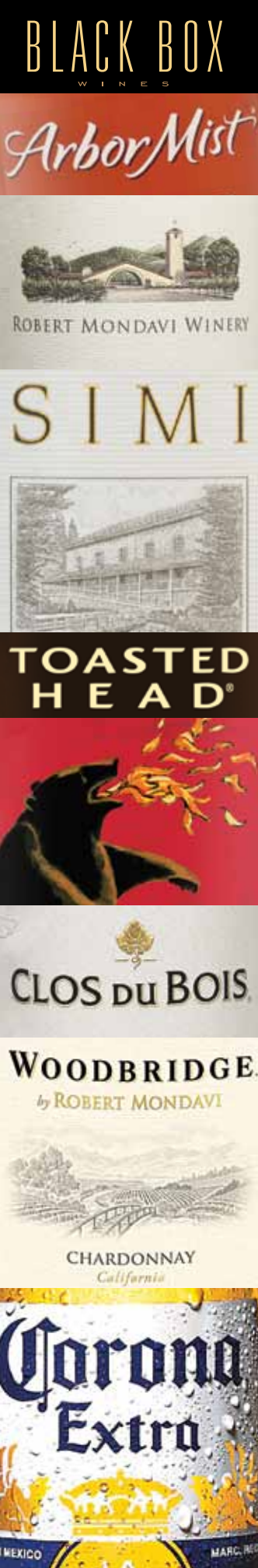


A group of people are gathered around a wooden dining table outdoors at night. The scene is illuminated by warm string lights hanging above the table and several lit candles on the table itself. The group consists of men and women of various ages, all dressed in casual to semi-formal attire. They are engaged in conversation and holding glasses of wine. The table is set with plates of food, including what appears to be a large salad or pasta dish, and several bottles of wine. The background shows a dark, wooded area, suggesting a garden or park setting.

Constellation Brands

*2011 Annual Report*

AT EVERY OCCASION



## CHAIRMAN'S LETTER

In an era of constant, rapid and unpredictable change, the concept of staying the course, especially in business, can seem like an impossible mission. It takes strong and confident leadership, a clear and focused strategy and a team of talented people who are willing to go the distance in order to achieve the goal.

Since fiscal 2010, the goal at Constellation Brands has been a singular one: profitable organic growth. During this period, we have embarked on an evolutionary journey that has taken us from a collection of stellar brands and acquired businesses to a highly disciplined and tightly aligned company that is, *at every occasion*, capitalizing on company-wide efficiencies and best practices to strengthen our operations, our people and our brands.

Our fiscal 2011 results serve as a shining indicator that our collective efforts are paying off. More importantly, they validate the importance of staying true to one's commitments. At Constellation Brands, our commitments are unwavering...to continue to grow our business and our premium brands, to enrich the communities where we live and work and to elevate life with every glass raised.

These commitments are being realized every day because of our people, who are among the best and brightest in the industry. Dedicated, innovative and determined, our employees have stayed the course through unexpected challenges and increasingly higher expectations placed on them. We are grateful for their talents and tenacity and are proud to showcase the impressive results of their work throughout this Annual Report.

Sincerely,



**RICHARD SANDS**

*Chairman of the Board*



# CHIEF EXECUTIVE OFFICER'S LETTER

Fiscal 2011 marked a turning point for Constellation Brands. It was a year filled with significant accomplishment and pivotal progress that further defined our status as the #1 premium wine company in the world with the most powerful portfolio of brands. While our journey has certainly not been without its challenges, we have maintained our focus on what's important: achieving our strategic imperatives. As a result, our efforts to premiumize our portfolio, strengthen our financial profile, build our brands and unify the core foundation of our business have set us on the right path to achieve profitable organic growth.

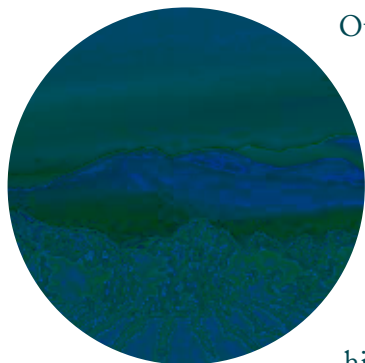
**ROB SANDS** .....

