



THIRD QUARTER FISCAL YEAR 2024 FINANCIAL RESULTS

JANUARY 5, 2024

FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements that are based on certain assumptions, estimates, expectations, plans, analyses, and opinions made by management in light of their experience and perception of historical trends, current conditions, and expected future developments, as well as other factors management believes are appropriate in the circumstances. These forward-looking statements are subject to various risks and uncertainties, many of which are beyond our control, and which could cause actual results to differ materially from those set forth in, or implied by, such forward-looking statements. When used in this presentation, words such as “anticipate,” “intend,” “expect,” “plan,” “continue,” “estimate,” “exceed,” “may,” “will,” “project,” “predict,” “propose,” “potential,” “targeting,” “exploring,” “goal,” “outlook,” “forecast,” “trend,” “path,” “scheduled,” “implementing,” “ongoing,” “seek,” “could,” “might,” “should,” “believe,” “vision,” and similar words or expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. Although we believe that the estimates, expectations, plans, and timetables reflected in the forward-looking statements are reasonable, they may vary from management’s current estimates, expectations, plans, and timetables, and we can give no assurance that such estimates, expectations, plans, and timetables will prove to be correct, as actual results and future events and timetables could differ materially from those anticipated in such statements. Information provided in this presentation is necessarily summarized and may not contain all available material information.

All statements other than statements of historical fact in this presentation may be forward-looking statements, including without limitation statements regarding or applicable to our business strategy and vision, value proposition and opportunity, growth plans and growth drivers, innovation, new products, tools, and capabilities, brand building, digital leadership and capabilities, including through our Digital Business Acceleration initiative, future marketing strategies and spend, future focus areas, demographic and consumer projections and trends, future sales, space, partnership, distribution, and supply chain initiatives, our beer expansion, optimization, and/or construction activities, including anticipated scope, capacity, supply, costs, capital expenditures, and timeframes for completion, capital allocation priorities and commitments, future operations, financial position, liquidity and capital resources, net sales, costs, expenses, cost savings initiatives, operating income, operating margins, leverage ratios, including target net leverage ratio, dividend payout ratio, depreciation, equity in earnings, interest expense, tax rates, non-controlling interests, diluted shares outstanding, earnings per share, cash flows, capital expenditures, and other financial metrics, expected volume, inventory, price/mix, and depletion trends, near- and medium-term financial models and targets, wine and spirits optimization and efficiency initiatives, future acquisition, disposition, and investment activities, our ESG approach, corporate social responsibility and sustainability initiatives, environmental stewardship targets, and human capital and DEI objectives, ambitions, and priorities, the manner, timing, and duration of our share repurchase program and source of funds for share repurchases, the amount and timing of future dividends, anticipated inflationary pressures, changing prices, and reductions in consumer discretionary income as well as other unfavorable global and regional economic conditions, geopolitical events, and military conflicts, and our responses thereto, and prospects, plans, and objectives of management.

FORWARD-LOOKING STATEMENTS

In addition to the risks and uncertainties of ordinary business operations and conditions in the general economy and markets in which we compete, our forward-looking statements contained in this presentation are also subject to the risk, uncertainty, and possible variance from our current expectations regarding: water, agricultural and other raw material, and packaging material supply, production, and/or shipment difficulties which could adversely affect our ability to supply our customers; the ability to respond to anticipated inflationary pressures, including reductions in consumer discretionary income and our ability to pass along rising costs through increased selling prices; the actual impact to supply, production levels, and costs from global supply chain disruptions and constraints, transportation challenges (including from labor strikes or other labor activities), shifting consumer behaviors, wildfires, and severe weather events; reliance on complex information systems and third-party global networks; the actual balance of supply and demand for our products, the actual performance of our distributors, and the actual demand, net sales, channel proportions, and volume trends for our products; beer operations expansion, optimization, and/or construction activities, scope, capacity, supply, costs (including impairments), capital expenditures, and timing; results of the potential sale of the remaining assets at our Mexicali brewery or obtaining other forms of recovery; the impact of the military conflicts in Ukraine and in Israel and surrounding areas, geopolitical tensions, and responses, including on inflation, supply chains, commodities, energy, and cybersecurity; contamination and degradation of product quality from diseases, pests, weather, and other conditions; communicable disease outbreaks, pandemics, or other widespread public health crises, such as the COVID-19 pandemic, and associated governmental containment actions, which may include the closure of non-essential businesses (including our manufacturing facilities); the amount, timing, and source of funds for any share repurchases and number of shares outstanding; our cash and debt position; the amount and timing of future dividends which are subject to the determination and discretion of our Board of Directors; the impact of our investment in Canopy, including recording our proportional share of Canopy's estimated pre-tax losses; the accuracy of management's projections relating to the Canopy investment; the timeframe and amount of any potential future impairment of our investment in Canopy; Canopy's failure to receive the requisite approval of its shareholders necessary to approve the Canopy Transaction, any other delays with respect to, or the failure to complete, the Canopy Transaction, the ability to recognize the anticipated benefits of the Canopy Transaction and the impact of the Canopy Transaction on the market price of Canopy's common stock; completion of the Canopy Transaction, the exchange of our promissory note issued by Canopy for Exchangeable Shares, and the impact from converting our Canopy common shares for Exchangeable Shares on our relationship with and investment in Canopy; any impact of U.S. federal laws on Canopy Strategic Transactions or upon the implementation of such Canopy Strategic Transactions, or the impact of any Canopy Strategic Transaction upon our future ownership level in Canopy or our future share of Canopy's reported earnings and losses; the expected impacts and results of our wine and spirits portfolio reshaping and leadership transition as well as of our efforts for our wine and spirits business to become a global, omni-channel competitor; purchase accounting with respect to any transaction, or the assumptions used regarding the assets purchased and liabilities assumed to determine their fair value; general economic, geopolitical, domestic, international, and regulatory conditions, world financial market and banking sector instability, including economic slowdown or recession, and any potential U.S. federal government shutdown; the ability to continue to recognize anticipated benefits of the Reclassification; our targeted net leverage ratio due to market conditions, our ability to generate cash flow at expected levels, and our ability to generate expected earnings; accuracy of supply projections, including relating to beer operations expansion, optimization, and construction activities, wine and spirits operating activities, product inventory levels, and glass sourcing; our ability to achieve and timeframes for achieving expected target debt leverage ratios, cash flows, operating margin, earnings, and other financial metrics; operating and financial risks related to managing future growth; competition in our industry; financing, market, economic, regulatory, and environmental risks; reliance on key personnel; litigation matters; increases in capital or operating costs; changes to international trade agreements, tariffs, accounting standards, elections, assertions, or policies, tax laws, or other governmental regulations; changes in interest rates and the inherent unpredictability of currency fluctuations, commodity prices, and raw materials; any incremental contingent consideration payment paid; accuracy of all projections, including those associated with announced acquisitions, investments, and divestitures; accuracy of forecasts relating to joint venture businesses; the actual amount and timing of cost reductions based on management's final plans; and other factors and uncertainties disclosed from time to time in our filings with the SEC, including our Annual Report on Form 10-K for the fiscal year ended February 28, 2023, and our Quarterly Report on Form 10-Q for the fiscal quarter ended August 31, 2023. Forward-looking statements in this presentation are made as of January 5, 2024, and Constellation does not intend and expressly disclaims any obligation to update or revise the forward-looking information contained in this presentation, whether as a result of new information, future events, or otherwise, except as required by law. Accordingly, viewers and listeners are cautioned not to place undue reliance on forward-looking information.

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This presentation may contain non-GAAP financial measures. These and other non-GAAP financial measures, the purposes for which management uses them, why management believes they are useful to investors, and reconciliations to the most directly comparable GAAP financial measures may be found in the appendix of this presentation or at ir.cbrands.com under the *Financial Info/Financial History (Non-GAAP)* section. All references to profit measures and earnings per share on a comparable basis exclude items that affect comparability. Non-GAAP financial measures are also referred to as being presented on a comparable, adjusted, organic, or “excluding Canopy EIE” basis.

The notes offered under Constellation’s commercial paper program have not been and will not be registered under the Securities Act of 1933, as amended, and may not be offered or sold in the U.S. absent registration or an applicable exemption from registration requirements. This presentation shall not constitute an offer to sell or the solicitation of an offer to buy Constellation’s notes under the commercial paper program.

Unless the context otherwise requires, the term “consumers” refers to legal drinking age consumers and references to “betterment” products means Constellation’s lower-alcohol, lower-calorie, non-alcoholic, or no-calorie products.

Market positions and industry data discussed in this presentation have been obtained or derived from industry and other third-party publications and Constellation’s estimates. Constellation has not independently verified the data from the industry and other third-party publications. Unless otherwise indicated, (i) all references to market positions are based on equivalent unit volume, and (ii) data discussed in this presentation is based on Constellation data, analysis, plans, and reporting.

Unless otherwise indicated, the information presented as of January 5, 2024, and, to the best of Constellation’s knowledge, timely and accurate when made. Thereafter, the information contained in this presentation should be considered historical and not subject to further update by Constellation.

A list of defined terms used within can be found in the appendix of this presentation.

THIRD QUARTER FISCAL YEAR 2024 FINANCIAL HIGHLIGHTS

1

Beer Business

Mid-single digit net sales growth in Q3
100bps operating margin expansion in Q3
Increased operating income growth outlook for FY24

2

Wine and Spirits Business

High-single digit net sales decline in Q3
80bps operating margin expansion in Q3¹
Decreased net sales and operating income outlook for FY24

3

Capital Allocation

Maintained a ~3.2X net leverage ratio²
Declared dividend of \$0.89 per share
Executed \$215M of share repurchases³
Capital expenditure of \$330M primarily focused on Beer brewing capacity additions

4

Other Updates

Revised range of Corporate Expense outlook for FY24
Updated reported EPS and maintained comparable EPS² outlook for FY24
Increased enterprise operating and free cash flow outlook for FY24

¹ Q3 FY23 net of \$1.7M of gross profit less marketing that are no longer part of the wine and spirits segment results due to the Wine Divestiture.

