

PRIMO WATER CORP /CN/

FORM 8-K (Current report filing)

Filed 10/31/13 for the Period Ending 10/29/13

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|-------------|---|
| Address | 4221 W. BOY SCOUT BLVD. SUITE 400 TAMPA, FL, 33607 |
| Telephone | 813-313-1732 |
| CIK | 0000884713 |
| Symbol | PRMW |
| SIC Code | 2086 - Bottled and Canned Soft Drinks and Carbonated Waters |
| Industry | Non-Alcoholic Beverages |
| Sector | Consumer Non-Cyclicals |
| Fiscal Year | 12/28 |

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **October 29, 2013**

Cott Corporation
(Exact name of registrant as specified in its charter)

Canada
(State or other jurisdiction
of incorporation)

001-31410
(Commission
File Number)

98-0154711
(IRS Employer
Identification No.)

6525 Viscount Road
Mississauga, Ontario, Canada

L4V1H6

5519 West Idlewild Avenue
Tampa, Florida, United States
(Address of Principal Executive Offices)

33634
(Zip Code)

**Registrant's telephone number, including area code: (905) 672-1900
(813) 313-1800**

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition

On October 31, 2013, Cott Corporation (the “Company”) issued a press release reporting financial results for the fiscal quarter ended September 28, 2013. A copy of the press release is furnished herewith under the Securities Exchange Act of 1934, as amended, as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference into this Item 2.02 as if fully set forth herein.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

Effective October 29, 2013, the Company’s Board of Directors adopted an amendment to the Company’s Second Amended and Restated By-Laws which requires advance notice to the Company in circumstances where director nominations are made by shareowners of the Company, other than nominations made by or at the direction or request of one or more shareowners pursuant to a proposal submitted to the Company in accordance with applicable law or a requisition of meeting submitted to the directors in accordance with applicable law. This provision, which is consistent with the proxy voting guidelines published by Institutional Shareholder Services (ISS) and Glass Lewis & Co., two leading independent proxy advisors, fixes deadlines by which shareowners of record of the Company must submit director nominations to the Company prior to any annual or special meeting of shareowners at which directors are to be elected, and sets forth the information a shareowner must include in the notice to the Company for an effective nomination to occur. The amendment to the Second Amended and Restated By-Laws will be placed before shareowners for ratification and confirmation at the Company’s 2014 annual meeting of shareowners. The foregoing summary is subject to the complete text of the bylaw amendment, a copy of which is attached to this Current Report on Form 8-K as Exhibit 3.1, and is qualified in its entirety by reference thereto.

Item 8.01 Other Events

On October 31, 2013, the Company issued a press release announcing that the Board of Directors declared a dividend of CAD\$0.06 per common share, payable in cash on December 12, 2013 to shareowners of record at the close of business on December 2, 2013. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference into this Item 8.01 as if fully set forth herein.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|--|
| 3.1 | Amendment to Second Amended and Restated By-Laws of Cott Corporation |
| 99.1 | Press Release of Cott Corporation, dated October 31, 2013 |

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 hereunto duly authorized.

Cott Corporation
(Registrant)

October 31, 2013

By: /s/ Marni Morgan Poe
Marni Morgan Poe
Vice President, General Counsel and Secretary

EXHIBIT INDEX

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COTT CORPORATION**CORPORATION COTT****BY LAW NO. 2002-2**

being a by-law relating generally to the nomination of persons for election of directors of Cott Corporation (the “**Corporation**”), which by-law amends Second Amended and Restated By-Law No. 2002-1.