*President and  
Chief Executive Officer*



*At Every Occasion*

## FOCUSING ON WHAT'S IMPORTANT



Overall, our fiscal 2011 results were indicative of the underlying health of our business as we reported organic growth, financial stability and strong brand performance. We achieved record earnings per share, while organic net sales increased on a constant currency basis. We also far exceeded our free cash flow goal for fiscal 2011, delivering an all-time high of more than \$500 million. These historic accomplishments reflect the remarkable progress we've made in reducing inventory, restructuring costs, capital expenditures and interest expenses. What is most impressive though is that we believe we can sustain this level of free cash flow into the foreseeable future.

Our financial discipline also allowed us to decrease our debt by approximately \$600 million for the second consecutive year. This extraordinary level of debt reduction is even more remarkable given the funding of our \$300 million accelerated stock buyback transaction earlier in the year.

Further, we completed the sale of our Australian and U.K. business, which represented our last major strategic divestiture as part of our efforts to premiumize the portfolio. This follows the 2008 sale of a significant portion of our value wine business, the 2009 sale of our value spirits business and the 2010 sale of our U.K. cider business.



### FISCAL 2011 FINANCIAL HIGHLIGHTS

#### ACHIEVED

record earnings  
per share

#### GENERATED

an all-time  
company high of more  
than \$500 million\*  
in free cash flow

#### REDUCED

debt by approximately  
\$600 million

#### FUNDED

accelerated stock  
buyback transaction

Further

#### PREMIUMIZED

the portfolio through the  
sale of our Australian and  
U.K. business

\*Net cash provided by operating activities of \$619 million.

Please see page 14 for reconciliation to the most directly comparable GAAP financial measure.

*At Every Occasion*

## TURNING SMALL MOMENTS INTO CELEBRATIONS

Capitalizing on the growing consumer desire to elevate everyday occasions with a favorite wine, beer or spirit, we continued to experience strong marketplace momentum within our U.S. business, with solid performance driven by some of our well-known “focus brands” such as Robert Mondavi, Clos du Bois, Estancia, Kim Crawford, Simi, Wild Horse and SVEDKA Vodka. These focus brands grew depletions (distributor sales to retail) by almost 10%, which was about three times the overall market rate. SVEDKA maintained its status as the fastest growing major U.S. spirits brand for the second year in a row posting double-digit sales and depletion growth for fiscal 2011. Seven of our U.S. wine brands (Rex Goliath, Black Box, Woodbridge by Robert Mondavi, Estancia, Toasted Head, Clos du Bois, and Robert Mondavi Private Selection) were included on the SymphonyIRI (SIRI) list of 30 Top Momentum Table Wine Brands. Our Robert Mondavi family of brands achieved stellar depletion growth in fiscal 2011, with Woodbridge by Robert Mondavi, our largest brand, increasing depletions by 6%, Robert Mondavi Private Selection by 8% and Robert Mondavi Winery by an astonishing 32%. Newly launched in fiscal 2011, our blüfeld Riesling also hit the ground running, becoming one of the Top 10 SIRI New Table Wine Brands.

This success reinforces the power of our consolidated U.S. distributor network which now includes four distributors with exclusive rights to sell our portfolio in 22 states representing approximately 60% of our total U.S. wine and spirits volume.



### POSITIVE MOMENTUM FOR CROWN IMPORTS

The positive momentum also continued for our beer business. Crown Imports saw its best results since the inception of our joint venture with Grupo Modelo. This resulted from targeted investments in product innovation, creative advertising and promotion strategies, ongoing support of wholesalers and excellent market execution. Crown ended the year with strong depletion growth that outperformed the industry and the imported beer category overall. In fact, it was the only supplier in the U.S. to post positive volume growth in calendar year 2010.

- In addition, Crown Imports is currently the only company with three of its brands among the top five imported beer brands in the U.S. based on SIRI dollar sales.
- Corona Extra remained far and away the leading imported premium brand, with approximately 25% of the import market share in the U.S. According to SIRI data, Modelo Especial maintained its position as the third-leading imported premium beer with nearly 18% growth, the highest among the top 20 brands in the entire U.S. beer industry in calendar year 2010. And Corona Light maintained its position as the leading light imported beer and was fourth in dollar sales in the imported beer segment.

### CORONA EXTRA NAMED ONE OF THE “BEST GLOBAL BRANDS FOR 2010”

by Interbrand, the leading brand evaluation company. Corona is the second ranked beer of only three named and the first and only among all Mexican and Latin American brands to make the list.