² Excluding Canopy EIE

³ Of ~\$2.8B total authorization as of November 2, 2023

DELIVERING AGAINST OUR STRATEGIC INITIATIVES IN FISCAL YEAR 2024

CONTINUE TO BUILD
POWERFUL BRANDS
THAT PEOPLE LOVE

DEVELOP CONSUMER-
LED INNOVATIONS
ALIGNED WITH
EMERGING TRENDS

DEPLOY CAPITAL
IN-LINE WITH
DISCIPLINED AND
BALANCED PRIORITIES

OPERATE IN A WAY
THAT IS GOOD FOR
BUSINESS AND GOOD
FOR THE WORLD

Q3 FY24 Depletion Growth ¹

| | |
|-----------------------|------|
| Modelo Especial | ~12% |
| Corona Extra | ~1% |
| Pacifico | ~19% |
| Modelo Chelada Brands | ~22% |
| The Prisoner | ~6% |
| Mi CAMPO | >80% |

CERVEZA
Modelo
Ora

Top 5
Share Gainer²

MEIOMI
BRIGHT

#1 New Wine
Brand^{2 3}

Corona
NON-ALCOHOLIC

#1 Share Gainer
in Non-Alcoholic
Segment²

FRESCA
MIXED

Vodka Spritz
#5 new brand^{2 4}

Net leverage ratio
Maintained **~3.2X⁵** in Q3 FY24
expect to achieve **3.0X** during FY25

Enhance Returns
Returns **\$215M in share
repurchases** in Q3 FY24
~\$2.6B total authorization remaining⁶

Organic Investments
to Support Growth
On track with planned
capacity expansions
+10M HL in FY24-FY25
+6M HL in FY26-FY27
+6M HL in FY28

Progress towards the following
FY25 Targets

5 billion gallons
water withdrawal restoration⁷

15% Reduction in Scope 1 and Scope 2
GHG emissions

TRUE Certification for Zero Waste in
key operating facilities⁸ and enhanced
use of circular packaging

Enhanced governance
Process underway to appoint **new
independent Board Chair**

¹ Company Measures

² Circana, Total U.S. Multi-Outlet + Convenience, 12 weeks ended December 3, 2023

³ Among high end brands introduced within the last 2 years.

⁴ Fresca™ Mixed results are primarily included as part of beer segment but reported under the spirits category in Circana tracked channel data. #5 Fresca™ Mixed Vodka Spritz among Spirits brands introduced within last 2 years

⁵ Excludes Canopy EIE

⁶ ~\$2.6B total authorization as of November 30, 2023

⁷ From FY23 to FY25

⁸ True Certification for Zero Waste sought for key operating facilities which, for the purposes of this target, consist of our major production facilities (i.e., our breweries in Mexico and our U.S. wineries generating the vast majority of waste).

THIRD QUARTER FISCAL YEAR 2024 FINANCIAL SUMMARY TABLES

ENTERPRISE

| | Net Sales | Operating Income (Loss) | Net Income (Loss) Attributable to CBI | Adjusted EBIT | Diluted Net Income (Loss) Per Share Attributable to CBI (EPS) | EPS Excluding Canopy EIE |
|--|-----------|-------------------------|---------------------------------------|---------------|---|--------------------------|
| Third Quarter Fiscal Year 2024 ¹ In millions, except per share data | | | | | | |
| Reported | \$2,471 | \$797 | \$509 | \$755 | \$2.76 | NA |
| % Change | 1% | 7% | 9% | 6% | 10% | NA |
| Comparable | \$2,471 | \$820 | \$588 | \$839 | \$3.19 | \$3.24 |
| % Change | 1% | 7% | 12% | 10% | 13% | 8% |

BEER

| | Shipments | Depletions | Net Sales | Operating Income (Loss) |
|---|-----------|------------|-----------|-------------------------|
| Three Months Ended In millions; branded product, 24-pack, 12-ounce case equivalents | | | | |
| November 30, 2023 | 101.1 | | \$1,968.5 | \$757.3 |
| November 30, 2022 | 97.8 | | \$1,891.9 | \$710.0 |
| % Change | 3.4% | 8.2% | 4% | 7% |

WINE AND SPIRITS

| | Shipments | Organic Shipments ¹ | Depletions ¹ | Net Sales ² | Organic Net Sales | Operating Income (Loss) ² |
|---|-----------|--------------------------------|-------------------------|------------------------|-------------------|--------------------------------------|
| Three Months Ended In millions; branded product, 9-liter case equivalents | | | | | | |
| November 30, 2023 | 6.1 | 6.1 | | \$502.4 | \$502.4 | \$127.6 |
| November 30, 2022 | 6.9 | 6.8 | | \$544.6 | \$540.9 | \$134.8 |
| % Change | (11.6%) | (10.3%) | (10.0%) | (8%) | (7%) | (5%) |

¹ Includes adjustments to remove volumes associated with the Wine Divestiture for the period September 1, 2022, through October 5, 2022, included in the three months ended November 30, 2022.

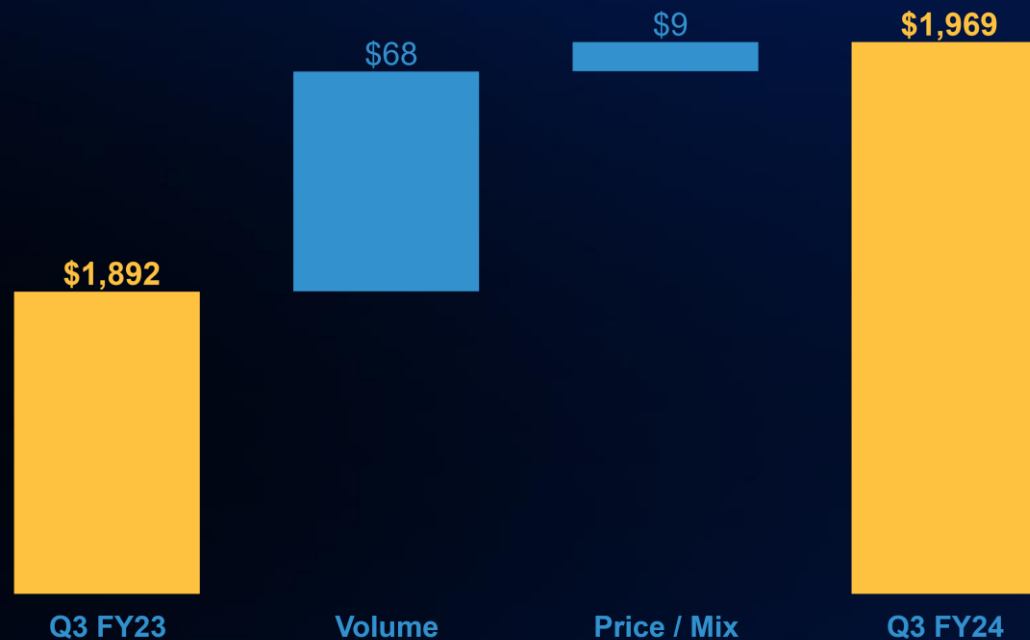
² Three months ended November 30, 2022, includes \$3.7 million of net sales and \$1.7 million of gross profit less marketing that are no longer part of the wine and spirits segment results due to the Wine Divestiture.

NET SALES Q3 FY24 VS Q3 FY23 RESULTS

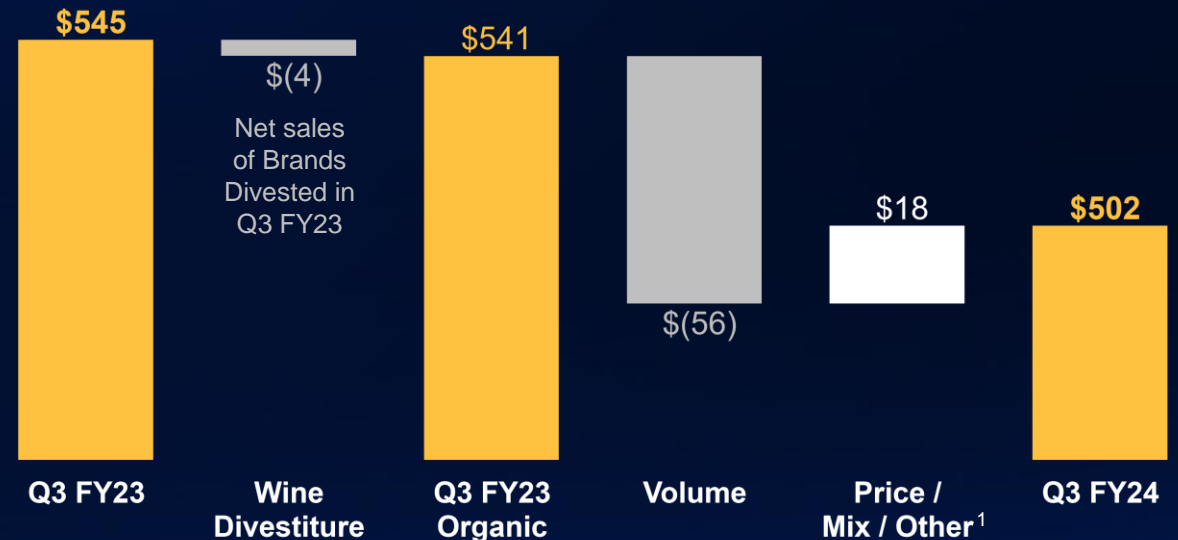
ENTERPRISE

Q3 FY24 \$2.5B
VS Q3 FY23 +1%

Beer Business



Wine & Spirits Business



\$ MILLIONS

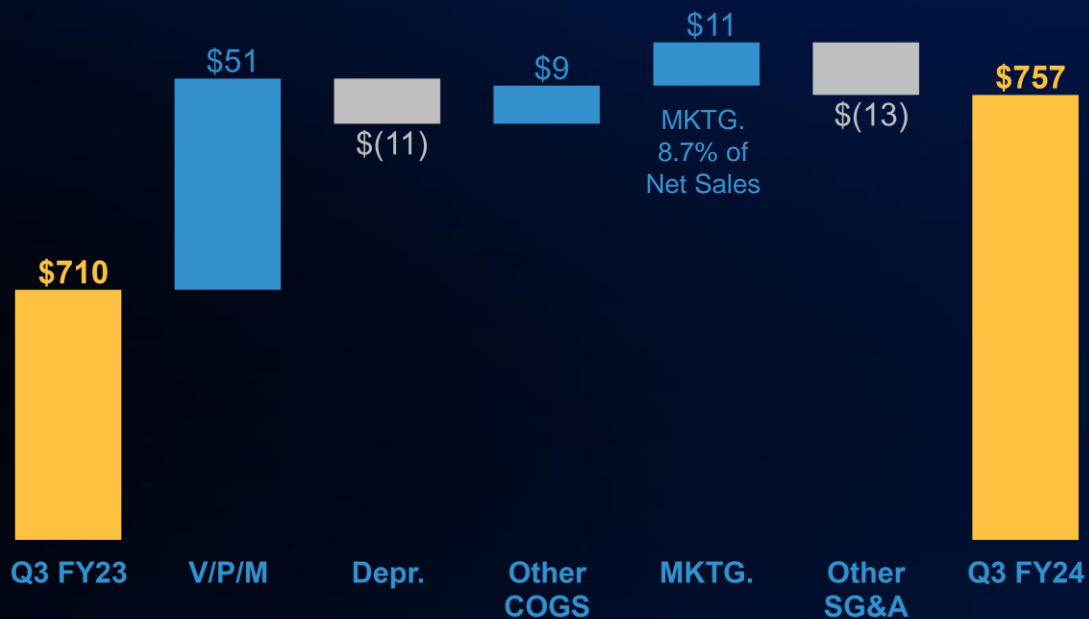
Note: Totals may not sum due to rounding
1 Other includes nonbranded sales