ARTICLE ONE**ADVANCE NOTICE OF NOMINATIONS OF DIRECTORS**

SECTION 1.01 NOMINATION OF DIRECTORS. Only persons who are nominated in accordance with the provisions of this By-Law No. 2002-2 shall be eligible for election as directors of the Corporation. Nominations of persons for election as directors of the Corporation at any annual meeting of shareowners, or at any special meeting of shareowners called for the purpose of electing directors as set forth in the Corporation’s notice of such special meeting, may only be made:

- (a) by or at the direction of the board of directors of the Corporation, including pursuant to a notice of meeting,
- (b) by or at the direction or request of one or more shareowners pursuant to a proposal submitted to the Corporation in accordance with applicable laws or a requisition of meeting submitted to the directors in accordance with applicable laws, or
- (c) by any person (a “nominating shareowner”) who, at the close of business on the date of the giving of the notice provided for below and on the record date for determining shareowners entitled to vote at such meeting, is a registered holder or beneficial owner of shares that are entitled to be voted at such meeting and complies with the notice and other procedures set forth in this By-Law No. 2002-2 .

SECTION 1.02 TIMELY NOTICE. In addition to any other requirements in this By-Law No. 2002-2 and under applicable laws, for a nomination to be made by a nominating shareowner, the nominating shareowner must have given timely notice thereof in proper written form to the secretary of the Corporation. To be timely, a nominating shareowner’s notice must be received by the Secretary at the principal executive offices of the Corporation:

- (a) in the case of an annual meeting of shareowners, not less than 30 nor more than 60 days prior to the date of the annual meeting of shareowners; provided, however, that if the annual meeting of shareowners is called for a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice by the nominating shareowner may be made not later than the close of business on the 10th day following the date on which the public announcement of the date of the annual meeting is first made by the Corporation; and

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- (b) in the case of a special meeting of shareowners (which is not also an annual meeting of shareowners), not later than the close of business on the 15th day following the day on which the public announcement of the date of the special meeting of shareowners is first made by the Corporation.

The adjournment or postponement of a meeting of shareowners or the announcement thereof shall not commence a new time period for the giving of a nominating shareowner's notice as described above.

SECTION 1.03 PROPER WRITTEN FORM. To be in proper written form, a nominating shareowner's notice to the Secretary must set forth:

- (a) as to each person whom the nominating shareowner proposes to nominate for election as a director:
 - (i) the name, age, business address and residential address of the nominee,
 - (ii) the principal occupation or employment of the nominee,
 - (iii) whether the nominee is a resident Canadian within the meaning of the Canadian Business Corporation Act (the "Act"),
 - (iv) the class or series and number of shares of the Corporation which are controlled or which are owned beneficially or of record by the nominee as of the record date for the meeting of shareowners (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice,
 - (v) any relationships, agreements or arrangements, including financial, compensation and indemnity related relationships, agreements or arrangements, between the nominee or any of its affiliates and the nominating shareowner, any person acting jointly or in concert with the nominating shareowner or any of their respective affiliates,
 - (vi) any other information relating to the nominee that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and applicable securities laws, and
 - (vii) duly completed personal information form in respect of the nominee in the form prescribed by the principal stock exchange on which the securities of the Corporation are then listed for trading; and
- (b) as to the nominating shareowner giving the notice,
 - (i) the name and record address of the nominating shareowner,

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- (ii) the class or series and number of shares of the Corporation which are controlled or which are owned beneficially or of record by the nominating shareowner as of the record date for the meeting of shareowners (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice,
 - (iii) any derivatives or other economic or voting interests in the Corporation and any hedges implemented with respect to the nominating shareowners' interests in the Corporation,
 - (iv) any proxy, contract, arrangement, understanding or relationship pursuant to which the nominating shareowner has a right to vote any shares of the Corporation,
 - (v) whether the nominating shareowner intends to deliver a proxy circular and form of proxy to any shareowners of the Corporation in connection with the election of directors, and
 - (vi) any other information relating to the nominating shareowner that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and applicable securities laws.

Such notice must be accompanied by the written consent of each nominee to being named as a nominee and to serve as a director, if elected. Reference to "nominating shareowner" in this section 1.03 shall be deemed to refer to each shareowner that nominates a person for election as director in the case of a nomination proposal where more than one shareowner is involved in making such nomination proposal.