*Seven of our U.S. wine brands were included on the SymphonyIRI list of 30 Top Momentum Table Wine Brands.*





## CORE WINE CONSUMERS BY GENERATION\*

*MILLENNIALS*  
(21–34 years old)

**37%** *to* **51%**  
2005                  2010

*GENERATION X*  
(35–46 years old)

**41%** *to* **62%**  
2005                  2010

*BABY BOOMERS*  
(47–65 years old)

**17%** *to* **30%**  
2005                  2010

*At Every Occasion*

## CAPTURING A NEW GENERATION OF WINE ENTHUSIASTS

We are currently in the midst of the most transformative period of positive change in U.S. wine consumption since the 1970s! According to the Beverage Information Group, wine consumption has grown in the U.S. for 17 consecutive years – with total wine consumption rising to more than 300 million cases in calendar year 2010 (representing a gain of nearly 70 million cases in the past decade). In fact, the U.S. is now the world's largest wine-consuming nation for the first time, pushing France to #2 (Bloomberg News, March 15, 2011). Even more notable than the actual growth is the type of consumers who are contributing to it. Unlike the growth of the past, fueled by older, more established consumers, today's wine market growth is

driven by Millennials (70 million strong) and Generation X (44 million). More than 50% of Millennials (ages 21 to 34) are now core wine drinkers (defined as those who drink wine at least once a week) compared to only 37% just five years ago. And although Generation X (ages 35 to 46) was late in coming to the table for wine, it's making up ground quickly. Today, 62% are core wine drinkers compared to only 41% five years ago.



*'apps' and other social media to connect with their growing base of consumers.*

### OPPORTUNITIES ABOUND

Constellation Brands is seizing every opportunity to capitalize on this younger trend of wine market growth through targeted investments aimed specifically at Millennials and Gen Xers. In fiscal 2011, this included sponsorship of the Lollapalooza music festival in Chicago which was supported by more than 200 retail accounts featuring our Estancia, Ravenswood and Toasted Head wines. Kim Crawford, our New Zealand focus

brand, also reached a younger, trendier audience in fiscal 2011 through its first integrated brand program as the official Wine Sponsor for the Spring/Summer season at both the New York and New Zealand Fashion Weeks. In addition to these promotional efforts, many of our brands have also established a significant social media presence, building strong consumer relationships and brand loyalty while growing sales through Facebook, Twitter and YouTube.

### WINE GREW FASTER THAN ANY OTHER TOP 10 CONSUMER PACKAGED GOODS (CPG) CATEGORY

*moving from #10  
in 2009 to #8  
in 2010 within the  
Food/Drug/Massx\*  
combined channel,  
according to SIRI.*

*Wine was the only  
Top 10 CPG category  
to improve positioning  
in the ranking.*

\*Massx refers to the mass  
channel excluding Wal-Mart.



*At Every Occasion*

## MAKING IT EASY TO ENJOY THE BEST

We are proud to count many of the world's most preferred consumer brands within our portfolio. The impressive awards we continue to capture prove that consumers are staying loyal to quality brands they trust and love. In fiscal 2011, we stepped up our efforts to make it even easier for consumers to recognize and purchase our award-winning brands through innovative promotional programs propelled by our streamlined U.S. distributor network.



# CONSTELLATION SHINES ON THE 2010 WINE.COM 100 LIST

*Six of our wines made the 2010 Wine.com 100  
list based entirely on customer preferences:*

- #2..... KIM CRAWFORD 2008 SAUVIGNON BLANC
- #39..... SIMI 2005 LANDSLIDE VINEYARD CABERNET SAUVIGNON
- #40..... HOGUE 2006 GENESIS SYRAH
- #65..... ROBERT MONDAVI 2005 OAKVILLE DISTRICT CABERNET SAUVIGNON
- #75..... ROBERT MONDAVI 2006 NAPA VALLEY CABERNET SAUVIGNON
- #85..... CLOS DU BOIS 2006 CALCAIRE CHARDONNAY

## AWARD WINNERS ROLL CALL

Wine & Spirits awarded *Blackstone Sonoma Reserve Merlot* 91 points in June 2010 and named it one of the 100 Best Buys of the Year for 2010.

Beverage Information Group's  
2011 Growth Brand Awards

Rising Star:  
*blüfeld*

Fast Track Awards:  
*SVEDKA Vodka*  
*Black Box*  
*Kim Crawford*

Established Growth Brand Awards:  
*Woodbridge by Robert Mondavi*  
*Cook's*



CONSTELLATION WINES U.S.



