$ 0.38	$ 0.37

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 (collectively, the "Hardy Acquisition"). Hardy is Australia's largest wine producer with interests in wineries and vineyards in most of Australia's major wine regions as well as New Zealand, France and the United States. In addition, Hardy has significant marketing and sales operations in the United Kingdom. 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.

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 $20.0 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 2003 Credit Agreement (as defined in Note 10) and $400.0 million of borrowings under the Company's Bridge Agreement (as defined in Note 10). 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 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 estimated fair values of the Hardy Acquisition assets acquired and liabilities assumed at the date of acquisition. The Company is in the process of obtaining third-party valuations of certain assets; thus, the allocation of the purchase price is subject to refinement. Estimated fair values at March 27, 2003, are as follows:

Current assets	$ 574,083
Property, plant and equipment	317,435
Other assets	289
Trademarks	396,571
Goodwill	602,282
Total assets acquired	1,890,660
Current liabilities	317,116
Long-term liabilities	417,771
Total liabilities assumed	734,887
Net assets acquired	$ 1,155,773

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 pro forma results of operations of the Company for the three months ended May 31, 2003, and May 31, 2002, respectively. The unaudited pro forma results of operations give effect to the Hardy Acquisition as if it occurred on March 1, 2002. 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 upon 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, 2002, do not reflect total nonrecurring charges of $29.9 million ($0.22 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. 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 such date or at the beginning of the period indicated, 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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	For the Three Months Ended May 31,	
	2003	2002
(in thousands, except per share data)		
<S>	<C>	<C>
Net sales	$ 805,381	$ 773,074
Income before income taxes	$ 63,079	$ 61,817
Net income	$ 39,236	$ 38,106
Earnings per common share:		
Basic	$ 0.42	$ 0.41
Diluted	$ 0.40	$ 0.40
Weighted average common shares outstanding:		
Basic	94,274	92,134
Diluted	97,055	95,642

</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, 2003	February 28, 2003
Raw materials and supplies	$ 197,195	$ 26,472
In-process inventories	705,548	534,073
Finished case goods	426,365	259,367
	$ 1,329,108	$ 819,912

5) PROPERTY, PLANT AND EQUIPMENT:

The major components of property, plant and equipment are as follows:

<TABLE>
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(in thousands)	May 31, 2003	February 28, 2003
<S>	<C>	<C>
Land and land improvements	$ 155,025	$ 84,758
Vineyards	80,938	37,394
Buildings and improvements	275,812	173,943
Machinery and equipment	706,009	551,271
Motor vehicles	14,415	5,468
Construction in progress	50,357	32,839
	1,282,556	885,673
Less - Accumulated depreciation	(301,440)	(283,204)
	$ 981,116	$ 602,469

</TABLE>

6) GOODWILL:

The changes in the carrying amount of goodwill for the three months ended May 31, 2003, are as follows:

<TABLE>
<CAPTION>

(in thousands)	Constellation Wines	Constellation Beers and Spirits	Consolidated
<S>	<C>	<C>	<C>
Balance, February 28, 2003	$ 590,263	$ 131,960	$ 722,223
Purchase accounting allocations	603,176	-	603,176
Foreign currency translation adjustments	55,997	1,017	57,014
Purchase price earn-out	476	-	476
Balance, May 31, 2003	$ 1,249,912	$ 132,977	$ 1,382,889

</TABLE>

7) INTANGIBLE ASSETS:

The major components of intangible assets are:

<TABLE>
<CAPTION>

	May 31, 2003		February 28, 2003	
(in thousands)	Gross Carrying Amount	Net Carrying Amount	Gross Carrying Amount	Net Carrying Amount
<S>	<C>	<C>	<C>	<C>
Amortizable intangible assets:				
Distribution agreements	$ 10,158	$ 4,052	$ 10,158	$ 4,434
Other	4,184	514	3,978	345
Total	$ 14,342	4,566	$ 14,136	4,779

Nonamortizable intangible assets:		
Trademarks	813,868	357,166
Distributor and agency relationships	20,458	20,458
Other	27	25
Total	834,353	377,649
Total intangible assets	$ 838,919	$ 382,428

</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 $0.4 million and $0.6 million for the three months ended May 31, 2003, and May 31, 2002, respectively. Estimated amortization expense for each of the five succeeding fiscal years is as follows:

(in thousands)	
2004	$ 1,694
2005	$ 1,502
2006	$ 1,424
2007	$ 365
2008	$ -

8) OTHER ASSETS:

The major components of other assets are as follows:

<TABLE>
<CAPTION>

(in thousands)	May 31, 2003	February 28, 2003
<S>	<C>	<C>
Deferred financing costs	$ 55,550	$ 28,555
Derivative assets	23,340	-
Investment in joint ventures	5,459	123,064
Other	33,150	18,418
	117,499	170,037
Less - Accumulated amortization	(11,704)	(10,928)
	$105,795	$ 159,109

</TABLE>

Deferred financing costs as of May 31, 2003, include $8.1 million of fees associated with the Bridge Loans (see Note 10). These costs are being amortized over the five-month period these loans are estimated to be outstanding. Amortization expense for other assets was included in selling, general and administrative expenses and was $5.5 million and $0.9 million for the three months ended May 31, 2003, and May 31, 2002, respectively.

9) OTHER ACCRUED EXPENSES AND LIABILITIES:

The major components of other accrued expenses and liabilities are as follows:

<TABLE>
<CAPTION>

(in thousands)	May 31, 2003	February 28, 2003
<S>	<C>	<C>
Advertising and promotions	$ 75,945	$ 63,155
Income taxes payable	71,111	58,347
Interest	34,478	22,019
Salaries and commissions	26,747	35,769
Adverse grape contracts	13,883	10,244
Other	189,501	114,293
	$ 411,665	$ 303,827

</TABLE>

10) BORROWINGS:

SENIOR CREDIT FACILITY -
In connection with the Hardy Acquisition, on January 16, 2003, the Company,

the U.S. subsidiaries of the Company (excluding certain inactive subsidiaries) and Canandaigua Limited, JPMorgan Chase Bank, as a lender and administrative agent (the "Administrative Agent"), and certain other lenders (such other lenders, together with the Administrative Agent, are collectively referred to herein as the "Lenders") entered into a new credit agreement, which was subsequently amended and restated on March 19, 2003 (the "2003 Credit Agreement"). The 2003 Credit Agreement provides 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 the fifth anniversary of the first date on which the Lenders' obligation to make loans under the 2003 Credit Agreement commences. Proceeds of the 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 intends to use the remaining availability under the 2003 Credit Agreement to fund its working capital needs on an ongoing basis.

The Tranche A Term Loan facility and the Tranche B Term Loan facility were fully drawn at closing. The required annual repayments of the Tranche A Term Loan facility is $40.0 million in fiscal 2004 and increases by $20.0 million each year through fiscal 2008. The required annual repayments of the Tranche B Term Loan, which is backend loaded, is $10.0 million in fiscal 2004 and increases to $400.0 million in fiscal 2009.

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 2003 Credit Agreement) and, with respect to LIBOR borrowings, ranges between 1.75% and 2.75%. The initial LIBOR margin for the Revolving Credit facility and the Tranche A Term Loan facility is 2.25%, while the initial LIBOR margin on the Tranche B Term Loan facility is 2.75%.

The Company's obligations are guaranteed by the U.S. subsidiaries of the Company (excluding certain inactive subsidiaries), Canandaigua Limited, CBI Australia Holdings Pty Limited, Constellation Australia Pty Limited and Constellation International Holdings Limited and the Company has pledged collateral of (i) 100% of the capital stock of all of the Company's U.S. subsidiaries and (ii) 65% of the voting capital stock of Canandaigua Limited, Matthew Clark plc, Hardy, Constellation Australia Pty Limited and certain other foreign subsidiaries of the Company. In addition, under certain circumstances, the Company and the Guarantors are required to pledge certain of their assets consisting of, among other things, inventory, accounts receivable and trademarks to secure the obligations under the 2003 Credit Agreement.