SECTION 1.04 FURTHER INFORMATION. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareowner's understanding of the independence, or lack thereof, of such proposed nominee.

SECTION 1.05 DETERMINATION OF ELIGIBILITY. The chair of the meeting of shareowners at which an election for directors is held shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded. The Board may, in its sole discretion, waive any requirement in this By-Law No. 2002-2.

SECTION 1.06 DISCUSSION PERMITTED. Nothing in this By-Law No. 2002-2 shall be deemed to preclude discussion by a shareowner (as distinct from the nomination of directors) at a meeting of shareowners of any matter it is entitled to discuss pursuant to the Act.

SECTION 1.07 MEANING OF PUBLIC ANNOUNCEMENT. For purposes of this By-Law No. 2002-2, "public announcement" shall mean disclosure in a press release reported by a national news service in Canada or the United States or in a document publicly filed by the

Corporation under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com or the Electronic Data Gathering, Analysis and Retrieval system at www.sec.gov/edgar.shtml.

SECTION 1.08 NOTICE. Notwithstanding any other provision of the by-laws of the Corporation, notice given to the secretary pursuant to this By-Law No. 2002-2 may only be given by personal delivery, facsimile transmission or by email (at such email address as may be stipulated from time to time by the secretary for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery to the Secretary at the address of the principal executive offices of the Corporation, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Toronto time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

ARTICLE TWO

GENERAL

SECTION 2.01 EFFECTIVE DATE. This By-Law No. 2002-2 is effective from the date of the resolution of the directors adopting same and shall continue to be effective unless amended by the directors until the next meeting of shareowners of the Corporation, whereat if same is confirmed or confirmed as amended, this by-law shall continue in effect in the form in which it was so confirmed.

SECTION 2.02 AMENDMENT. Second Amended and Restated By-Law. No 2002-1, as amended from time to time, of the by-laws of the Corporation and this By-Law No. 2002-2 shall be read together and shall have effect, so far as practicable, as though all the provisions thereof were contained in one by-law of the Corporation. All terms contained in this by-law which are defined by Second Amended and Restated by-Law No. 2002-1, as amended by from to time, of the by-laws of the Corporation shall, for all purposes hereof, have the meanings given to such terms in the said By-law, unless expressly stated otherwise or the context otherwise required.

The foregoing amendments to By-law No. 2002-1 of the Corporation were approved by the directors of the Corporation at a meeting held on the 29th day of October, 2013.

The foregoing By-Law No. 2002-2 of the Corporation is signed by an officer of the Corporation and hereby made.

DATED as of the 29th day of October, 2013.

/s/ Marni Morgan Poe

Marni Morgan Poe
Vice President, General Counsel, Secretary

**Press Release****CONTACT:**

Robert Meyer
Investor Relations
Tel: (813) 313-1777
Investorrelations@cott.com

COTT REPORTS THIRD QUARTER 2013 RESULTS AND DECLARES DIVIDEND

(Unless stated otherwise, all third quarter 2013 comparisons are relative to the third quarter of 2012; all information is in U.S. dollars. Certain terms used in this press release are defined below.)

TORONTO, ON and TAMPA, FL – October 31, 2013 – Cott Corporation (NYSE:COT; TSX:BCB) today announced its results for the third quarter ended September 28, 2013 and the declaration of a quarterly dividend of CAD\$0.06 per common share.

Third Quarter 2013 Results

- The Company returned approximately \$10 million to shareholders through dividends and share repurchases.
- The Company announced its intention to redeem \$200 million of its subsidiary's Senior Notes due in 2017 on November 15, 2013.
- Revenue of \$543 million was lower by 7% (6% excluding the impact of foreign exchange) compared to \$584 million.
- Gross profit as a percentage of revenue was 12.0% compared to 12.5%.
- Selling, general and administrative ("SG&A") expenses of \$38 million were lower by 13% compared to \$44 million.
- Adjusted net income and adjusted earnings per diluted share were \$14 million and \$0.14, respectively, compared to \$16 million and \$0.17 in the prior year, respectively. Reported net income and earnings per diluted share were \$12 million and \$0.13, respectively, compared to \$15 million and \$0.15, respectively, in the prior year.
- Adjusted EBITDA was \$54 million compared to \$56 million. Reported EBITDA was \$52 million compared to \$55 million.
- Free cash flow was \$77 million, reflecting \$87 million of net cash provided by operating activities less \$10 million of capital expenditures.