OPERATING INCOME Q3 FY24 VS Q3 FY23 RESULTS

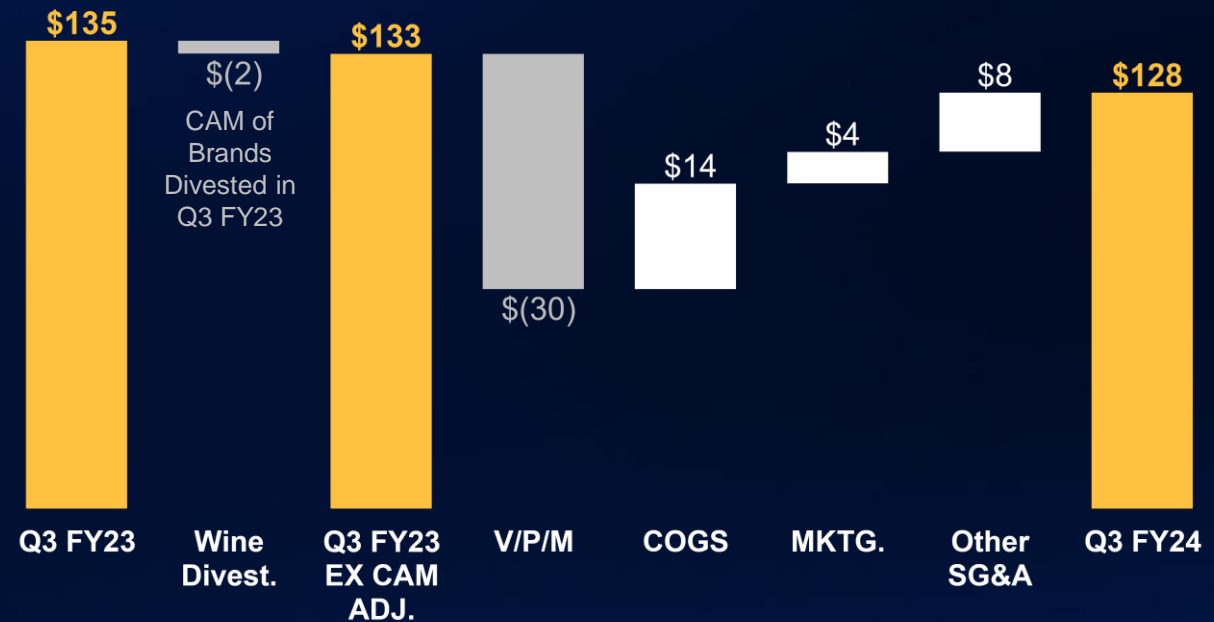
ENTERPRISE

Q3 FY24 \$820M^{1 2}
VS Q3 FY23 +7%

Beer Business



Wine & Spirits Business



\$ MILLIONS

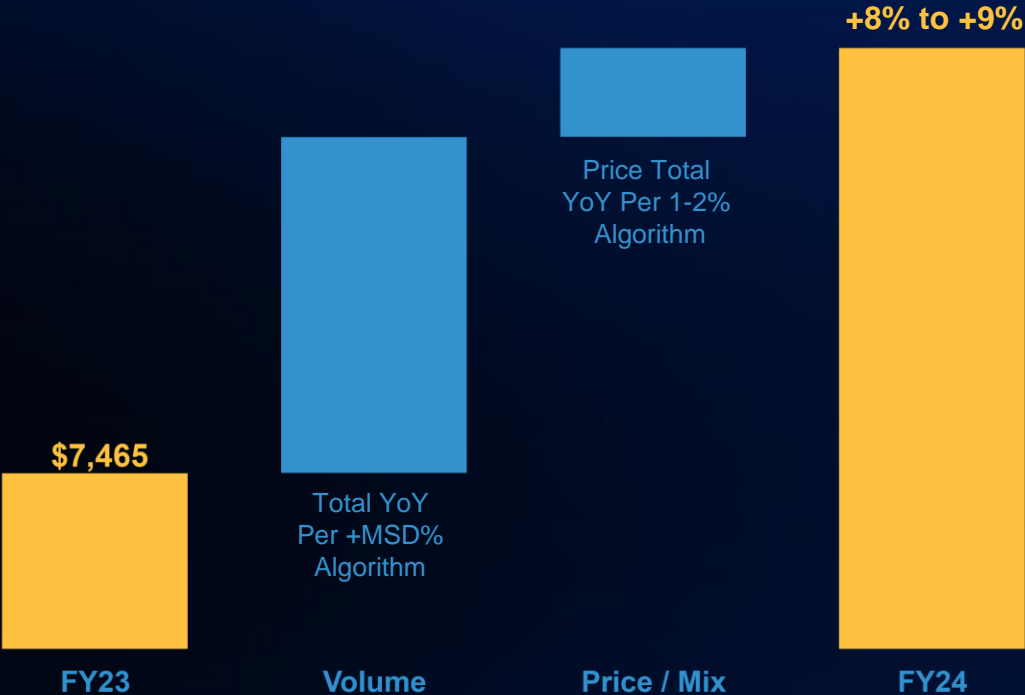
¹ Comparable basis
² Inclusive of \$65M of corporate expense.

NET SALES FY24 OUTLOOK VS FY23 RESULTS

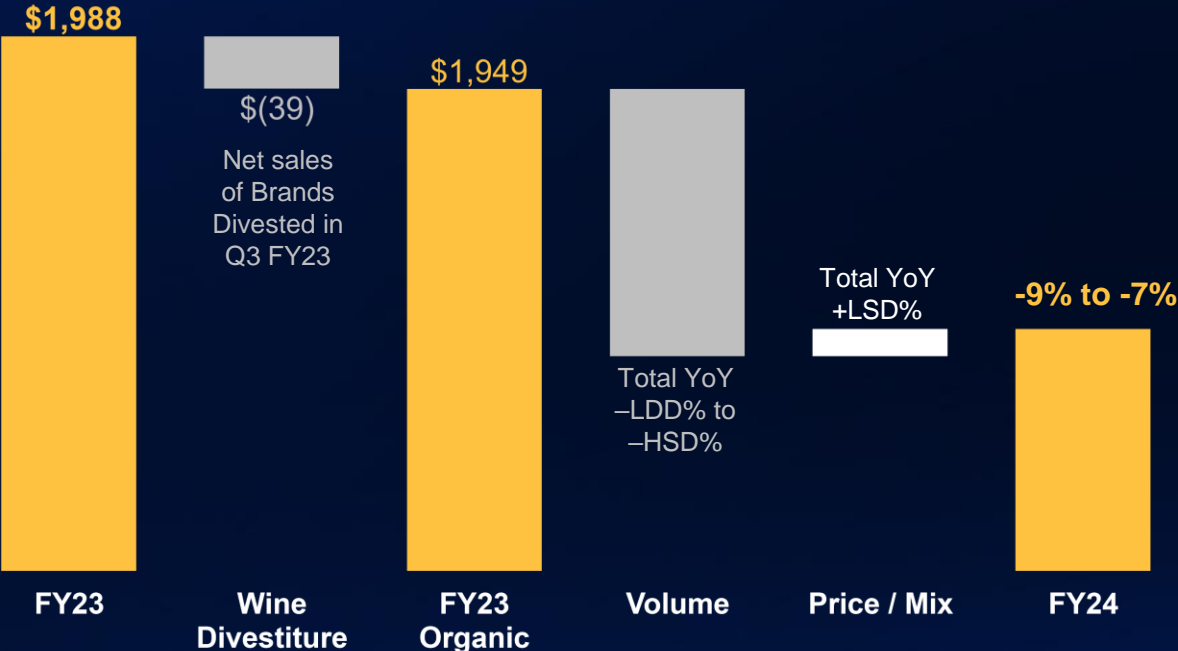
ENTERPRISE

~4% to ~5% Growth

Beer Business



Wine & Spirits Business



\$ MILLIONS

Note: Totals may not sum due to rounding.

OPERATING INCOME FY24 OUTLOOK VS FY23 RESULTS

ENTERPRISE

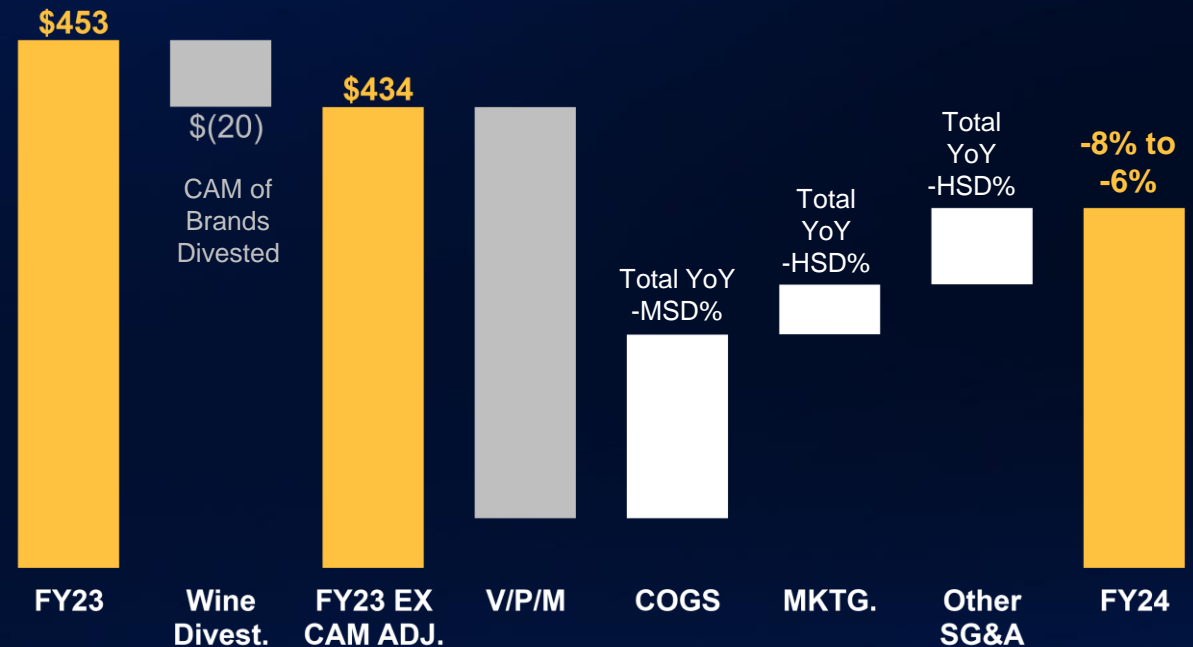
~6% to ~7% Growth

Beer Business

\$ MILLIONS



Wine & Spirits Business



¹ Enterprise comparable operating income inclusive of \$65M of corporate expense and \$23M of comparable adjustments.

