

PUNCH TAVERNS PLC

(“Punch” or “the Group”)

Punch and Constellation Brands, Inc. form joint venture ownership structure for Matthew Clark

Punch, the UK's largest pub operator, announces that it has formed a joint venture with Constellation Europe, a division of Constellation Brands, Inc., a leading international producer and marketer of beverage alcohol brands, to reinforce Matthew Clark's position as the UK's largest independent drinks wholesaler and distributor to the UK leisure and hospitality industry.

Under the terms of the arrangement, Punch and Constellation Europe have each become 50 percent owners of Matthew Clark and provide representation on a new holding company board. On a day to day basis however, the business will continue to be run independently by Steve Thomson, currently Managing Director of Matthew Clark Wholesale Limited, and his Bristol-based team.

Punch's investment in this joint venture is another step in its strategy to enhance the range of goods and services which the Group offers to its tenants and lessees, by leveraging Matthew Clark's wines and spirits expertise in which they are market-leader.

Matthew Clark, owned by Constellation Brands, Inc. since 1998, currently offers an extensive range of branded alcoholic and soft drinks to a customer base of up to 20,000 customers in the pub, club, hotel and restaurant trades. It employs over 1200 staff, has a national network of depots and a fleet of more than 200 vehicles.

For the year ended February 2007, Matthew Clark generated sales revenues of £550 million and normalised EBITDA of £15 million. Under the terms of the joint venture, the business has been valued at £120m with Punch investing £35m, in cash from existing resources, and the joint venture raising approximately £50 million of new non recourse debt, proceeds of both paid to Constellation Europe. Constellation Europe has retained an investment of £35m. Punch will account for the investment using the equity method. The investment is expected to be immediately earnings enhancing, with further synergy benefits available in due course.

Giles Thorley, Chief Executive of Punch Taverns plc, commented:

“This is an innovative joint venture between the UK's leading pub operator and a leading global producer and marketer of branded alcohol, with all the benefits of scale and reach you would expect. It will bring multiple benefits to Punch's tenants and lessees in terms of products and services and has the potential to deliver attractive financial returns for shareholders.”

17 April 2007

ENQUIRIES:

Punch Taverns plc

Giles Thorley, *Chief Executive*
Robert McDonald, *Finance Director*
Jonathan Paveley, *Commercial Director*

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NOTES TO EDITORS

About Matthew Clark

Matthew Clark is the largest independent premier drinks supplier serving the UK's on-trade drinks industry. It offers customers a choice of wines, spirits, FABs, beers, ciders and soft drinks that is unrivalled in the UK for breadth and value. Matthew Clark was acquired by Constellation Brands, Inc. in 1998. Since that time, the business has rapidly expanded into a dynamic service-orientated business. The business is headquartered in Bristol and operates a national network of regional distribution depots and a fleet of more than 200 vehicles with extensive reach across the British Isles. It also operates two purpose-designed contact centers located in Bristol and Glasgow. For further information, visit the Web site: www.matthewclark.co.uk

About Constellation Brands

Constellation Brands, Inc. is a leading international producer and marketer of beverage alcohol brands with a broad portfolio across the wine, spirits and imported beer categories. Well-known brands in Constellation's portfolio include: Almaden, Arbor Mist, Vendange, Woodbridge by Robert Mondavi, Hardys, Goundrey, Nobilo, Kim Crawford, Alice White, Ruffino, Kumala, Robert Mondavi Private Selection, Rex Goliath, Toasted Head, Blackstone, Ravenswood, Estancia, Franciscan Oakville Estate, Inniskillin, Jackson-Triggs, Simi, Robert Mondavi Winery, Stowells, Blackthorn, Black Velvet, Mr. Boston, Fleischmann's, Paul Masson Grande Amber Brandy, Chi-Chi's, 99 Schnapps, Ridgemont Reserve 1792 and the Effen and SVEDKA vodka lines. Constellation Brands, through Crown Imports LLC, imports and markets Corona Extra, Corona Light, Pacifico, Modelo Especial, Negra Modelo, St. Pauli Girl and Tsingtao beers. For additional information about Constellation Brands, as well as its product portfolio, visit the company's Web site at www.cbrands.com.