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 thresholds. Hardy guarantees debt of a joint venture in the maximum amount of $3.5 million as of May 31, 2003, which is permitted under the 2003 Credit Agreement. The primary financial covenants require the maintenance of a debt coverage ratio, a senior debt coverage ratio, a fixed charges ratio and an interest coverage ratio.

BRIDGE FACILITY -

On January 16, 2003, the Company, U.S. subsidiaries of the Company (excluding certain inactive subsidiaries) and Canandaigua Limited, JPMorgan Chase Bank, as a lender and Administrative Agent, and certain other lenders (such other lenders, together with the Administrative Agent, are collectively referred to herein as the "Bridge Lenders") entered into a bridge loan agreement which was amended and restated as of March 26, 2003, containing commitments of the Bridge Lenders to make bridge loans (the "Bridge Loans") of up to, in the aggregate, $450.0 million (the "Bridge Agreement"). On April 9, 2003, the Company used $400.0 million of the Bridge Loans to fund a portion of the cash required to pay the former Hardy shareholders. The Bridge Loans are due on the first anniversary of the date of the funding of the Bridge Loans ("Bridge Loan Maturity Date"). The rate of interest payable on the Bridge Loans is equal to LIBOR plus a margin. The initial margin on the Bridge Loans is 3.75%.

If the Bridge Loans are not repaid on the Bridge Loan Maturity Date, the Bridge Lenders have committed to make certain term loans in an amount corresponding to the then-outstanding amount of the Bridge Loans ("Term Loans"). The Term Loans are due on the seventh anniversary of the date on which the Bridge Loans are funded ("Term Loan Maturity Date"). The rate of interest payable on the Term Loans is equal to LIBOR plus a margin. The rate of interest payable on any of the Bridge Loans or the Term Loans is capped at 11.50% ("Rate Cap"). If the Bridge Loans are not repaid on the date that is three months after the date of funding, then the margin will increase on a quarterly basis thereafter until the rate of interest payable reaches the Rate Cap.

The Lenders have the right to exchange on or after the Bridge Loan Maturity Date all or a portion of their respective Bridge Loans or Term Loans for notes

("Exchange Notes") that will be issued pursuant to an indenture to be entered into among the Company, as issuer, certain subsidiaries of the Company, as guarantors, and an indenture trustee on behalf of the holders of the Exchange Notes. The Exchange Notes indenture will be in a form to be agreed between the Company and the Administrative Agent and will contain terms and a final maturity date that are substantially consistent with the terms and the maturity date of the Term Loans. The Exchange Notes will bear interest at a fixed rate as determined by the exchanging holder that will not exceed the Rate Cap.

The Guarantors have guaranteed the Company's obligations under the Bridge Agreement.

The Company and the Guarantors have made certain representations and warranties in the Bridge Agreement which are substantially the same as the representations and warranties in the 2003 Credit Agreement. The Bridge Agreement also contains covenants and events of default that are similar to the covenants and events of default in the indentures pursuant to which the Company issued its senior notes and senior subordinated notes.

As of May 31, 2003, under the 2003 Credit Agreement, the Company had outstanding Tranche A term loans of $400.0 million bearing a weighted average interest rate of 3.6%, Tranche B term loans of $800.0 million bearing a weighted average interest rate of 4.1%, $15.0 million of revolving loans bearing a weighted average interest rate of 3.1%, undrawn revolving letters of credit of $15.1 million, and $369.9 million in revolving loans available to be drawn. Also, as of May 31, 2003, under the Bridge Agreement, the Company had outstanding $400.0 million of Bridge Loans bearing a weighted average interest rate of 5.1%. As the Company intends to repay the Bridge Loans at or prior to the Bridge Loan Maturity Date, these Bridge Loans are classified as current liabilities on the Consolidated Balance Sheet.

11) OTHER LIABILITIES:

The major components of other liabilities are as follows:

(in thousands)	May 31, 2003	February 28, 2003
Adverse grape contracts	$ 69,140	$ 22,550
Accrued pension liability	38,026	36,351
Other	44,922	40,367
	$ 152,088	$ 99,268

12) 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 Convertible 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.

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, 2003	2002
<S>	<C>	<C>
Income applicable to common shares	$ 39,189	$ 37,369
Weighted average common shares outstanding - basic	92,880	88,845
Stock options	2,781	3,508
Weighted average common shares outstanding - diluted	95,661	92,353
Earnings per common share - basic	$ 0.42	$ 0.42
Earnings per common share - diluted	$ 0.41	$ 0.40

</TABLE>

Stock options to purchase 0.9 million shares of Class A Common Stock at a weighted average price per share of $27.39 were outstanding during the three months ended May 31, 2003, 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. There were no anti-dilutive options outstanding during the three months ended May 31, 2002.

13) COMPREHENSIVE INCOME:

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

<TABLE>
<CAPTION>

(in thousands)	For the Three Months Ended May 31, 2003	For the Three Months Ended May 31, 2002
Net income	$ 39,189	$ 37,369
Other comprehensive income, net of tax:		
Foreign currency translation adjustments	127,771	7,688
Cash flow hedges:		
Net derivative gains, net of tax effect of $7,021	12,482	-
Reclassification adjustments, net of tax effect of $10	-	(16)
Net cash flow hedges	12,482	(16)
Minimum pension liability adjustment, net of tax effect of $1,022 and $260, respectively	(1,818)	(390)
Total comprehensive income	$ 177,624	$ 44,651

</TABLE>

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

<TABLE>
<CAPTION>

(in thousands)	Foreign Currency Translation Adjustments	Net Unrealized Gains on Derivatives	Minimum Pension Liability Adjustment	Accumulated Other Comprehensive Income (Loss)
Balance, February 28, 2003	$ (16,722)	$ -	$ (42,535)	$ (59,257)
Current period change	127,771	12,482	(1,818)	138,435
Balance, May 31, 2003	$ 111,049	$ 12,482	$ (44,353)	$ 79,178

</TABLE>

Hardy utilized derivative instruments to a more extensive degree than did the Company prior to the Hardy Acquisition. These derivative instruments are obtained to reduce the risk of foreign currency exchange rate fluctuation resulting from the sale of product denominated in various foreign currencies. These instruments have been qualified and are being accounted for as cash flow hedges in accordance with the Company's pre-existing accounting policies.

14) CONDENSED CONSOLIDATING FINANCIAL INFORMATION:

The following information sets forth the condensed consolidating balance sheets of the Company as of May 31, 2003, and February 28, 2003, and the condensed consolidating statements of income and cash flows for the three months ended May 31, 2003, and May 31, 2002, 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 28, 2003, 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
Condensed Consolidating Balance Sheet					
at May 31, 2003					
Current assets:					
Cash and cash investments	$ 16,333	$ 1,785	$ 27,890	$ -	$ 46,008
Accounts receivable, net	96,317	149,364	320,667	-	566,348
Inventories, net	18,409	651,591	659,252	(144)	1,329,108
Prepaid expenses and other current assets	7,838	59,196	41,739	-	108,773
Intercompany (payable) receivable	633,408	1,088,492	(1,721,900)	-	-
Total current assets	772,305	1,950,428	(672,352)	(144)	2,050,237
Property, plant and equipment, net	47,920	355,229	577,967	-	981,116
Investments in subsidiaries	2,884,672	709,790	-	(3,594,462)	-
Goodwill	71,172	504,511	807,206	-	1,382,889
Intangible assets, net	10,893	303,386	524,640	-	838,919
Other assets	576,841	(640,762)	169,716	-	105,795
Total assets	$ 4,363,803	$ 3,182,582	$ 1,407,177	$ (3,594,606)	$ 5,358,956
Current liabilities:					
Notes payable to banks	$ 15,000	$ -	$ 1,262	$ -	$ 16,262
Current maturities of long-term debt	450,056	3,719	14,800	-	468,575
Accounts payable	25,024	17,998	236,855	-	279,877
Accrued excise taxes	6,315	18,835	18,662	-	43,812
Other accrued expenses and liabilities	133,179	88,396	190,090	-	411,665
Total current liabilities	629,574	128,948	461,669	-	1,220,191
Long-term debt, less current maturities	2,253,313	9,588	30,647	-	2,293,548
Deferred income taxes	50,440	79,655	123,372	-	253,467
Other liabilities	7,652	28,552	115,884	-	152,088
Stockholders' equity:					
Class A and Class B common stock	1,000	6,434	64,867	(71,301)	1,000
Additional paid-in capital	556,712	2,049,513	436,466	(2,485,979)	556,712
Retained earnings	834,859	828,725	208,456	(1,037,326)	834,714