BEER BUSINESS OTHER COGS AFFECTED BY INFLATIONARY PRESSURES

| Beer Business Other COGS | FY24 Outlook | |
|---------------------------|----------------------------------|--------------|
| | Share | % Change YoY |
| Packaging & Raw Materials | 55-60% <i>(OF TOTAL COGS)</i> | +HSD |
| Freight | 20-25% <i>(OF TOTAL COGS)</i> | +HSD |
| Labor & Overhead | 10-15% <i>(OF TOTAL COGS)</i> | +HT |

THIRD QUARTER FISCAL YEAR 2024 RESULTS & FULL YEAR OUTLOOK

| (% CHANGE YoY) | Q3 FY24 Results | FY24 Outlook | Other FY24 Outlook Considerations |
|---|---|---|---|
| Net Sales | Beer \$2B +4% W&S \$502M (8%) Reported (7%) Organic ¹ | Beer +8% to +9% W&S (9%) to (7%) Organic ² | Beer ~45% of volumes expected in H2 W&S ~55% of volumes expected in H2 |
| Segment Operating Income (Loss) | Beer \$757M +7% W&S \$128M (5%) Reported Corporate Expense \$65M 13% Reduction | Beer +7% to +8% W&S (8%) to (6%) ⁴ Corporate Expense ~\$260M to ~\$270M | Beer ~25% of COGS variable (includes 10-15% that are hedgeable) W&S ~25% of COGS variable |
| Equity In Earnings (Losses) (Ex. Canopy) | \$32M | ~\$35M | Largely Opus contribution to W&S in Q3 |
| Interest Expense | \$104M | ~\$450M | ~5% of total debt on floating rates |
| Comparable Tax Rate (Ex. Canopy) | 18% | ~19% | NA |
| Non-Controlling Interests | \$11.8M | ~\$40M | NA |
| Diluted Shares Outstanding³ | 184.2 ³ | 184M ⁵ | ~\$2.6B remaining buy-back authorization |
| Reported EPS | \$2.76 | \$9.15 to \$9.35 | NA |
| Comparable EPS (Ex. Canopy EIE) | \$3.24 | \$12.00 to \$12.20 | NA |
| Operating Cash Flow | \$2.3B (Q3 FY24 YTD) | \$2.6B to \$2.8B | NA |
| CAPEX | \$0.9B (Q3 FY24 YTD) | \$1.2B to \$1.3B Beer ~\$1B | Beer: Obregon 5M HL expansion online in Q1; Nava ABA 5M production line ramp-up in Q4 |
| Free Cash Flow | \$1.4B (Q3 FY24 YTD) | \$1.4B to \$1.5B | NA |

¹ Organic excludes from FY23 Q3 \$3.7 million of net sales that are no longer part of the Wine & Spirits Business results due to the Wine Divestiture

² Excludes from FY23 \$38.5 million of net sales that are no longer part of the Wine & Spirits Business results due to the Wine Divestiture

³ Weighted average calculation

⁴ Excludes from FY23 \$19.5 million of gross profit less marketing that are no longer part of the Wine & Spirits Business results due to the Wine Divestiture

⁵ Includes shares repurchased through November 2023 and does not include estimate for additional share repurchases in FY24

APPENDIX

DEFINED TERMS

DEFINED TERMS

Unless the context otherwise requires, the terms “Company,” “CBI,” “STZ,” “we,” “our,” or “us” refer to Constellation Brands, Inc. and its subsidiaries. We use terms in this presentation that are specific to us or are abbreviations that may not be commonly known or used.

| Term | Meaning |
|--|---|
| ABA | Alternative Beverage Alcohol |
| CAM | Contribution after marketing, which equals gross profit less marketing expenses |
| Canopy | Canopy Growth Corporation |
| Canopy Strategic Transaction(s) | Any potential acquisition, divestiture, investment, or other similar transaction made by Canopy, including but not limited to the Canopy Transaction |
| Canopy Transaction | Proposed corporate transaction by Canopy, including the creation of Exchangeable Shares, designed to consolidate its U.S. cannabis assets into Canopy USA |
| COGS | Cost of goods sold |
| Common Shares | Canopy's common shares |
| DEI | Diversity, equity, and inclusion |
| DEPR. | Depreciation |
| EBIT | Earnings before interest and taxes |
| EIE | Equity in earnings |
| ESG | Environmental, social, and governance |
| Exchangeable Shares | Proposed new class of non-voting and non-participating exchangeable shares in Canopy which will be convertible into Common Shares |
| FY | Fiscal year |
| GAAP | General accepted accounting principles in the U.S. |
| GHG | Greenhouse gas |

| Term | Meaning |
|-------------------------|--|
| HL | Hectoliters |
| HSD | High single-digit |
| HT | High teen |
| LDD | Low double-digit |
| LSD | Low single-digit |
| MKTG. | Marketing |
| MSD | Mid single-digit |
| NA | Not applicable |
| NM | Not meaningful |
| Reclassification | Reclassification, exchange, and conversion of the common stock to eliminate the Class B Common Stock pursuant to the terms and conditions of the reclassification agreement, dated June 30, 2022, among the Company and the members of the Sands stockholder group |
| SEC | Securities and Exchange Commission |
| SG&A | Selling, general, and administrative expenses |
| U.S. | United States of America |
| V/P/M | Volume / Price / Mix |
| W&S | Wine and Spirits |
| Wine Divestiture | Divestiture of certain mainstream and premium wine brands and related inventory sold October 6, 2022 |
| YoY | Year-over-year |

SHIPMENT AND DEPLETION HISTORICAL CADENCE

BEER BUSINESS

HISTORICAL SHIPMENT VOLUME CADENCE



Note: Totals may not sum due to rounding

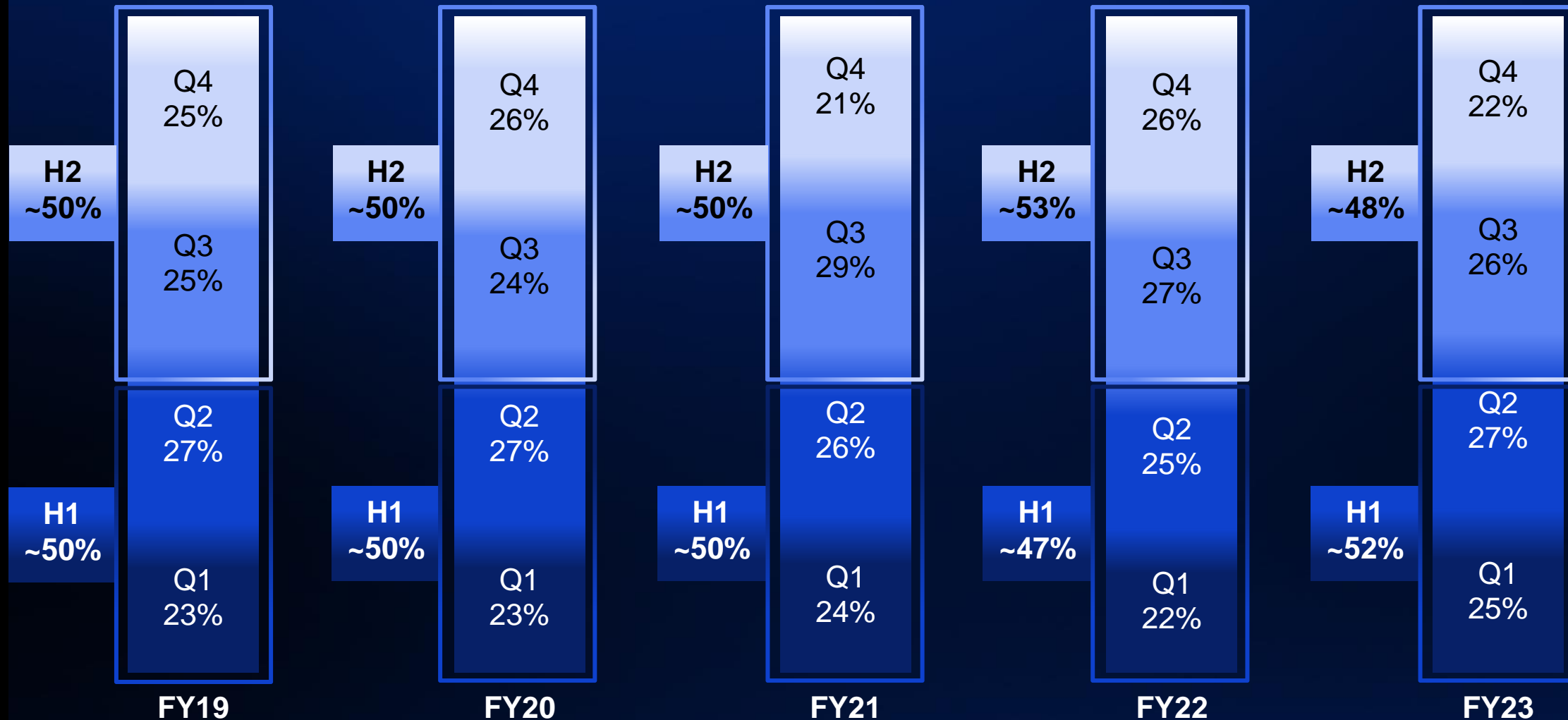
BEER BUSINESS

HISTORICAL DEPLETION VOLUME CADENCE



Note: Totals may not sum due to rounding

WINE & SPIRITS BUSINESS HISTORICAL SHIPMENT VOLUME CADENCE



Note: Totals may not sum due to rounding

WINE & SPIRITS BUSINESS

HISTORICAL DEPLETION VOLUME CADENCE



Note: Totals may not sum due to rounding

FINANCIAL STATEMENTS

CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

(in millions)
(unaudited)