"BEST LARGE WINE COMPANY"



BLACK BOX  
WINES



HOT BRANDS  
2010  
AWARD WINNERS

RED GOLDEN  
TALENT WINE AWARDS



BLACK BOX  
WINES

SVEDKA  
VODKA  
Czech Vodka

Modelo  
 Especial

Modelo  
 Especial

*At Every Occasion*

## ENRICHING THE COMMUNITIES WHERE WE LIVE AND WORK

Corporate Social Responsibility (CSR) reaches back to Constellation Brands' earliest days and has shaped how we conduct business and how we participate in the communities where we live and work. Constellation Brands' CSR platform rests on three pillars: Social Responsibility, Sustainability and Giving. In fiscal 2011, we furthered our commitments in each of these areas.



*Mark Gabrielli (GM, Woodbridge), Larry Pilmaier (VC Manager, Woodbridge), with representatives from the Food Bank of Stockton and San Joaquin County, CA including Tim Viall, Yvonne Derby, Jennifer Murphy, Darrin Brant and Federico Navarro.*



*We sponsor and support many organizations that promote responsible drinking such as The Century Council in the U.S. which targets drunk driving and underage drinking.*

Ravenswood Vineyard, Sonoma, CA

## SUSTAINABILITY

We completed a major expansion of our solar energy initiative at our California wineries including Clos du Bois in Geyserville, Ravenswood in Sonoma and Estancia in Monterey County. The project built upon the inaugural solar panel installation at the Gonzales winery in Monterey County in fiscal 2010. Approximately 17,000 solar panels are now installed across the four wineries, making our solar footprint the largest in the U.S. wine industry. The solar power generated is projected to cover most, if not all, of the wineries' energy needs.

In support of Constellation Brands' commitment to reduce its overall greenhouse gas emissions, we also collected and reported our carbon footprint data to the Carbon Disclosure Project for the second consecutive year. Constellation Brands ranked in-line with our industry peers and above average when compared to the full Consumer Staples sector. CSR representatives in each of our regions are working together to establish worldwide goals for reducing greenhouse gas emissions, water usage and waste across our company.

## SOCIAL RESPONSIBILITY

Constellation Brands has a long-standing commitment to promote, advertise and market our products using the industry's best practices. Our Global Marketing Code serves as our guide to these high standards by providing the fundamental framework for responsible brand advertising and marketing to ensure our messages are directed at legal, drinking-age consumers. Compliance with the Global Marketing Code is mandatory across the company. In fiscal 2011, we updated the Global Marketing Code to include specific guidance with respect to digital communications, product placements and new international standards.

We are also involved in a number of initiatives that address the societal impact of the misuse of beverage alcohol. We sponsor and support many organizations that promote

responsible drinking such as The Century Council in the U.S., which aims to eliminate drunk driving and underage drinking. We are also a member of the Global Alcohol Producers Group, an informal coalition of leading international beverage alcohol companies that are engaged in discussions with the World Health Organization and other key stakeholders to examine ways to effectively promote responsible alcohol consumption around the world.

## GIVING

Constellation Brands' culture of giving is focused in three areas: Arts and Culture, Education and Health Care. In fiscal 2011, together with our employees, we supported each of these areas through generous financial contributions, countless volunteer hours and other donated supplies and resources.

Specifically, we continued our generous support of several regions throughout the world that were devastated by earthquakes including Haiti, Chile and New Zealand, where many of our employees live and work.

.....  
*In fiscal 2011, we donated millions of dollars in support of our Giving commitment to advance Arts and Culture, Education and Health Care around the world.*  
 .....

We also made a \$1 million commitment to the Rochester Institute of Technology to support the creation of the Constellation Commons for Global Learning. And we provided a gift of \$500,000 to help fund the creation of a state-of-the-art Pediatrics and Visitation Center in Rochester, NY. The Center, which will co-locate a medical facility with a supervised visitation center, will provide significant benefits to foster children, their families and the community. The center will be the first of its kind in the world and is anticipated to serve as an international model for future medical facilities. For more information about our range of CSR commitments and activities, please visit [www.constellationcsr.com](http://www.constellationcsr.com).