Accumulated other comprehensive income (loss)	62,195	51,167	(34,184)	-	79,178
Treasury stock and other	(31,942)	-	-	-	(31,942)
Total stockholders' equity	1,442,824	2,935,839	675,605	(3,594,606)	1,439,662
Total liabilities and stockholders' equity	$ 4,363,803	$ 3,182,582	$ 1,407,177	$ (3,594,606)	$ 5,358,956

Condensed Consolidating Balance Sheet

at February 28, 2003

Current assets:					
Cash and cash investments	$ 1,426	$ 1,248	$ 11,136	$ -	$ 13,810
Accounts receivable, net	120,554	141,156	137,385	-	399,095
Inventories, net	20,378	654,945	144,664	(75)	819,912
Prepaid expenses and other current assets	31,452	52,411	13,421	-	97,284
Intercompany (payable) receivable	(177,332)	136,002	41,330	-	-
Total current assets	(3,522)	985,762	347,936	(75)	1,330,101
Property, plant and equipment, net	46,379	358,180	197,910	-	602,469
Investments in subsidiaries	2,590,889	601,156	-	(3,192,045)	-
Goodwill	51,172	495,636	175,415	-	722,223
Intangible assets, net	10,918	315,952	55,558	-	382,428
Other assets	31,599	126,375	1,135	-	159,109
Total assets	$ 2,727,435	$ 2,883,061	$ 777,954	$ (3,192,120)	$ 3,196,330
Current liabilities:					
Notes payable to banks	$ 2,000	$ -	$ 623	$ -	$ 2,623
Current maturities of long-term debt	67,137	3,470	657	-	71,264
Accounts payable	37,567	58,843	74,663	-	171,073
Accrued excise taxes	7,447	15,711	13,263	-	36,421
Other accrued expenses and liabilities	138,963	46,664	118,200	-	303,827
Total current liabilities	253,114	124,688	207,406	-	585,208
Long-term debt, less current maturities	1,171,694	10,810	9,127	-	1,191,631
Deferred income taxes	48,475	79,656	17,108	-	145,239
Other liabilities	8,718	29,446	61,104	-	99,268
Stockholders' equity:					
Class A and Class B common stock	960	6,434	64,867	(71,301)	960
Additional paid-in capital	469,724	1,221,076	436,466	(1,657,542)	469,724
Retained earnings	795,600	1,363,379	99,823	(1,463,277)	795,525
Accumulated other comprehensive income (loss)	11,118	47,572	(117,947)	-	

					(59,257)
Treasury stock and other	(31,968)	-	-	-	(31,968)
Total stockholders' equity	1,245,434	2,638,461	483,209	(3,192,120)	1,174,984
Total liabilities and stockholders' equity	$ 2,727,435	$ 2,883,061	$ 777,954	$ (3,192,120)	$ 3,196,330

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

Gross sales	$ 172,326	$ 497,302	$ 410,098	$ (90,659)	$ 989,067
Less - excise taxes	(29,853)	(105,280)	(82,305)	-	(217,438)
Net sales	142,473	392,022	327,793	(90,659)	771,629
Cost of product sold	(118,553)	(272,615)	(263,400)	90,851	(563,717)
Gross profit	23,920	119,407	64,393	192	207,912
Selling, general and administrative expenses	(28,901)	(42,685)	(35,043)	-	(106,629)
Restructuring charges	-	(1,991)	(325)	-	(2,316)
Operating income	(4,981)	74,731	29,025	192	98,967
Gain on change in fair value of derivative instruments	1,181	-	-	-	1,181
Equity in earnings of subsidiary/joint venture	46,189	12,858	2,206	(60,925)	328
Interest expense, net	(1,564)	(25,129)	(12,550)	-	(39,243)
Income before income taxes	40,825	62,460	18,681	(60,733)	61,233
Provision for income taxes	50	(16,271)	(5,823)	-	(22,044)
Net income	$ 40,875	$ 46,189	$ 12,858	$ (60,733)	$ 39,189

Condensed Consolidating Statement of Income for the Three Months Ended May 31, 2002

Gross sales	$ 175,739	$ 471,808	$ 273,411	$ (61,947)	$ 859,011
Less - excise taxes	(32,732)	(105,383)	(71,955)	-	(210,070)
Net sales	143,007	366,425	201,456	(61,947)	648,941
Cost of product sold	(112,982)	(257,633)	(164,942)	61,890	(473,667)
Gross profit	30,025	108,792	36,514	(57)	175,274
Selling, general and administrative					

expenses	(23,376)	(41,458)	(24,475)	-	(89,309)
Operating income	6,649	67,334	12,039	(57)	85,965
Equity in earnings of subsidiary/joint venture	32,144	10,351	-	(39,756)	2,739
Interest expense, net	2,053	(28,574)	(620)	-	(27,141)
Income before income taxes	40,846	49,111	11,419	(39,813)	61,563
Provision for income taxes	(3,420)	(16,967)	(3,807)	-	(24,194)
Net income	$ 37,426	$ 32,144	$ 7,612	$ (39,813)	$ 37,369

Condensed Consolidating Statement of Cash Flows

for the Three Months Ended May 31, 2003

Net cash provided by operating activities	$ (1,551,951)	$ (1,934,690)	$ (389,102)	$ -	$ (6,363)
Cash flows from investing activities:					
Purchase of business, net of cash	67,574	(1,744,985)	610,717	-	(1,067,694)
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
Net cash used in investing activities	63,286	(1,751,231)	606,078	-	(1,081,867)
Cash flows from financing activities:					
Proceeds from issuance of long-term debt, net of discount	1,600,000	-	-	-	1,600,000
Net proceeds of notes payable	13,000	-	2,735	-	15,735
Exercise of employee stock options	7,571	-	-	-	7,571
Principal payments of long-term debt	(145,363)	(840)	(346,498)	-	(492,701)
Payment of issuance costs of long-term debt	(32,547)	-	-	-	(32,547)
Other	-	(211,400)	211,400	-	-
Net cash used in financing activities	1,442,661	212,240	(132,363)	-	1,098,058
Effect of exchange rate changes on cash and cash investments	60,911	29,318	(67,859)	-	22,370
Net increase (decrease) 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

Condensed Consolidating Statement of Cash Flows
for the Three Months Ended May 31, 2002

Net cash provided by (used in) operating activities	$ 25,951	$ 18,151	$ (1,751)	$ -	$ 42,351
Cash flows from investing activities:					
Purchases of property, plant and equipment	(1,409)	(7,245)	(3,688)	-	(12,342)
Other	-	(404)	233	-	(171)
Net cash used in investing activities	(1,409)	(7,649)	(3,455)	-	(12,513)
Cash flows from financing activities:					
Net repayments of notes payable	(22,500)	-	(60)	-	(22,560)
Principal payments of long-term debt	(17,989)	(733)	(235)	-	(18,957)
Payment of issuance costs of long-term debt	(4)	-	-	-	(4)
Exercise of employee stock options	8,816	-	-	-	8,816
Net cash used in financing activities	(31,677)	(733)	(295)	-	(32,705)
Effect of exchange rate changes on cash and cash investments	6,297	(6,150)	323	-	470
Net (decrease) increase in cash and cash investments	(838)	3,619	(5,178)	-	(2,397)
Cash and cash investments, beginning of period	838	2,084	6,039	-	8,961
Cash and cash investments, end of period	$ -	$ 5,703	$ 861	$ -	$ 6,564