| | November 30, 2023 | February 28, 2023 |
|---|----------------------|----------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 78.7 | \$ 133.5 |
| Accounts receivable | 897.3 | 901.6 |
| Inventories | 1,988.0 | 1,898.7 |
| Prepaid expenses and other | 587.4 | 562.3 |
| Total current assets | 3,551.4 | 3,496.1 |
| Property, plant, and equipment | 7,713.5 | 6,865.2 |
| Goodwill | 7,978.2 | 7,925.4 |
| Intangible assets | 2,732.2 | 2,728.1 |
| Equity method investments | 233.3 | 663.3 |
| Deferred income taxes | 2,086.1 | 2,193.3 |
| Other assets | 762.7 | 790.9 |
| Total assets | \$ 25,057.4 | \$ 24,662.3 |
| LIABILITIES AND STOCKHOLDER'S EQUITY | | |
| Current liabilities: | | |
| Short-term borrowings | \$ 458.9 | \$ 1,165.3 |
| Current maturities of long-term debt | 957.3 | 9.5 |
| Accounts payable | 1,028.8 | 941.5 |
| Other accrued expenses and liabilities | 934.9 | 852.0 |
| Total current liabilities | 3,379.9 | 2,968.3 |
| Long-term debt, less current maturities | 10,282.3 | 11,286.5 |
| Deferred income taxes and other liabilities | 1,596.8 | 1,673.6 |
| Total liabilities | 15,259.0 | 15,928.4 |
| CBI stockholders' equity | 9,471.0 | 8,413.6 |
| Noncontrolling interests | 327.4 | 320.3 |
| Total stockholders' equity | 9,798.4 | 8,733.9 |
| Total liabilities and stockholders' equity | \$ 25,057.4 | \$ 24,662.3 |

CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

(in millions, except per share data)
(unaudited)

| | Three Months Ended | | Nine Months Ended | |
|--|----------------------|----------------------|----------------------|----------------------|
| | November 30, 2023 | November 30, 2022 | November 30, 2023 | November 30, 2022 |
| Sales | \$ 2,658.2 | \$ 2,624.6 | \$ 8,410.7 | \$ 8,029.6 |
| Excise taxes | (187.3) | (188.1) | (588.1) | (574.8) |
| Net sales | 2,470.9 | 2,436.5 | 7,822.6 | 7,454.8 |
| Cost of product sold | (1,200.3) | (1,209.6) | (3,844.3) | (3,647.0) |
| Gross profit | 1,270.6 | 1,226.9 | 3,978.3 | 3,807.8 |
| Selling, general, and administrative expenses | (473.7) | (480.2) | (1,438.0) | (1,431.6) |
| Operating income (loss) | 796.9 | 746.7 | 2,540.3 | 2,376.2 |
| Income (loss) from unconsolidated investments | (41.8) | (37.2) | (477.4) | (1,944.2) |
| Interest expense | (104.2) | (98.7) | (333.0) | (281.5) |
| Loss on extinguishment of debt | — | — | (0.7) | (23.3) |
| Income (loss) before income taxes | 650.9 | 610.8 | 1,729.2 | 127.2 |
| (Provision for) benefit from income taxes | (130.0) | (131.1) | (368.4) | (388.9) |
| Net income (loss) | 520.9 | 479.7 | 1,360.8 | (261.7) |
| Net (income) loss attributable to noncontrolling interests | (11.8) | (12.0) | (25.8) | (32.3) |
| Net income (loss) attributable to CBI | \$ 509.1 | \$ 467.7 | \$ 1,335.0 | \$ (294.0) |
| Net income (loss) per common share attributable to CBI: | | | | |
| Basic – Class A Common Stock | \$ 2.77 | \$ 2.58 | \$ 7.28 | \$ (1.48) |
| Basic – Class B Convertible Common Stock | NA | \$ 1.78 | NA | \$ (2.01) |
| Diluted – Class A Common Stock | \$ 2.76 | \$ 2.52 | \$ 7.25 | \$ (1.48) |
| Diluted – Class B Convertible Common Stock | NA | \$ 1.78 | NA | \$ (2.01) |
| Weighted average common shares outstanding: | | | | |
| Basic – Class A Common Stock | 183.525 | 166.677 | 183.431 | 164.573 |
| Basic – Class B Convertible Common Stock | NA | 23.206 | NA | 23.206 |
| Diluted – Class A Common Stock | 184.170 | 185.291 | 184.096 | 164.573 |
| Diluted – Class B Convertible Common Stock | NA | 23.206 | NA | 23.206 |
| Cash dividends declared per common share: | | | | |
| Class A Common Stock | \$ 0.89 | \$ 0.80 | \$ 2.67 | \$ 2.40 |
| Class B Convertible Common Stock | NA | \$ 0.72 | NA | \$ 2.16 |

CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)
(unaudited)

| | Nine Months Ended | |
|--|----------------------|----------------------|
| | November 30, 2023 | November 30, 2022 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income (loss) | \$ 1,360.8 | \$ (261.7) |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities: | | |
| Unrealized net (gain) loss on securities measured at fair value | 85.4 | 39.1 |
| Deferred tax provision (benefit) | 28.2 | 218.4 |
| Depreciation | 321.8 | 278.4 |
| Stock-based compensation | 49.5 | 56.1 |
| Equity in (earnings) losses of equity method investees and related activities, net of distributed earnings | 257.3 | 845.4 |
| Noncash lease expense | 62.9 | 66.7 |
| Amortization of debt issuance costs and loss on extinguishment of debt | 8.9 | 31.1 |
| Impairment of equity method investments | 136.1 | 1,060.3 |
| (Gain) loss on sale of business | 15.1 | (13.8) |
| Gain (loss) on settlement of pre-issuance hedge contracts | 1.4 | 20.7 |
| Change in operating assets and liabilities, net of effects from purchase and sale of business: | | |
| Accounts receivable | 6.9 | (25.3) |
| Inventories | (90.4) | (259.3) |
| Prepaid expenses and other current assets | (49.1) | 204.7 |
| Accounts payable | 24.5 | 187.4 |
| Other accrued expenses and liabilities | 37.1 | (247.0) |
| Other | 90.4 | 79.4 |
| Total adjustments | 986.0 | 2,542.3 |
| Net cash provided by (used in) operating activities | 2,346.8 | 2,280.6 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant, and equipment | (911.9) | (683.8) |
| Purchase of business, net of cash acquired | (7.5) | (37.1) |
| Investments in equity method investees and securities | (34.6) | (29.5) |
| Proceeds from sale of assets | 21.8 | 6.6 |
| Proceeds from sale of business | 5.4 | 96.7 |
| Other investing activities | (3.1) | 0.5 |
| Net cash provided by (used in) investing activities | (929.9) | (646.6) |

CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)
(unaudited)

| | Nine Months Ended | |
|---|----------------------|----------------------|
| | November 30, 2023 | November 30, 2022 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from issuance of long-term debt | 744.8 | 2,845.8 |
| Principal payments of long-term debt | (807.5) | (1,657.3) |
| Net proceeds from (repayments of) short-term borrowings | (706.4) | 552.6 |
| Dividends paid | (491.1) | (441.1) |
| Purchases of treasury stock | (249.7) | (1,400.5) |
| Proceeds from shares issued under equity compensation plans | 89.0 | 36.7 |
| Payments of minimum tax withholdings on stock-based payment awards | (11.2) | (10.5) |
| Payments of debt issuance, debt extinguishment, and other financing costs | (5.3) | (34.1) |
| Distributions to noncontrolling interests | (35.0) | (37.5) |
| Payment to holders of Class B Stock in connection with the Reclassification | — | (1,500.0) |
| Net cash provided by (used in) financing activities | (1,472.4) | (1,645.9) |
| Effect of exchange rate changes on cash and cash equivalents | 0.7 | (2.5) |
| Net increase (decrease) in cash and cash equivalents | (54.8) | (14.4) |
| Cash and cash equivalents, beginning of period | 133.5 | 199.4 |
| Cash and cash equivalents, end of period | \$ 78.7 | \$ 185.0 |

CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
RECONCILIATION OF REPORTED AND ORGANIC NET SALES

(in millions)

(unaudited)

For periods of acquisition, we define organic net sales as current period reported net sales less net sales of products of acquired businesses reported for the current period, as appropriate. For periods of divestiture, we define organic net sales as prior period reported net sales less net sales of products of divested businesses reported for the prior period, as appropriate. We provide organic net sales because we use this information in monitoring and evaluating the underlying business trends of our core operations. Wine and Spirits net sales are provided by channel and market categories as management uses this information to monitor this business. In addition, we believe this information provides investors, financial analysts covering the Company, rating agencies, and other external users ("our investors") valuable insight on underlying business trends and results and, in the case of Wine and Spirits, the underlying composition of segment net sales and results, in order to evaluate year-over-year financial performance.

The divestiture impacting the periods below consists of the sale of certain mainstream and premium wine brands and related inventory (the "Wine Divestiture") (sold October 6, 2022).

| | Three Months Ended | | | Nine Months Ended | | |
|--|--------------------|-------------------|----------------|-------------------|-------------------|----------------|
| | November 30, 2023 | November 30, 2022 | Percent Change | November 30, 2023 | November 30, 2022 | Percent Change |
| Consolidated net sales | \$ 2,470.9 | \$ 2,436.5 | 1% | \$ 7,822.6 | \$ 7,454.8 | 5% |
| Wine Divestiture ⁽¹⁾ | — | (3.7) | | — | (38.5) | |
| Consolidated organic net sales | <u>\$ 2,470.9</u> | <u>\$ 2,432.8</u> | 2% | <u>\$ 7,822.6</u> | <u>\$ 7,416.3</u> | 5% |
| Beer net sales | \$ 1,968.5 | \$ 1,891.9 | 4% | \$ 6,459.8 | \$ 5,929.4 | 9% |
| Wine and Spirits net sales ⁽²⁾ | \$ 502.4 | \$ 544.6 | (8%) | \$ 1,362.8 | \$ 1,525.4 | (11%) |
| Wine Divestiture ⁽¹⁾ | — | (3.7) | | — | (38.5) | |
| Wine and Spirits organic net sales | <u>\$ 502.4</u> | <u>\$ 540.9</u> | (7%) | <u>\$ 1,362.8</u> | <u>\$ 1,486.9</u> | (8%) |

⁽¹⁾ For the periods September 1, 2022, through October 5, 2022, and March 1, 2022, through October 5, 2022, included in the three months and nine months ended November 30, 2022, respectively.