"The quarter provided a sequential improvement in performance trends and strong cash flows, despite prolonged aggressive national brand promotional activity that



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ran through the majority of the quarter. Additionally, we approved a dividend of CAD\$0.06 and announced our intention to redeem \$200 million of our 2017 Senior Notes, which is expected to reduce 2014 interest expense by approximately \$14 million," commented Jerry Fowden, Cott's Chief Executive Officer.

THIRD QUARTER 2013 PERFORMANCE SUMMARY

- Total filled beverage case volume (excluding concentrate sales) was 208 million cases compared to 225 million cases. The volume decline was due primarily to the general market decline in the North American carbonated soft drink ("CSD") category and prolonged aggressive promotional activity from the national brands in North America.
- Revenue was lower by 7% (6% excluding the impact of foreign exchange) at \$543 million. The revenue decline was due primarily to lower global volumes slightly offset by an increase in average price per case on a global basis.
- Gross profit as a percentage of revenue was 12.0% compared to 12.5%. The gross margin reduction was due primarily to lower global volumes which resulted in unfavorable fixed cost absorption.
- SG&A expenses were lower by 13% at \$38 million compared to \$44 million. The decrease in SG&A was due primarily to lower employee-related and reduced information technology costs.
- Income before income taxes was \$13 million compared to \$17 million.
- Income tax expense was \$0.1 million compared to \$1.2 million.
- Adjusted net income and adjusted earnings per diluted share were \$14 million and \$0.14, respectively, compared to \$16 million and \$0.17 in the prior year, respectively. Reported net income and earnings per diluted share were \$12 million and \$0.13, respectively, compared to \$15 million and \$0.15, respectively, in the prior year.
- Adjusted EBITDA was \$54 million compared to \$56 million. Reported EBITDA was \$52 million compared to \$55 million.
- Free cash flow was \$77 million, reflecting \$87 million of net cash provided by operating activities less \$10 million of capital expenditures.

THIRD QUARTER 2013 REPORTING SEGMENT HIGHLIGHTS

- North America filled beverage case volume was 147 million cases compared to 167 million cases and revenue was lower by 13% at \$383 million due primarily to the general market decline in the North American CSD category and prolonged aggressive promotional activity from the national brands.



Press Release

- United Kingdom / Europe filled beverage case volume was 56 million cases compared to 51 million cases. Revenue was higher by 14% (16% excluding the impact of foreign exchange) at \$143 million, primarily due to the addition of the Calypso business and better weather in July.
- Mexico filled beverage case volume was 5 million cases compared to 6 million cases. Revenue was lower by 23% (25% excluding the impact of foreign exchange) at \$8 million due primarily to the exiting of low gross margin business.
- RCI concentrate volume was 64 million cases compared to 77 million cases. Revenue increased 2%.

Declaration of Dividend

Cott has declared a dividend of CAD \$0.06 per common share, payable in cash on December 12, 2013 to shareowners of record at the close of business on December 2, 2013.

Share Repurchase Program

Cott repurchased approximately 550,000 shares at an average price of \$8.09 per share totaling approximately \$4 million during the third quarter in accordance with its existing share repurchase program.

Announcement of Intention to Redeem 2017 Senior Notes

Cott announced its intention to redeem \$200 million of its 2017 Senior Notes due in 2017 on November 15th, 2013. This redemption is expected to reduce interest expense by approximately \$14 million in 2014.