</TABLE>

15) BUSINESS SEGMENT INFORMATION:

As a result of the Hardy Acquisition, the Company has changed the structure of its internal organization to consist of two business divisions, Constellation Wines and Constellation Beers and Spirits. Separate division chief executives report directly to the Company's chief operating officer. Consequently, the Company now 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). The new business segments reflect how the Company's operations are now being managed, how operating performance within the Company is now being evaluated by senior management and the structure of its internal financial reporting. In addition, the Company changed its definition of operating income for segment purposes to exclude restructuring charges and unusual costs that affect comparability. Accordingly, the financial information for the three months ended May 31, 2002, has been restated to conform to the new segment presentation. 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 charges of $2.3 million. 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 28, 2003, and include the recently adopted accounting pronouncements described in Note 2 herein.

Segment information is as follows:

<TABLE>
<CAPTION>

	For the Three Months Ended May 31,	
	2003	2002
(in thousands)		
<S>	<C>	<C>
Constellation Wines:		
Net sales:		
Branded wine	$ 310,010	$ 214,011
Wholesale and other	184,150	164,477
Net sales	$ 494,160	$ 378,488
Segment operating income	$ 61,023	$ 38,838
Equity in earnings of joint ventures	$ 328	$ 2,739
Long-lived assets	$ 885,832	$ 493,461
Investment in joint ventures	$ 5,459	$ 113,259
Total assets	$ 4,755,830	$ 2,338,080
Capital expenditures	$ 14,728	$ 10,260
Depreciation and amortization	$ 15,550	$ 12,239
Constellation Beers and Spirits:		
Net sales:		
Imported beers	$ 207,264	$ 199,706
Spirits	70,205	72,199
Net sales	$ 277,469	$ 271,905
Segment operating income	$ 59,883	$ 54,421
Long-lived assets	$ 81,564	$ 78,727
Total assets	$ 754,543	$ 727,608
Capital expenditures	$ 1,783	$ 1,908
Depreciation and amortization	$ 2,560	$ 2,572
Corporate Operations and Other:		
Net sales	$ -	$ -
Segment operating loss	$ (10,071)	$ (7,294)
Long-lived assets	$ 13,720	$ 8,023
Total assets	$ (151,417)	$ 30,746
Capital expenditures	$ 1,580	$ 174
Depreciation and amortization	$ 5,684	$ 1,038
Restructuring and Unusual Costs:		
Operating loss	$ (11,868)	$ -
Consolidated:		
Net sales	$ 771,629	$ 650,393
Operating income	$ 98,967	$ 85,965
Equity in earnings of joint ventures	$ 328	$ 2,739
Long-lived assets	$ 981,116	$ 580,211
Investment in joint ventures	$ 5,459	$ 113,259
Total assets	$ 5,358,956	$ 3,096,434
Capital expenditures	$ 18,091	$ 12,342
Depreciation and amortization	$ 23,794	$ 15,849

</TABLE>

16) ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED:

In November 2002, the Emerging Issues Task Force ("EITF") reached a consensus on EITF Issue No. 00-21 ("EITF No. 00-21"), "Revenue Arrangements with Multiple Deliverables." EITF No. 00-21 addresses certain aspects of the accounting by a vendor for arrangements under which it will perform multiple revenue-generating activities. EITF No. 00-21 also addresses how arrangement consideration should be measured and allocated to the separate units of accounting in the arrangement. The Company is required to adopt EITF No. 00-21 for all revenue arrangements entered into beginning August 1, 2003. The Company is currently assessing the financial impact of EITF No. 00-21 on its financial statements.

In January 2003, the FASB issued FASB Interpretation No. 46 ("FIN No. 46"), "Consolidation of Variable Interest Entities - an interpretation of ARB No. 51." FIN No. 46 requires all variable interest entities to be consolidated by the primary beneficiary. The primary beneficiary is the entity that holds the majority of the beneficial interests in the variable interest entity. In addition, the interpretation expands disclosure requirements for both variable interest entities that are consolidated as well as variable interest entities from which the entity is the holder of a significant amount of the beneficial interests, but not the majority. The Company is required to adopt FIN No. 46 in its entirety beginning September 1, 2003. The Company is currently assessing the financial impact of FIN No. 46 on its financial statements.

In April 2003, the FASB issued Statement of Financial Accounting Standards No. 149 ("SFAS No. 149"), "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." SFAS No. 149 amends and clarifies financial accounting and reporting for derivative instruments, including certain derivative instruments embedded in other contracts (collectively referred to as derivatives) and for hedging activities under SFAS No. 133. SFAS No. 149 is effective for contracts entered into or modified after June 30, 2003, and hedging relationships designated after June 30, 2003, except for those provisions of SFAS No. 149 which relate to SFAS No. 133 Implementation Issues that have been effective for fiscal quarters that began prior to June 15, 2003. For these issues, the provisions that are currently in effect should continue to be applied in accordance with their respective effective dates. In addition, certain provisions of SFAS No. 149, which relate to forward purchases or sales of when-issued securities or other securities that do not yet exist, should be applied to both existing contracts and new contracts entered into after June 30, 2003. The Company is currently assessing the financial impact of SFAS No. 149 on its financial statements.

In May 2003, the FASB issued Statement of Financial Accounting Standards No. 150 ("SFAS No. 150"), "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity." SFAS No. 150 establishes standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. SFAS No. 150 requires that an issuer classify a financial instrument that is within the scope of SFAS No. 150 as a liability. SFAS No. 150 is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is effective for the Company beginning September 1, 2003. The Company is currently assessing the financial impact of SFAS No. 150 on its financial statements.

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

INTRODUCTION

The Company is a leading international producer and marketer of beverage alcohol in North America, Europe and Australia with a broad portfolio of brands across the wine, imported beer and distilled spirits categories. The Company has the largest wine business in the world and is the largest multi-category supplier of beverage alcohol brands in the United States. In the United Kingdom, the Company is the largest marketer of wine, the second largest producer and marketer of cider and a leading independent drinks wholesaler. The Company is the leading producer of wine in Australia and the second largest producer of wine in New Zealand.

Through February 28, 2003, the Company reported its operating results in five segments: Popular and Premium Wine (branded popular and premium wine and brandy, and other, primarily grape juice concentrate and bulk wine); Imported Beer and Spirits (primarily imported beer and distilled spirits); U.K. Brands and Wholesale (branded wine, cider, and bottled water, and wholesale wine, distilled spirits, cider, beer, RTDs and soft drinks); Fine Wine (primarily branded super-premium and ultra-premium wine); and Corporate Operations and Other (primarily corporate related items). As a result of the Hardy Acquisition (as defined below), the Company has changed the structure of its internal organization to consist of two business divisions, Constellation Wines and Constellation Beers and Spirits. Separate division chief executives report directly to the Company's chief operating officer. Consequently, the Company now 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. The new business segments reflect how the Company's operations are now being managed, how operating performance within the Company is now being evaluated by senior management and the structure of its internal financial reporting. In addition, the Company changed its definition of operating income for segment purposes to exclude restructuring charges and unusual costs that affect comparability. Accordingly, the financial information for First Quarter 2003 (as defined below) has been restated to conform to the new segment presentation.