⁽²⁾ Wine and Spirits net sales by channel and market categories are as follows:

| | Three Months Ended | | | Nine Months Ended | | |
|-------------------------------|--------------------|-------------------|----------------|-------------------|-------------------|----------------|
| | November 30, 2023 | November 30, 2022 | Percent Change | November 30, 2023 | November 30, 2022 | Percent Change |
| U.S. Wholesale ⁽ⁱ⁾ | \$ 394.1 | \$ 444.5 | (11%) | \$ 1,108.6 | \$ 1,241.8 | (11%) |
| International ⁽ⁱ⁾ | 45.6 | 50.9 | (10%) | 135.9 | 163.2 | (17%) |
| DTC | 33.8 | 27.3 | 24% | 62.5 | 54.9 | 14% |
| Other | 28.9 | 21.9 | 32% | 55.8 | 65.5 | (15%) |
| Wine and Spirits net sales | <u>\$ 502.4</u> | <u>\$ 544.6</u> | (8%) | <u>\$ 1,362.8</u> | <u>\$ 1,525.4</u> | (11%) |

⁽ⁱ⁾ Includes the impacts of the Wine Divestiture.

CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
SUPPLEMENTAL SHIPMENT AND DEPLETION INFORMATION

(in millions)
(unaudited)

| | Three Months Ended | | | Nine Months Ended | | |
|---|------------------------------|----------------------|-------------------|------------------------------|----------------------|-------------------|
| | November 30, 2023 | November 30, 2022 | Percent Change | November 30, 2023 | November 30, 2022 | Percent Change |
| Beer | | | | | | |
| (branded product, 24-pack, 12-ounce case equivalents) | | | | | | |
| Shipments | 101.1 | 97.8 | 3.4% | 331.1 | 310.5 | 6.6% |
| Depletions ⁽¹⁾ | | | 8.2% | | | 7.2% |
| Wine and Spirits | | | | | | |
| (branded product, 9-liter case equivalents) | | | | | | |
| Shipments | 6.1 | 6.9 | (11.6%) | 18.1 | 21.1 | (14.2%) |
| Organic shipments ⁽²⁾ | 6.1 | 6.8 | (10.3%) | 18.1 | 20.5 | (11.7%) |
| U.S. Domestic shipments | 5.3 | 6.0 | (11.7%) | 15.9 | 18.2 | (12.6%) |
| U.S. Domestic organic shipments ⁽²⁾ | 5.3 | 5.9 | (10.2%) | 15.9 | 17.8 | (10.7%) |
| Depletions ⁽¹⁾⁽²⁾ | | | (10.0%) | | | (8.1%) |

⁽¹⁾ Depletions represent U.S. domestic distributor shipments of our respective branded products to retail customers, based on third-party data.

⁽²⁾ Includes adjustments to remove volumes associated with the Wine Divestiture for the periods September 1, 2022, through October 5, 2022, and March 1, 2022, through October 5, 2022, included in the three months and nine months ended November 30, 2022, respectively.

CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
SUMMARIZED SEGMENT, INCOME (LOSS) FROM UNCONSOLIDATED INVESTMENTS,
AND DEPRECIATION AND AMORTIZATION INFORMATION

(in millions)
(unaudited)

Management excludes items that affect comparability from its evaluation of the results of each operating segment as these comparable adjustments are not reflective of core operations of the segments. Segment operating performance and the incentive compensation of segment management are evaluated based on core segment operating income (loss) which does not include the impact of these comparable adjustments.

| | Three Months Ended | | | Nine Months Ended | | |
|---|----------------------|----------------------|-------------------|----------------------|----------------------|-------------------|
| | November 30, 2023 | November 30, 2022 | Percent Change | November 30, 2023 | November 30, 2022 | Percent Change |
| Consolidated | | | | | | |
| Net sales | \$ 2,470.9 | \$ 2,436.5 | 1% | \$ 7,822.6 | \$ 7,454.8 | 5% |
| Gross profit | \$ 1,270.6 | \$ 1,226.9 | 4% | \$ 3,978.3 | \$ 3,807.8 | 4% |
| Operating income (loss) | \$ 796.9 | \$ 746.7 | 7% | \$ 2,540.3 | \$ 2,376.2 | 7% |
| Income (loss) from unconsolidated investments | \$ (41.8) | \$ (37.2) | (12%) | \$ (477.4) | \$ (1,944.2) | 75% |
| Depreciation and amortization | \$ 108.4 | \$ 95.8 | 13% | \$ 322.8 | \$ 281.2 | 15% |
| Comparable adjustments ⁽¹⁾ | | | | | | |
| Gross profit | \$ (12.2) | \$ (25.2) | NM | \$ (23.1) | \$ (47.2) | NM |
| Operating income (loss) | \$ (22.9) | \$ (23.0) | NM | \$ (74.5) | \$ (68.7) | NM |
| Income (loss) from unconsolidated investments | \$ (61.0) | \$ (31.5) | NM | \$ (452.8) | \$ (1,852.4) | NM |
| Beer | | | | | | |
| Net sales | \$ 1,968.5 | \$ 1,891.9 | 4% | \$ 6,459.8 | \$ 5,929.4 | 9% |
| Segment gross profit | \$ 1,039.1 | \$ 989.5 | 5% | \$ 3,366.5 | \$ 3,156.6 | 7% |
| % Net sales | 52.8 % | 52.3 % | | 52.1 % | 53.2 % | |
| Segment operating income (loss) | \$ 757.3 | \$ 710.0 | 7% | \$ 2,509.0 | \$ 2,338.4 | 7% |
| % Net sales | 38.5 % | 37.5 % | | 38.8 % | 39.4 % | |
| Segment depreciation and amortization | \$ 82.0 | \$ 71.0 | 15% | \$ 242.2 | \$ 206.2 | 17% |
| Wine and Spirits | | | | | | |
| Wine net sales | \$ 435.8 | \$ 470.5 | (7%) | \$ 1,180.7 | \$ 1,316.6 | (10%) |
| Spirits net sales | 66.6 | 74.1 | (10%) | 182.1 | 208.8 | (13%) |
| Net sales | \$ 502.4 | \$ 544.6 | (8%) | \$ 1,362.8 | \$ 1,525.4 | (11%) |
| Segment gross profit | \$ 243.7 | \$ 262.6 | (7%) | \$ 634.9 | \$ 698.4 | (9%) |
| % Net sales | 48.5 % | 48.2 % | | 46.6 % | 45.8 % | |
| Segment operating income (loss) | \$ 127.6 | \$ 134.8 | (5%) | \$ 287.6 | \$ 325.2 | (12%) |
| % Net sales | 25.4 % | 24.8 % | | 21.1 % | 21.3 % | |
| Segment income (loss) from unconsolidated investments | \$ 27.5 | \$ 35.4 | (22%) | \$ 38.1 | \$ 40.3 | (5%) |
| Segment depreciation and amortization | \$ 22.5 | \$ 20.0 | 13% | \$ 68.1 | \$ 63.3 | 8% |
| Corporate Operations and Other | | | | | | |
| Segment operating income (loss) | \$ (65.1) | \$ (75.1) | 13% | \$ (181.8) | \$ (218.7) | 17% |
| Segment income (loss) from unconsolidated investments | \$ (8.3) | \$ (41.1) | 80% | \$ (62.7) | \$ (132.1) | 53% |
| Segment depreciation and amortization | \$ 3.9 | \$ 4.8 | (19%) | \$ 12.5 | \$ 11.7 | 7% |

NM = Not Meaningful

⁽¹⁾ See slide 31 for further information on comparable adjustments.

CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
RECONCILIATIONS OF GAAP TO NON-GAAP FINANCIAL MEASURES

(in millions, except per share data)
(unaudited)

We report our financial results in accordance with GAAP. However, non-GAAP financial measures, as defined in the reconciliation tables below, are provided because we use this information in evaluating the results of our core operations and/or internal goal setting. In addition, we believe this information provides our investors valuable insight on underlying business trends and results in order to evaluate year-over-year financial performance. See the tables below for supplemental financial data and corresponding reconciliations of these non-GAAP financial measures to GAAP financial measures for the periods presented. Non-GAAP financial measures should be considered in addition to, not as a substitute for, or superior to, our reported results prepared in accordance with GAAP.

| | Three Months Ended | | | Nine Months Ended | | |
|---|--------------------|-------------------|----------------|-------------------|-------------------|----------------|
| | November 30, 2023 | November 30, 2022 | Percent Change | November 30, 2023 | November 30, 2022 | Percent Change |
| Operating income (loss) (GAAP) | \$ 796.9 | \$ 746.7 | 7% | \$ 2,540.3 | \$ 2,376.2 | 7% |
| Less: Comparable adjustments (Non-GAAP) ⁽¹⁾ | (22.9) | (23.0) | | (74.5) | (68.7) | |
| Comparable operating income (loss) (Non-GAAP) | <u>\$ 819.8</u> | <u>\$ 769.7</u> | 7% | <u>\$ 2,614.8</u> | <u>\$ 2,444.9</u> | 7% |
| Net income (loss) attributable to CBI (GAAP) | \$ 509.1 | \$ 467.7 | 9% | \$ 1,335.0 | \$ (294.0) | NM |
| Plus: Net income (loss) attributable to noncontrolling interests (GAAP) | 11.8 | 12.0 | | 25.8 | 32.3 | |
| Provision for (benefit from) income taxes (GAAP) | 130.0 | 131.1 | | 368.4 | 388.9 | |
| Loss on extinguishment of debt (GAAP) | — | — | | 0.7 | 23.3 | |
| Interest expense (GAAP) | 104.2 | 98.7 | | 333.0 | 281.5 | |
| Adjusted EBIT (Non-GAAP) | <u>755.1</u> | <u>709.5</u> | 6% | <u>2,062.9</u> | <u>432.0</u> | NM |
| Less: Comparable adjustments (Non-GAAP) ⁽¹⁾ | (83.9) | (54.5) | | (527.3) | (1,921.1) | |
| Comparable EBIT (Non-GAAP) | <u>\$ 839.0</u> | <u>\$ 764.0</u> | 10% | <u>\$ 2,590.2</u> | <u>\$ 2,353.1</u> | 10% |
| Net income (loss) attributable to CBI (GAAP) | \$ 509.1 | \$ 467.7 | 9% | \$ 1,335.0 | \$ (294.0) | NM |
| Less: Comparable adjustments (Non-GAAP) ⁽¹⁾ | (79.3) | (57.0) | | (469.7) | (1,911.2) | |
| Comparable net income (loss) attributable to CBI (Non-GAAP) | <u>\$ 588.4</u> | <u>\$ 524.7</u> | 12% | <u>\$ 1,804.7</u> | <u>\$ 1,617.2</u> | 12% |
| EPS (GAAP) ⁽²⁾ | \$ 2.76 | \$ 2.52 | 10% | \$ 7.25 | \$ (1.48) | NM |
| Less: Reclassification (Non-GAAP) ⁽³⁾ | NA | — | | NA | 0.10 | |
| Comparable adjustments (Non-GAAP) ⁽¹⁾ | (0.43) | (0.31) | | (2.55) | (10.23) | |
| Comparable EPS (Non-GAAP) ⁽⁴⁾ | <u>\$ 3.19</u> | <u>\$ 2.83</u> | 13% | <u>\$ 9.80</u> | <u>\$ 8.66</u> | 13% |
| Weighted average common shares outstanding - diluted ⁽⁴⁾ | 184.170 | 185.291 | | 184.096 | 186.793 | |

⁽¹⁾ See slide 31 for further information on comparable adjustments.