*Solbar Patio at Solage Calistoga*

## LOOKING CONFIDENTLY TOWARD THE FUTURE

I believe we have never been better positioned for sustainable, profitable growth than we are today, thanks in large part to the unwavering dedication, tireless efforts and outstanding talents of our people. The transformative work we have accomplished has not always been easy and has required everyone in our organization to roll up their sleeves and work together in pursuit of our strategic imperatives. I am proud to say that as a result of these efforts we have emerged as a much stronger and more unified Constellation Brands.

I firmly believe that the future is bright for our company, our employees and our shareholders, and I look forward to celebrating the next successful steps on our journey as we aspire to *elevate life with every glass raised*.

Sincerely,

A handwritten signature in dark ink that reads "Robert Sands". The signature is fluid and cursive, with the first name "Robert" and last name "Sands" clearly distinguishable.

**ROB SANDS**

*President and Chief Executive Officer*































































































































































# ABOUT CONSTELLATION BRANDS

**Constellation Brands is the world's leading premium wine company** that achieves success through an unmatched knowledge of wine consumers, storied brands that suit varied lives and tastes, and talented employees worldwide. With a broad portfolio of widely admired premium products across the wine, beer and spirits categories, Constellation's brand portfolio includes Robert Mondavi, Clos du Bois, Blackstone, Arbor Mist, Estancia, Ravenswood, Jackson Triggs, Kim Crawford, Corona Extra, Black Velvet Canadian Whisky and SVEDKA Vodka.

Constellation Brands (NYSE: STZ and STZ.B) is an S&P 500 Index and Fortune 1000® company with more than 100 brands in our portfolio, sales in about 125 countries and operations in approximately 30 facilities. The Company believes that industry leadership involves a commitment to our brands, to the trade, to the land, to investors and to different people around the world who turn to our products when celebrating big moments or enjoying quiet ones. We express this commitment through our vision: *to elevate life with every glass raised*. To learn more about Constellation, visit the Company's website at [www.cbrands.com](http://www.cbrands.com).



PULL AND SAVE FOR FUTURE REFERENCE

## SELECTION OF CONSTELLATION'S TOP SCORES:

### UNITED STATES

- 95 pts** 2007 Robert Mondavi Winery Cabernet Sauvignon Reserve, Napa Valley (WA+WS)
- 95 pts** 2007 Ravenswood Single Vineyard Designate Zinfandel, Old Hill Vineyard, Sonoma Valley (WE)
- 94 pts** 2007 Franciscan Cabernet Sauvignon, Napa Valley (WE)
- 94 pts** 2005 Simi Landslide Vineyard Cabernet Sauvignon, Alexander Valley (WE)
- 94 pts** 2007 Ravenswood Single Vineyard Designate Zinfandel, Belloni Vineyard, Russian River Valley (WE)
- 93 pts** 2007 Wild Horse Unbridled Pinot Noir, Santa Barbara (W&S)
- 92 pts** 2007 Clos du Bois Calcaire Chardonnay, Russian River Valley (WE)
- 92 pts** 2008 Robert Mondavi Winery Fume Blanc Reserve, Napa Valley (WE)
- 91 pts** 2007 Hogue Reserve Chardonnay, Columbia Valley (WA)
- 90 pts** 2009 Estancia Sauvignon Blanc, Monterey County (WE)

### NEW ZEALAND

- 90 pts** 2010 Drylands Sauvignon Blanc, Marlborough (WS)
- 90 pts** 2009 Nobilo Icon Sauvignon Blanc, Marlborough (WE)
- 90 pts** 2009 Nobilo Icon Pinot Noir, Marlborough (WS)

### CANADA

- 94 pts** 2006 Inniskillin Riesling Icewine, Niagara Peninsula (WS)
- 91 pts** 2006 Inniskillin Vidal, Niagara Peninsula (WS)
- 90 pts** 2006 Jackson Triggs Proprietor's Reserve Vidal, Niagara Peninsula (WS)

### ITALY

- 96 pts** 2007 Ruffino Modus, Toscana IGT (WS)
- 90 pts** 2006 Ruffino Riserva Ducale Oro (WS)

WA – Wine Advocate      WS – Wine Spectator  
WE – Wine Enthusiast    W&S – Wine & Spirits

Here are the savings from printing this Annual Report on paper made from 100% post-consumer waste:



**262**

trees preserved for the future



**757 LBS.**

waterborne waste not created



**111,329 GAL.**

wastewater flow saved



**24,253 LBS.**

net greenhouse gases prevented



**12,318 LBS.**

solid waste not generated



**185,640,000**

BTUs energy not consumed

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100%



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