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, 2003 ("First Quarter 2004"), compared to the three months ended May 31, 2002 ("First Quarter 2003"), and (ii) financial liquidity and capital resources for First Quarter 2004. 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 28, 2003 ("Fiscal 2003").

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 (collectively, the "Hardy Acquisition"). Hardy is Australia's largest wine producer with interests in wineries and vineyards in most of Australia's major wine regions as well as New Zealand, France and the United States. In addition, Hardy has significant marketing and sales operations in the United Kingdom. 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. 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 $20.0 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 2003 Credit Agreement (as defined below) and $400.0 million of borrowings under the Company's Bridge Agreement (as defined below). 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 results of operations of Hardy and PWP have been reported in the Company's Constellation Wines segment as of March 27, 2003. The Hardy Acquisition is significant and the Company expects it to have a material impact on the Company's future results of operations, financial position and cash flows.

RESULTS OF OPERATIONS

FIRST QUARTER 2004 COMPARED TO FIRST QUARTER 2003

NET SALES

The following table sets forth the net sales (in thousands of dollars) by operating segment of the Company for First Quarter 2004 and First Quarter 2003.

<TABLE>
<CAPTION>

	First Quarter 2004 Compared to First Quarter 2003		
		Net Sales	
	2004	2003	% Increase (Decrease)
<S>	<C>	<C>	<C>
Constellation Wines:			
Branded wine	$ 310,010	$ 214,011	44.9 %
Wholesale and other	184,150	164,477	12.0 %
Constellation Wines net sales	$ 494,160	$ 378,488	30.6 %

Constellation Beers and Spirits:			
Imported beers	$ 207,264	$ 199,706	3.8 %
Spirits	70,205	72,199	(2.8)%
Constellation Beers and Spirits net sales	$ 277,469	$ 271,905	2.0 %
Corporate Operations and Other	$ -	$ -	N/A
Consolidated Net Sales	$ 771,629	$ 650,393	18.6 %

</TABLE>

Net sales for First Quarter 2004 increased to $771.6 million from $650.4 million for First Quarter 2003, an increase of $121.2 million, or 18.6%. This increase resulted primarily from the inclusion of $101.9 million of net sales of products acquired in the Hardy Acquisition. In addition, net sales increased due to increases in U.K. wholesale sales, imported beer sales and a favorable foreign currency impact of $18.2 million.

Constellation Wines

Net sales for Constellation Wines increased to $494.2 million for First Quarter 2004 from $378.5 million in First Quarter 2003, an increase of $115.7 million, or 30.6%. This increase was primarily due to the addition of $98.5 million of sales of branded wine acquired in the Hardy Acquisition and also included a positive impact on branded wine sales of $3.0 million from foreign exchange partially offset by a decrease in the Company's base (non Hardy) sales. Wholesale and other net sales increased $19.7 million due to a favorable foreign currency impact of $15.2 million, partially offset by lower cider sales. The Company continues to face a challenging wine environment due to competitive discounting driven in part by excess grape supplies. The Company does not believe this is a long-term issue. 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 Beers and Spirits increased to $277.5 million for First Quarter 2004 from $271.9 million for First Quarter 2003, an increase of $5.6 million, or 2.0%. This increase resulted primarily from both volume gains and higher average prices of beer , which increased $7.6 million, or 3.8%, partially offset by spirits sales which were down $2.0 million, or (2.8%), on flat volume. The higher average beer prices resulted from a price increase on the Company's Mexican portfolio, which took effect in First Quarter 2003. The decline in spirits sales was due primarily to sales mix towards lower average priced brands.

GROSS PROFIT

The Company's gross profit increased to $207.9 million for First Quarter 2004 from $176.7 million for First Quarter 2003, an increase of $31.2 million, or 17.6%. The dollar increase in gross profit resulted primarily from sales from the Hardy Acquisition of $26.8 million (net of $5.5 million of pass through of stepped - up inventory costs), higher average beer sales and lower average spirits costs, partially offset by higher average beer costs. Gross profit as a percent of net sales decreased to 26.9% for First Quarter 2004 from 27.2% for First Quarter 2003 primarily due to the Hardy Acquisition.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses increased to $106.6 million for First Quarter 2004 from $90.8 million for First Quarter 2003, an increase of $15.9 million, or 17.5%. This increase resulted primarily from $11.4 million in selling, general and administrative expenses related to the brands acquired in the Hardy Acquisition. In addition, $4.1 million of amortized deferred financing costs associated with non-continuing financing in connection with the Hardy Acquisition were included in the Corporate Operations and Other segment. These costs were primarily related to the bridge loan agreement. Selling, general and administrative expenses as a percent of net sales decreased to 13.8% for First Quarter 2004 as compared to 14.0% for First Quarter 2003 due primarily to the Hardy Acquisition which had a lower percentage of selling, general and administrative expenses than the Company's base businesses.

RESTRUCTURING CHARGES

Restructuring charges resulted from the realignment of business operations in the Company's wine segment, as previously announced in the Company's fourth quarter of fiscal 2003. The Company recorded a restructuring charge of $2.3 million in First Quarter 2004 and expects to incur additional charges of approximately $5.0 million for the previously announced actions over the remainder of fiscal 2004.

In June 2003, the Company made a decision to exit the commodity concentrate product line located in Madera, California. The commodity concentrate product line is facing declining sales and profits and is not part of the Company's core business, beverage alcohol. The Company will continue to produce and sell value-added, proprietary concentrate products such as MegaColors.

Related to exiting commodity concentrate, the Company will sell its Escalon facility, located in Escalon, California, and move all remaining production and storage from Escalon to Madera and other locations. By exiting commodity concentrate, the Company will free up capacity at its winery in Madera and forego further investment in its Escalon facility. The Company believes these steps will simplify its wine operations and will result in a better use of its capital.

The total restructuring charge for exiting the commodity concentrate product line and closing the Escalon facility is expected to be $56 million and is expected to be incurred over the next six quarters, beginning with an estimated $40 million in the second quarter of fiscal 2004. Of the total restructuring charges, approximately $25 million relate to inventory charges which will be included in cost of product sold. The remaining charges result from renegotiating existing grape contracts associated with commodity concentrate and the Escalon facility, asset write-offs and severance-related costs. More than half of the charges are non-cash charges.

OPERATING INCOME

The following table sets forth the operating income/(loss) (in thousands of dollars) by operating segment of the Company for First Quarter 2004 and First Quarter 2003.

<TABLE>
<CAPTION>

	First Quarter 2004 Compared to First Quarter 2003		
	Operating Income (Loss)		
	2004	2003	% Increase
<S>	<C>	<C>	<C>
Constellation Wines	$ 61,023	$ 38,838	57.1 %
Constellation Beers and Spirits	59,883	54,421	10.0 %
Corporate Operations and Other	(10,071)	(7,294)	38.1 %
Total Reportable Segments	110,835	85,965	28.9 %
Restructuring and Unusual Costs	(11,868)	-	N/A
Consolidated Operating Income	$ 98,967	$ 85,965	15.1 %

</TABLE>

Restructuring and unusual costs of $11.9 million for First Quarter 2004 included restructuring and certain unusual 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 and the amortization of deferred financing costs associated with the Hardy Acquisition of $5.5 million and $4.1 million, respectively, and restructuring charges of $2.3 million. As a result of these costs and the above factors, consolidated operating income increased to $99.0 million for First Quarter 2004 from $86.0 million for First Quarter 2003, an increase of $13.0 million, or 15.1%.

INTEREST EXPENSE, NET

Net interest expense increased to $39.2 million for First Quarter 2004 from $27.1 million for First Quarter 2003, an increase of $12.1 million, or 44.6%. The increase resulted from higher average borrowings due to the financing of the Hardy Acquisition, partially offset by a lower average borrowing rate, and $1.7 million of imputed interest expense related to the Hardy Acquisition.