⁽²⁾ EPS was computed using the two-class method, until such conversion took place on November 10, 2022, pursuant to the reclassification, conversion, and exchange of our Class B Convertible Common Stock into our Class A Common Stock (the "Reclassification").

⁽³⁾ Adjustment for income allocated through the date of the Reclassification for the three months and nine months ended November 30, 2022.

⁽⁴⁾ Comparable basis diluted net income (loss) per share ("comparable EPS") may not sum due to rounding as each item is computed independently. The comparable adjustments and comparable EPS are calculated on a fully dilutive basis. For the nine months ended November 30, 2022, we have excluded 22.220 million weighted average common shares outstanding, from the calculation of comparable EPS, as the effect of including these would have been anti-dilutive.

CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
RECONCILIATIONS OF GAAP TO NON-GAAP FINANCIAL MEASURES (continued)

(in millions, except per share data)
(unaudited)

The comparable adjustments that impacted comparability in our results for each period are as follows:

| | Three Months Ended | | Nine Months Ended | |
|---|----------------------|----------------------|----------------------|----------------------|
| | November 30, 2023 | November 30, 2022 | November 30, 2023 | November 30, 2022 |
| Net gain (loss) on undesignated commodity derivative contracts | \$ (13.3) | \$ (7.8) | \$ (28.9) | \$ 25.3 |
| Flow through of inventory step-up | (1.2) | (2.1) | (2.7) | (4.0) |
| Settlements of undesignated commodity derivative contracts | 2.3 | (14.2) | 8.5 | (68.8) |
| Strategic business development costs | — | (1.1) | — | (1.1) |
| Net flow through of reserved inventory | — | — | — | 1.2 |
| Recovery of (loss on) inventory write-down | — | — | — | 0.2 |
| Comparable adjustments, Gross profit | (12.2) | (25.2) | (23.1) | (47.2) |
| Restructuring and other strategic business development costs | (5.3) | (0.2) | (23.6) | (2.8) |
| Transition services agreements activity | (5.2) | (3.5) | (17.9) | (11.4) |
| Gain (loss) on sale of business | (0.2) | 13.8 | (15.1) | 13.8 |
| Transaction, integration, and other acquisition-related costs | — | (0.5) | (0.6) | (1.2) |
| Costs associated with the Reclassification | — | (10.2) | 0.2 | (31.5) |
| Other gains (losses) | — | 2.8 | 5.6 | 11.6 |
| Comparable adjustments, Operating income (loss) | (22.9) | (23.0) | (74.5) | (68.7) |
| Comparable adjustments, Income (loss) from unconsolidated investments | (61.0) | (31.5) | (452.8) | (1,852.4) |
| Comparable adjustments, Adjusted EBIT | (83.9) | (54.5) | (527.3) | (1,921.1) |
| Comparable adjustments, Interest expense | (1.0) | — | (1.0) | — |
| Comparable adjustments, Loss on extinguishment of debt | — | — | (0.7) | (23.3) |
| Comparable adjustments, (Provision for) benefit from income taxes | 5.6 | (2.5) | 59.3 | 33.2 |
| Comparable adjustments, Net income (loss) attributable to CBI | \$ (79.3) | \$ (57.0) | \$ (469.7) | \$ (1,911.2) |

Undesignated commodity derivative contracts

Net gain (loss) on undesignated commodity derivative contracts represents a net gain (loss) from the changes in fair value of undesignated commodity derivative contracts. The net gain (loss) is reported outside of segment operating results until such time that the underlying exposure is recognized in the segment operating results. At settlement, the net gain (loss) from the changes in fair value of the undesignated commodity derivative contracts is reported in the appropriate operating segment, allowing the results of our operating segments to reflect the economic effects of the commodity derivative contracts without the resulting unrealized mark to fair value volatility.

Flow through of inventory step-up

In connection with acquisitions, the allocation of purchase price in excess of book value for certain inventories on hand at the date of acquisition is referred to as inventory step-up. Inventory step-up represents an assumed manufacturing profit attributable to the acquired business prior to acquisition.

Strategic business development costs/Restructuring and other strategic business development costs

We recognized costs in connection with certain activities which are intended to streamline, increase efficiencies, and reduce our cost structure primarily within the Wine and Spirits segment.

Net flow through of reserved inventory

We sold reserved inventory previously written down following the 2020 U.S. West Coast wildfires.

CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
RECONCILIATIONS OF GAAP TO NON-GAAP FINANCIAL MEASURES (continued)

(in millions, except per share data)
(unaudited)

Recovery of (loss on) inventory write-down

We recognized a gain from a change in estimate on reserved bulk wine inventory and certain grapes as a result of smoke damage sustained during the 2020 U.S. West Coast wildfires.

Transition services agreements activity

We recognized costs in connection with transition services agreements related to the previous sale of a portion of our wine and spirits business.

Gain (loss) on sale of business

We recognized a net gain (loss) primarily from (i) the 2022 Wine Divestiture (three months and nine months ended November 30, 2022) and (ii) the divestitures related to the craft beer business (three months and nine months ended November 30, 2023).

Transaction, integration, and other acquisition-related costs

We recognized transaction, integration, and other acquisition-related costs in connection with our investments, acquisitions, and divestitures.

Costs associated with the Reclassification

We recognized costs primarily related to professional and consulting fees, printing and mailing the associated proxy statement/prospectus, and all filing and other fees paid to the Securities and Exchange Commission in connection with the Reclassification.

Other gains (losses)

Primarily includes the following:

| | Three Months Ended | | Nine Months Ended | |
|--|----------------------|----------------------|----------------------|----------------------|
| | November 30, 2023 | November 30, 2022 | November 30, 2023 | November 30, 2022 |
| Recognition of a previously deferred gain upon release of a related indemnity | \$ — | \$ — | \$ 5.6 | \$ — |
| Decreases (increases) in estimated fair values of contingent liabilities associated with prior period acquisitions | \$ — | \$ 1.5 | \$ — | \$ 5.9 |
| Gain from remeasurement of previously held equity method investments | \$ — | \$ — | \$ — | \$ 5.2 |

Comparable adjustments, Income (loss) from unconsolidated investments

Primarily includes the following:

| | Three Months Ended | | Nine Months Ended | |
|--|----------------------|----------------------|----------------------|----------------------|
| | November 30, 2023 | November 30, 2022 | November 30, 2023 | November 30, 2022 |
| Impairment of equity method investments | \$ (0.3) | \$ — | \$ (136.1) | \$ (1,060.3) |
| Unrealized gain (loss) from the changes in fair value of our securities measured at fair value | \$ (11.0) | \$ (7.4) | \$ (85.4) | \$ (39.1) |
| Comparable adjustments to Canopy EIE (see slide 33 for further information) | \$ (50.0) | \$ (24.1) | \$ (231.5) | \$ (753.0) |
| Net gain (loss) on sale of unconsolidated investment | \$ 0.3 | \$ — | \$ 0.3 | \$ — |

Comparable adjustments, Interest expense

We recognized a loss of interest income on the write-off of a convertible note issued to an equity method investment.

Comparable adjustments, Loss on extinguishment of debt

We recognized losses primarily from a premium payment and the write-off of debt issuance costs in connection with tender offers of certain senior notes and make-whole payments resulting from the early redemption of certain senior notes.

Comparable adjustments, (Provision for) benefit from income taxes

The effective tax rate applied to each comparable adjustment amount is generally based upon the jurisdiction in which the comparable adjustment was recognized. Comparable adjustments, (Provision for) benefit from income taxes also include items solely impacting income taxes and consist of the following:

| | Three Months Ended | | Nine Months Ended | |
|--|----------------------|----------------------|----------------------|----------------------|
| | November 30, 2023 | November 30, 2022 | November 30, 2023 | November 30, 2022 |
| Net income tax benefit recognized as a result of a change in tax entity classification | \$ — | \$ — | \$ 31.2 | \$ — |
| Net income tax benefit recognized as a result of a legislative update in Switzerland | \$ — | \$ — | \$ 4.7 | \$ — |
| Net income tax benefit related to a prior period divestiture | \$ — | \$ (6.7) | \$ — | \$ 143.7 |
| Net income tax (provision) benefit recognized for adjustments to valuation allowances | \$ — | \$ — | \$ — | \$ (192.0) |

CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
RECONCILIATIONS OF GAAP TO NON-GAAP FINANCIAL MEASURES (continued)

(in millions, except per share data)
(unaudited)

Canopy Equity Earnings (Losses) and Related Activities ("Canopy EIE")

Non-GAAP Canopy EIE financial measures are provided because management uses this information to separately monitor our investment in Canopy. The measures that exclude all of our equity in the earnings (losses) of Canopy and related activities are defined as "excluding Canopy EIE." Financial measures excluding Canopy EIE are non-GAAP and are provided because management uses this information to evaluate the results of our core operations which management has determined does not include our investment in Canopy. In addition, we believe this information provides our investors valuable insight to understand how management views the Company's performance and on underlying business trends and results in order to evaluate year-over-year financial performance of our ongoing core business, including relative to industry competitors.