PROVISION FOR INCOME TAXES

The Company's effective tax rate for First Quarter 2004 was 36.0% as compared to 39.3% for First Quarter 2003 as a result of the Hardy Acquisition, which significantly increases the allocation of income to jurisdictions with lower income tax rates.

NET INCOME

As a result of the above factors, net income increased to $39.2 million for First Quarter 2004 from $37.4 million for First Quarter 2003, an increase of $1.8 million, or 4.9%.

FINANCIAL LIQUIDITY AND CAPITAL RESOURCES

GENERAL

The Company's principal use of cash in its operating activities is for purchasing and carrying inventories. The Company's primary source of liquidity has historically been cash flow from operations, except during the annual Fall 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 March and runs through May. The Company generally begins purchasing 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. 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, liquidity and anticipated capital expenditure requirements for both its short-term and long-term capital needs.

FIRST QUARTER 2004 CASH FLOWS

OPERATING ACTIVITIES

Net cash used in operating activities for First Quarter 2004 was $6.4 million, which resulted from $65.1 million in net income adjusted for non-cash items, less $71.5 million representing the net change in the Company's operating assets and liabilities. The net change in operating assets and liabilities resulted primarily from a seasonal increase in accounts receivable and a decrease in accounts payable.

INVESTING ACTIVITIES

Net cash used in investing activities for First Quarter 2004 was $1,081.9 million, which resulted primarily from net cash paid of $1,067.7 million for the purchases of businesses and $18.1 million of capital expenditures.

FINANCING ACTIVITIES

Net cash provided by financing activities for First Quarter 2004 was $1,098.1 million resulting primarily from proceeds of $1,600.0 million from issuance of long-term debt, including $1,060.2 million of long-term debt incurred to acquire Hardy. This amount was partially offset by principal payments of long-term debt of $492.7 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 15, 2003, 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 2004.

DEBT

Total debt outstanding as of May 31, 2003, amounted to $2,778.4 million, an increase of $1,512.9 million from February 28, 2003. The ratio of total debt to total capitalization increased to 65.9% as of May 31, 2003, from 51.9% as of February 28, 2003.

SENIOR CREDIT FACILITY

2003 Credit Agreement

In connection with the Hardy Acquisition, on January 16, 2003, the Company, the U.S. subsidiaries of the Company (excluding certain inactive subsidiaries) and Canandaigua Limited, JPMorgan Chase Bank, as a lender and administrative agent (the "Administrative Agent"), and certain other lenders (such other lenders, together with the Administrative Agent, are collectively referred to herein as the "Lenders") entered into a new credit agreement, which was subsequently amended and restated on March 19, 2003 (the "2003 Credit Agreement"). The 2003 Credit Agreement provides 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 the fifth anniversary of the first date on which the Lenders' obligation to make loans under the 2003 Credit Agreement commences. Proceeds of the 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 Hardy's credit facilities. The Company intends to use the remaining availability under the 2003 Credit Agreement to fund its working capital needs on an ongoing basis.

The Tranche A Term Loan facility and the Tranche B Term Loan facility were fully drawn at closing. The required annual repayments of the Tranche A Term Loan facility is $40.0 million in fiscal 2004 and increases by $20.0 million each year through fiscal 2008. The required annual repayments of the Tranche B Term Loan, which is backend loaded, is $10.0 million in fiscal 2004 and increases to $400.0 million in fiscal 2009.

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 2003 Credit Agreement) and, with respect to LIBOR borrowings, ranges between 1.75% and 2.75%. The initial LIBOR margin for the Revolving Credit facility and the Tranche A Term Loan facility is 2.25%, while the initial LIBOR margin on the Tranche B Term Loan facility is 2.75%.

The Company's obligations are guaranteed by the U.S. subsidiaries of the Company (excluding certain inactive subsidiaries) Canandaigua Limited, CBI Australia Holdings Pty Limited, Constellation Australia Pty Limited and Constellation International Holdings Limited ("Guarantors"), and the Company has pledged collateral of (i) 100% of the capital stock of all of the Company's U.S. subsidiaries and (ii) 65% of the voting capital stock of Canandaigua Limited, Matthew Clark plc, Hardy, Constellation Australia Pty Limited and certain other foreign subsidiaries of the Company. In addition, under certain circumstances, the Company and the Guarantors are required to pledge certain of their assets consisting of, among other things, inventory, accounts receivable and trademarks to secure the obligations under the 2003 Credit Agreement.

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 thresholds. Hardy guarantees debt of a joint venture in the maximum amount of $3.5 million as of May 31, 2003, which is permitted under the 2003 Credit Agreement. The primary financial covenants require the maintenance of a debt coverage ratio, a senior debt coverage ratio, a fixed charges ratio and an interest coverage ratio.

Bridge Agreement

On January 16, 2003, the Company, the U.S. subsidiaries of the Company (excluding certain inactive subsidiaries) and Canandaigua Limited, JPMorgan Chase Bank, as a lender and Administrative Agent, and certain other lenders (such other lenders, together with the Administrative Agent, are collectively referred to herein as the "Bridge Lenders") entered into a bridge loan agreement which was amended and restated as of March 26, 2003, containing commitments of the Bridge Lenders to make bridge loans (the "Bridge Loans") of up to, in the aggregate, $450.0 million (the "Bridge Agreement"). On April 9, 2003, the Company used $400.0 million of the Bridge Loans to fund a portion of the cash required to pay the former Hardy shareholders. The Bridge Loans are due on the first anniversary of the date of the funding of the Bridge Loans ("Bridge Loan Maturity Date"). The rate of interest payable on the Bridge Loans is equal to LIBOR plus a margin. The initial margin on the Bridge Loans is 3.75%.

If the Bridge Loans are not repaid on the Bridge Loan Maturity Date, the Bridge Lenders have committed to make certain term loans in an amount corresponding to the then-outstanding amount of the Bridge Loans ("Term Loans"). The Term Loans are due on the seventh anniversary of the date on which the Bridge Loans are funded ("Term Loan Maturity Date"). The rate of interest payable on the Term Loans is equal to LIBOR plus a margin. The rate of interest payable on any of the Bridge Loans or the Term Loans is capped at 11.50% ("Rate Cap"). If the Bridge Loans are not repaid on the date that is three months after the date of funding, then the margin will increase on a quarterly basis thereafter until the rate of interest payable reaches the Rate Cap.

The Lenders have the right to exchange on or after the Bridge Loan Maturity Date all or a portion of their respective Bridge Loans or Term Loans for notes ("Exchange Notes") that will be issued pursuant to an indenture to be entered into among the Company, as issuer, certain subsidiaries of the Company, as guarantors, and an indenture trustee on behalf of the holders of the Exchange Notes. The Exchange Notes indenture will be in a form to be agreed between the Company and the Administrative Agent and will contain terms and a final maturity date that are substantially consistent with the terms and the maturity date of the Term Loans. The Exchange Notes will bear interest at a fixed rate as determined by the exchanging holder that will not exceed the Rate Cap.

The Guarantors have guaranteed the Company's obligations under the Bridge Agreement.

The Company and the Guarantors have made certain representations and warranties in the Bridge Agreement which are substantially the same as the representations and warranties in the 2003 Credit Agreement. The Bridge Agreement also contains covenants and events of default that are similar to the covenants and events of default in the indentures pursuant to which the Company issued its senior notes and senior subordinated notes.

As of May 31, 2003, under the 2003 Credit Agreement, the Company had outstanding Tranche A term loans of $400.0 million bearing a weighted average interest rate of 3.6%, Tranche B term loans of $800.0 million bearing a weighted average interest rate of 4.1%, $15.0 million of revolving loans bearing a weighted average interest rate of 3.1%, undrawn revolving letters of credit of $15.1 million, and $369.9 million in revolving loans available to be drawn. Also, as of May 31, 2003, under the Bridge Agreement, the Company had outstanding $400.0 million of Bridge Loans bearing a weighted average interest rate of 5.1%. As the Company intends to repay the Bridge Loans at or prior to the Bridge Loan Maturity Date, these Bridge Loans are classified as current liabilities on the Consolidated Balance Sheet.

SENIOR NOTES

As of May 31, 2003, 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, 2003, the Company had outstanding (pound) 1.0 million ($1.6 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, 2003, the Company had outstanding (pound) 154.0 million ($251.5 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, 2003, 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

As of May 31, 2003, the Company had outstanding $200.0 million aggregate principal amount of 8 1/2% Senior Subordinated Notes due March 2009 (the "Senior Subordinated Notes"). The Senior Subordinated Notes are redeemable at the option of the Company, in whole or in part, at any time on or after March 1, 2004.

Also, as of May 31, 2003, 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.

ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED

In November 2002, the Emerging Issues Task Force ("EITF") reached a consensus on EITF Issue No. 00-21 ("EITF No. 00-21"), "Revenue Arrangements with Multiple Deliverables." EITF No. 00-21 addresses certain aspects of the accounting by a vendor for arrangements under which it will perform multiple revenue-generating activities. EITF No. 00-21 also addresses how arrangement consideration should be measured and allocated to the separate units of accounting in the arrangement. The Company is required to adopt EITF No. 00-21 for all revenue arrangements entered into beginning August 1, 2003. The Company is currently assessing the financial impact of EITF No. 00-21 on its financial statements.

In January 2003, the FASB issued FASB Interpretation No. 46 ("FIN No. 46"), "Consolidation of Variable Interest Entities - an interpretation of ARB No. 51." FIN No. 46 requires all variable interest entities to be consolidated by the primary beneficiary. The primary beneficiary is the entity that holds the majority of the beneficial interests in the variable interest entity. In addition, the interpretation expands disclosure requirements for both variable interest entities that are consolidated as well as variable interest entities from which the entity is the holder of a significant amount of the beneficial interests, but not the majority. The Company is required to adopt FIN No. 46 in its entirety beginning September 1, 2003. The Company is currently assessing the financial impact of FIN No. 46 on its financial statements.

In April 2003, the FASB issued Statement of Financial Accounting Standards No. 149 ("SFAS No. 149"), "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." SFAS No. 149 amends and clarifies financial accounting and reporting for derivative instruments, including certain derivative instruments embedded in other contracts (collectively referred to as derivatives) and for hedging activities under SFAS No. 133. SFAS No. 149 is effective for contracts entered into or modified after June 30, 2003, and hedging relationships designated after June 30, 2003, except for those provisions of SFAS No. 149 which relate to SFAS No. 133 Implementation Issues that have been effective for fiscal quarters that began prior to June 15, 2003. For these issues, the provisions that are currently in effect should continue to be applied in accordance with their respective effective dates. In addition, certain provisions of SFAS No. 149, which relate to forward purchases or sales of when-issued securities or other securities that do not yet exist, should be applied to both existing contracts and new contracts entered into after June 30, 2003. The Company is currently assessing the financial impact of SFAS No. 149 on its financial statements.

In May 2003, the FASB issued Statement of Financial Accounting Standards No. 150 ("SFAS No. 150"), "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity." SFAS No. 150 establishes standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. SFAS No. 150 requires that an issuer classify a financial instrument that is within the scope of SFAS No. 150 as a liability. SFAS No. 150 is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is effective for the Company beginning September 1, 2003. The Company is currently assessing the financial impact of SFAS No. 150 on its financial statements.

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 successful integration of the Hardy business into that of the Company; final management determinations and independent appraisals vary materially from current management estimates and preliminary independent appraisals of the fair value of the assets acquired and the liabilities assumed in the Hardy acquisition; 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 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 28, 2003.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In connection with the Hardy Acquisition, the Company entered into the 2003 Credit Agreement and the Bridge Agreement. As a result, a hypothetical 1% increase from prevailing interest rates at May 31, 2003, and February 28, 2003, would result in an approximate increase in cash required for interest on variable interest rate debt during fiscal 2004 and the next five fiscal years as follows:

	May 31, 2003	February 28, 2003
2004	$10.0 million	$1.1 million
2005	$11.5 million	$0.3 million
2006	$10.4 million	$ -
2007	$8.9 million	$ -
2008	$7.0 million	$ -
2009	$4.0 million	$ -

ITEM 4. CONTROLS AND PROCEDURES

The Company's Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation within 90 days prior to the filing date of this report, that the Company's disclosure controls and procedures (as defined in Securities Exchange Act Rules 13a-14(c) and 15d-14(c)) 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. There have been no significant changes in the Company's internal controls or in other factors that could significantly affect these controls subsequent to the date of the foregoing evaluation.

PART II - OTHER INFORMATION

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS.

Unregistered Sales of Equity Securities During First Quarter 2004

On January 17, 2003, the Company entered into an agreement to acquire all of the outstanding shares of BRL Hardy Limited (now known as Hardy Wine Company Limited ("Hardy")), an Australian corporation.

Pursuant to the agreement, on April 9, 2003, the acquisition was implemented by all of the outstanding shares of Hardy being acquired by a wholly owned subsidiary of the Company in exchange for which the holders of Hardy shares received aggregate cash consideration of A$1.74 billion and, to holders of Hardy shares (or to a depositary issuing to such holders depositary interests representing the Company's Class A Common Stock, par value $0.01 per share) electing to receive all or a portion of their consideration in stock or such depositary interests, 3,288,913 shares of the Company's Class A Common Stock.

The shares of the Company's Class A Common Stock were sold to Hardy shareholders in reliance on the exemption from registration requirements of the Securities Act of 1933, as amended, provided in Section 3(a)(10) thereof, based upon the final approval of the share scheme by the Supreme Court of South Australia on March 27, 2003.

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	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 Credit Agreement, dated as of October 6, 1999, between the Company, certain principal subsidiaries, and certain banks for which JPMorgan Chase Bank (formerly known as The Chase Manhattan Bank) acts as Administrative Agent, The Bank of Nova Scotia acts as syndication Agent, and Credit Suisse First Boston and Citicorp USA, Inc. act as Co-Documentation Agents.

4.11 Amendment No. 1 to Credit Agreement, dated as of February 13, 2001, between the Company, certain principal subsidiaries, and JPMorgan Chase Bank (formerly known as The Chase Manhattan Bank), as administrative agent for certain banks.

4.12 Amendment No. 2 to the Credit Agreement, dated as of May 16, 2001 between the Company, certain principal subsidiaries, and JPMorgan Chase Bank (formerly known as The Chase Manhattan Bank), as administrative agent for certain banks.

4.13 Amendment No. 3 to the Credit Agreement, dated as of September 7, 2001 between the Company, certain principal subsidiaries, and JPMorgan Chase Bank (formerly known as The Chase Manhattan Bank), as administrative agent for certain banks.

4.14 Amendment No. 4 to the Credit Agreement, dated as of January 15, 2002 between the Company, certain principal subsidiaries, and JPMorgan Chase Bank (formerly known as The Chase Manhattan Bank), as administrative agent for certain banks.

4.15 Guarantee Assumption Agreement, dated as of July 2, 2001, by Ravenswood Winery, Inc., in favor of JPMorgan Chase Bank (formerly known as The Chase Manhattan Bank), as administrative agent, pursuant to the Credit Agreement dated as of October 6, 1999, as amended.

4.16 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.

4.17 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.

4.18 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.

4.19 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.

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

4.21 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.

4.22 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 JPMorgan Europe Limited, as London Agent.

4.23 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.

(10) MATERIAL CONTRACTS.

10.1 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 JPMorgan Europe Limited, as London Agent.

10.2 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.

(11) STATEMENT RE COMPUTATION OF PER SHARE EARNINGS.

11.1 Computation of per share earnings.

(99) ADDITIONAL EXHIBITS.