| | Three Months Ended | | Nine Months Ended | |
|--|----------------------|----------------------|----------------------|----------------------|
| | November 30, 2023 | November 30, 2022 | November 30, 2023 | November 30, 2022 |
| (in millions) | | | | |
| Equity earnings (losses) and related activities, Canopy EIE (GAAP)⁽¹⁾ | \$ (56.5) | \$ (60.8) | \$ (288.3) | \$ (876.5) |
| (Provision for) benefit from income taxes ⁽²⁾ | 0.4 | 4.0 | 8.6 | 52.4 |
| Net income (loss) attributable to CBI, Canopy EIE (GAAP)⁽¹⁾ | \$ (56.1) | \$ (56.8) | \$ (279.7) | \$ (824.1) |
| Equity earnings (losses) and related activities, Canopy EIE (GAAP)⁽¹⁾ | \$ (56.5) | \$ (60.8) | \$ (288.3) | \$ (876.5) |
| Net (gain) loss on fair value financial instruments | 16.3 | 7.6 | 8.2 | 69.2 |
| (Gain) loss on dilution of Canopy stock ownership | 8.7 | (0.1) | 16.5 | 93.9 |
| Acquisition costs | 1.6 | 4.0 | 4.3 | 5.5 |
| Restructuring and other strategic business development costs | (4.7) | 12.9 | 156.3 | 115.6 |
| Goodwill impairment | — | 0.6 | 14.1 | 461.4 |
| Net loss on discontinued operations | 25.0 | — | 25.0 | — |
| Other (gains) losses, net | 3.1 | (0.9) | 7.1 | 7.4 |
| Comparable adjustments, Canopy EIE (Non-GAAP) | 50.0 | 24.1 | 231.5 | 753.0 |
| Comparable equity earnings (losses), Canopy EIE (Non-GAAP)⁽¹⁾ | (6.5) | (36.7) | (56.8) | (123.5) |
| Comparable (provision for) benefit from income taxes (Non-GAAP) ⁽²⁾ | (2.3) | 3.4 | 5.9 | 15.1 |
| Comparable net income (loss) attributable to CBI, Canopy EIE (Non-GAAP)⁽¹⁾ | \$ (8.8) | \$ (33.3) | \$ (50.9) | \$ (108.4) |
| | Three Months Ended | | Nine Months Ended | |
| | November 30, 2023 | November 30, 2022 | November 30, 2023 | November 30, 2022 |
| EPS, Canopy EIE (GAAP) | \$ (0.30) | \$ (0.31) | \$ (1.52) | \$ (4.41) |
| Comparable adjustments, Canopy EIE (Non-GAAP) | 0.26 | 0.13 | 1.24 | 3.83 |
| Comparable EPS, Canopy EIE (Non-GAAP)⁽³⁾ | \$ (0.05) | \$ (0.18) | \$ (0.28) | \$ (0.58) |

CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
RECONCILIATIONS OF GAAP TO NON-GAAP FINANCIAL MEASURES (continued)

(in millions, except per share data)
(unaudited)

| | Three Months Ended | | | | | |
|--|---|--|--------------------------------------|---|--|--------------------------------------|
| | November 30, 2023 | | | November 30, 2022 | | |
| | Income (loss) before income taxes | (Provision for) benefit from income taxes ⁽²⁾ | Effective tax rate ⁽⁴⁾ | Income (loss) before income taxes | (Provision for) benefit from income taxes ⁽²⁾ | Effective tax rate ⁽⁴⁾ |
| Reported basis (GAAP) | \$ 650.9 | \$ (130.0) | 20.0 % | \$ 610.8 | \$ (131.1) | 21.5 % |
| Comparable adjustments - (Non-GAAP) | 84.9 | (5.6) | | 54.5 | 2.5 | |
| Comparable basis (Non-GAAP) | 735.8 | (135.6) | 18.4 % | 665.3 | (128.6) | 19.3 % |
| Less: Comparable basis, Canopy EIE (Non-GAAP) | (6.5) | (2.3) | | (36.7) | 3.4 | |
| Comparable basis, excluding Canopy EIE (Non-GAAP) | \$ 742.3 | \$ (133.3) | 18.0 % | \$ (720.0) | \$ (132.0) | 18.8 % |

| | Three Months Ended | | Nine Months Ended | |
|---|---|----------------------|----------------------|----------------------|
| | November 30, 2023 | November 30, 2022 | November 30, 2023 | November 30, 2022 |
| | Comparable EPS (Non-GAAP) ⁽⁵⁾ | \$ 3.19 | \$ 2.83 | \$ 9.80 |
| Comparable EPS, Canopy EIE (Non-GAAP) | 0.05 | 0.18 | 0.28 | 0.58 |
| Comparable EPS, excluding Canopy EIE (Non-GAAP) ⁽³⁾ | \$ 3.24 | \$ 3.01 | \$ 10.08 | \$ 9.24 |

⁽¹⁾ Equity earnings (losses) and related activities are included in income (loss) from unconsolidated investments.

⁽²⁾ The benefit from income taxes effective tax rate applied to our Canopy EIE is generally based on the tax rates of the legal entities that hold our investment. The comparable adjustment effective tax rate applied to each comparable adjustment amount is generally based upon the jurisdiction in which the adjustment was recognized.

⁽³⁾ May not sum due to rounding as each item is computed independently. The comparable adjustments and comparable EPS are calculated on a fully dilutive basis.

⁽⁴⁾ Effective tax rate is not considered a GAAP financial measure, for purposes of this reconciliation, we derived the reported GAAP measure based on GAAP results, which serves as the basis for the reconciliation to the comparable non-GAAP financial measure.

⁽⁵⁾ See reconciliation of the applicable non-GAAP financial measures on slide 30.

| EPS Guidance | Range for the Year Ending February 29, 2024 | |
|--|--|-----------------|
| Forecasted EPS (GAAP) | \$ 9.15 | \$ 9.35 |
| Comparable adjustments (Non-GAAP) ⁽¹⁾ | 2.57 | 2.57 |
| Comparable basis, Canopy EIE (Non-GAAP) | 0.28 | 0.28 |
| Forecasted comparable EPS, excluding Canopy EIE (Non-GAAP) ⁽²⁾ | \$ 12.00 | \$ 12.20 |

CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
RECONCILIATIONS OF GAAP TO NON-GAAP FINANCIAL MEASURES (continued)

(in millions, except per share data)
(unaudited)

| | Actual for the Year Ended February 28, 2023 |
|---|--|
| EPS (GAAP) ⁽³⁾ | \$ (0.11) |
| Reclassification (Non-GAAP) ⁽⁴⁾ | (0.27) |
| Comparable adjustments (Non-GAAP) ⁽¹⁾ | 11.03 |
| Comparable EPS (Non-GAAP) ⁽²⁾ | 10.65 |
| Comparable basis, Canopy EIE (Non-GAAP) | 0.75 |
| Comparable EPS, excluding Canopy EIE (Non-GAAP) ⁽²⁾ | \$ 11.40 |

⁽¹⁾ Comparable adjustments include: ⁽²⁾⁽⁵⁾

| | Estimated for the Year Ending February 29, 2024 | Actual for the Year Ended February 28, 2023 |
|--|--|--|
| (Income) loss from unconsolidated investments | \$ 2.44 | \$ 9.92 |
| Net (gain) loss on undesignated commodity derivative contracts | \$ 0.12 | \$ 0.06 |
| Transition services agreements activity | \$ 0.10 | \$ 0.08 |
| Restructuring and other strategic business development costs | \$ 0.10 | \$ 0.04 |
| Net (gain) loss on sale of business | \$ 0.06 | \$ (0.05) |
| Flow through of inventory step-up | \$ 0.01 | \$ 0.02 |
| Net income tax benefit recognized as a result of a change in tax entity classification | \$ (0.17) | \$ — |
| Settlements of undesignated commodity derivative contracts | \$ (0.04) | \$ 0.31 |
| Net income tax provision (benefit) recognized as a result of a legislative update in Switzerland | \$ (0.03) | \$ 0.06 |
| Other (gains) losses | \$ (0.03) | \$ (0.11) |
| Net income tax provision recognized for adjustments to valuation allowances | \$ — | \$ 1.03 |
| Impairments of assets | \$ — | \$ 0.27 |
| Costs associated with the Reclassification | \$ — | \$ 0.20 |
| Loss on extinguishment of debt | \$ — | \$ 0.10 |
| Transaction, integration, and other acquisition-related costs | \$ — | \$ 0.01 |
| Net income tax benefit related to a prior period divestiture | \$ — | \$ (0.89) |
| Net flow through of reserved inventory | \$ — | \$ (0.01) |

⁽²⁾ May not sum due to (i) rounding as each item is computed independently and (ii) income allocated through the date of the Reclassification for the year ended February 28, 2023. The comparable adjustments and comparable EPS are calculated on a fully dilutive basis.

⁽³⁾ EPS was computed using the two-class method, until such conversion took place pursuant to Reclassification.

⁽⁴⁾ Adjustment for income allocated through the date of the Reclassification.

⁽⁵⁾ See slide 31 for further information on comparable adjustments.

CONSTELLATION BRANDS, INC. AND SUBSIDIARIES
RECONCILIATIONS OF GAAP TO NON-GAAP FINANCIAL MEASURES (continued)

(in millions, except per share data)
(unaudited)

Free Cash Flow Guidance

Free cash flow, as defined in the reconciliation below, is considered a liquidity measure and is considered to provide useful information to investors about the amount of cash generated, which can then be used, after required debt service and dividend payments, for other general corporate purposes. A limitation of free cash flow is that it does not represent the total increase or decrease in the cash balance for the period. Free cash flow should be considered in addition to, not as a substitute for, or superior to, cash flow from operating activities prepared in accordance with GAAP.

| | Range for the Year Ending February 29, 2024 | |
|---|--|----------------------|
| Net cash provided by operating activities (GAAP) | \$ 2,600.0 | \$ 2,800.0 |
| Purchase of property, plant, and equipment | (1,200.0) | (1,300.0) |
| Free cash flow (Non-GAAP) | \$ 1,400.0 | \$ 1,500.0 |
| | Nine Months Ended | |
| | November 30, 2023 | November 30, 2022 |
| Net cash provided by operating activities (GAAP) | \$ 2,346.8 | \$ 2,280.6 |
| Purchase of property, plant, and equipment | (911.9) | (683.8) |
| Free cash flow (Non-GAAP) | \$ 1,434.9 | \$ 1,596.8 |