99.1 Certification of Chief Executive Officer pursuant to Section 18 U.S.C. 1350 (Section 906 of the Sarbanes-Oxley Act of 2002).

99.2 Certification of Chief Financial Officer pursuant to Section 18 U.S.C. 1350, (Section 906 of the Sarbanes-Oxley Act of 2002).

(b) The following Reports on Form 8-K were filed with the Securities and Exchange Commission during the quarter ended May 31, 2003:

(i) Form 8-K dated March 11, 2003 and filed as of March 11, 2003. This Form 8-K reported information under Item 9. *

(ii) Form 8-K dated March 17, 2003 and filed as of March 17, 2003. This Form 8-K reported information under Items 7 and 9. *

(iii) Form 8-K dated March 20, 2003 and filed as of March 20, 2003. This Form 8-K reported information under Item 9. *

(iv) Form 8-K dated March 25, 2003 and filed as of March 26, 2003. This Form 8-K reported information under Item 9. *

(v) Form 8-K dated March 27, 2003 and filed as of March 27, 2003. This Form 8-K reported information under Item 9. *

(vi) Form 8-K dated March 27, 2003 and filed as of April 9, 2003. This Form 8-K reported information under Items 2 and 7.

(vii) Form 8-K dated April 6, 2003 and filed as of April 7, 2003. This Form 8-K reported information under Item 9. *

(viii) Form 8-K dated April 9, 2003 and filed as of April 9, 2003. This Form 8-K reported information under Items 7 and 9, and included (i) the Company's Condensed Consolidated Balance Sheets as of February 28, 2003 and February 28, 2002; (ii) the Company's Consolidated Statements of Income on a Reported Basis for the three months ended February 28, 2003 and February 28, 2002; (iii) the Company's Consolidated Statements of Income on a Reported Basis for the years ended February 28, 2003 and February 28, 2002; (iv) the Company's Supplemental Consolidated Statements of Income on a Comparable Basis for the three months ended February 28, 2003 and February 28, 2002; (v) the Company's Supplemental Consolidated Statements of Income on a Comparable Basis for the years ended February 28, 2003 amd February 28, 2002; (vi) the Company's Supplemental Financial Data Pacific Wine

Partners Joint Venture for the three months ended February 28, 2003 and February 28, 2002; (vii) the Company's Reconciliation of Reported and Comparable Financial Information for the three months ended February 28, 2003 and February 28, 2002, and the years ended February 28, 2003 and February 28, 2002; and (viii) tables reconciling certain reported information to certain comparable information. *

* 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 15, 2003 By:/s/ Thomas F. Howe

Thomas F. Howe, Senior Vice President, Controller

Dated: July 15, 2003 By:/s/ Thomas S. Summer

Thomas S. Summer, Executive Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

CERTIFICATIONS

I, Richard Sands, certify that:

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

2. Based on my knowledge, this quarterly 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly 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-14 and 15d-14) for the registrant and we have:

   a) designed such disclosure controls and procedures 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 quarterly report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

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

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal

controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: July 15, 2003

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

I, Thomas S. Summer, certify that:

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

2. Based on my knowledge, this quarterly 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly 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-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures 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 quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

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

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: July 15, 2003

/s/ Thomas S. Summer
- ----------------------------------
Thomas S. Summer
Executive Vice President and Chief
Financial 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 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 Credit Agreement, dated as of October 6, 1999, between the Company, certain principal subsidiaries, and certain banks for which JPMorgan Chase Bank (formerly known as The Chase Manhattan Bank) acts as Administrative Agent, The Bank of Nova Scotia acts as Syndication Agent, and Credit Suisse First Boston and Citicorp USA, Inc. act as Co-Documentation Agents (filed as Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended November 30, 1999 and incorporated herein by reference).

4.11 Amendment No. 1 to Credit Agreement, dated as of February 13, 2001, between the Company, certain principal subsidiaries, and JPMorgan Chase Bank (formerly known as The Chase Manhattan Bank), as administrative agent for certain banks (filed as Exhibit 4.20 to the Company's Annual Report on Form 10-K for the fiscal year ended February 28, 2001 and incorporated herein by reference).

4.12 Amendment No. 2 to the Credit Agreement, dated as of May 16, 2001 between the Company, certain principal subsidiaries, and JPMorgan Chase Bank (formerly known as The Chase Manhattan Bank), as administrative agent for certain banks (filed as Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended May 31, 2001 and incorporated herein by reference).

4.13 Amendment No. 3 to the Credit Agreement, dated as of September 7, 2001 between the Company, certain principal subsidiaries, and JPMorgan Chase Bank (formerly known as The Chase Manhattan Bank), as administrative agent for certain banks (filed as Exhibit 4.7 to the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended August 31, 2001 and incorporated herein by reference).

4.14 Amendment No. 4 to the Credit Agreement, dated as of January 15, 2002 between the Company, certain principal subsidiaries, and JPMorgan Chase Bank (formerly known as The Chase Manhattan Bank), as administrative agent for certain banks (filed as Exhibit 4.14 to the Company's Annual Report on Form 10-K for the fiscal year ended February 28, 2002 and incorporated herein by reference).

4.15 Guarantee Assumption Agreement, dated as of July 2, 2001, by Ravenswood Winery, Inc., in favor of JPMorgan Chase Bank (formerly known as The Chase Manhattan Bank), as administrative agent, pursuant to the Credit Agreement dated as of October 6, 1999, as amended (filed as Exhibit 4.6 to the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended August 31, 2001 and incorporated herein by reference).

4.16 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).

4.17 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).

4.18 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).

4.19 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).

4.20 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).

4.21 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).

4.22 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 JPMorgan 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).

4.23 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).

(10) MATERIAL CONTRACTS.

10.1 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 JPMorgan 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).

10.2 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).

(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.

(99) ADDITIONAL EXHIBITS.

99.1 Certification of Chief Executive Officer pursuant to Section 18 U.S.C. 1350 (Section 906 of the Sarbanes-Oxley Act of 2002) (filed herewith).

99.2 Certification of Chief Financial Officer pursuant to Section 18 U.S.C. 1350 (Section 906 of the Sarbanes-Oxley Act of 2002) (filed herewith).

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,			
	2003		2002	
	Basic	Diluted	Basic	Diluted
Income applicable to common shares	$39,189	$39,189	$37,369	$37,369
Shares:				
Weighted average common shares outstanding	92,880	92,880	88,845	88,845
Adjustments:				
Stock options	-	2,781	-	3,508
Adjusted weighted average common shares outstanding	92,880	95,661	88,845	92,353
Earnings per common share	$ 0.42	$ 0.41	$ 0.42	$ 0.40

EXHIBIT 99.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 18 U.S.C. 1350 (Section 906 of the Sarbanes-Oxley Act of 2002)

In connection with the Constellation Brands, Inc. quarterly report on Form 10-Q for the fiscal quarter ended May 31, 2003, 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, 2003 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 quarterly report on Form 10-Q for the fiscal quarter ended May 31, 2003 of Constellation Brands, Inc. fairly presents, in all material respects, the financial condition and results of operations of Constellation Brands, Inc.

Dated: July 15, 2003

/s/ Richard Sands

Richard Sands,
Chief Executive Officer

A signed original of this written statement required by Section 906 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 99.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 18 U.S.C. 1350
(Section 906 of the Sarbanes-Oxley Act of 2002)

In connection with the Constellation Brands, Inc. quarterly report on Form 10-Q for the fiscal quarter ended May 31, 2003, 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, 2003 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 quarterly report on Form 10-Q for the fiscal quarter ended May 31, 2003 of Constellation Brands, Inc. fairly presents, in all material respects, the financial condition and results of operations operations of Constellation Brands, Inc.

Dated: July 15, 2003

/s/ Thomas S. Summer

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

A signed original of this written statement required by Section 906 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.