Third Quarter Results Conference Call

Cott will host a conference call today, October 31, 2013, at 10:00 a.m. EDT, to discuss third quarter results, which can be accessed as follows:

North America: (877) 407-8031

International: (201) 689-8031

A live audio webcast will be available through Cott's website at <http://www.cott.com>. The earnings conference call will be recorded and archived for playback on the investor relations section of the website for a period of two weeks following the event.



Press Release

About Cott Corporation

Cott is one of the world's largest producers of beverages on behalf of retailers, brand owners and distributors. Cott produces multiple types of beverages in a variety of packaging formats and sizes, including carbonated soft drinks, 100% shelf stable juice and juice-based products, clear, still and sparkling flavored waters, energy products, sports products, new age beverages, and ready-to-drink teas, as well as alcoholic beverages for brand owners. Cott's large manufacturing footprint, substantial research and development capability and high level of quality and customer service enables Cott to offer its customers a strong value-added proposition of low cost, high quality products. With approximately 4,000 employees, Cott operates manufacturing facilities in the United States, Canada, the United Kingdom and Mexico. Cott also develops and manufactures beverage concentrates, which it exports to over 50 countries around the world.

Defined Terms

Certain defined terms used in this press release include the following. "GAAP" means U.S. generally accepted accounting principles. "Total filled beverage case volume" means 24 eight ounce equivalent servings per case. "Adjusted Net Income (Loss)" means GAAP earnings (loss) excluding purchase accounting adjustments, integration expenses, restructuring expenses and asset impairments. "Adjusted Earnings Per Diluted Share" means Adjusted Net Income divided by diluted weighted average outstanding shares. "EBITDA" means GAAP earnings (loss) before interest, taxes, depreciation and amortization. "Adjusted EBITDA" means GAAP earnings (loss) before interest, taxes, depreciation and amortization, excluding purchase accounting adjustments, integration expenses, restructuring expenses and asset impairments. See the accompanying reconciliations of these non-GAAP measures to the corresponding GAAP measures, as well as the "Non-GAAP Measures" paragraph below.

Non-GAAP Measures

To supplement its reporting of financial measures determined in accordance with GAAP, Cott utilizes certain non-GAAP financial measures. Cott excludes from GAAP revenue the impact of foreign exchange to separate the impact of currency exchange rate changes from Cott's results of operations. Cott utilizes Adjusted Net Income, Adjusted Earnings Per Diluted Share, EBITDA and Adjusted EBITDA to separate the impact of certain items from the underlying business. Because Cott uses these adjusted financial results in the management of its business, management believes this supplemental information is useful to investors for their independent evaluation and understanding of Cott's underlying business performance and the performance of its management. Additionally, Cott supplements its reporting of net cash provided by operating activities determined in accordance with GAAP by excluding capital expenditures to present free cash flow, which management believes provides useful information to investors about the amount of cash generated by the business that, after the acquisition of property and equipment, can be used for strategic opportunities, including investing in our business, making strategic acquisitions, paying dividends, and strengthening the balance sheet. The non-GAAP financial measures described above are in addition to, and not meant to be considered superior to, or a substitute for, Cott's financial



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statements prepared in accordance with GAAP. In addition, the non-GAAP financial measures included in this earnings announcement reflect management's judgment of particular items, and may be different from, and therefore may not be comparable to, similarly titled measures reported by other companies.

Safe Harbor Statements

This press release 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 conveying management's expectations as to the future based on plans, estimates and projections at the time Cott makes the statements. Forward-looking statements involve inherent risks and uncertainties and Cott cautions you that a number of important factors could cause actual results to differ materially from those contained in any such forward-looking statement. The forward-looking statements contained in this press release include, but are not limited to, statements related to our capital deployment strategy, including the amount of the reduction in interest expense as a result of the partial redemption of the 2017 Senior Notes, and future financial and operating trends and results and related matters. The forward-looking statements are based on assumptions regarding management's current plans and estimates. Management believes these assumptions to be reasonable but there is no assurance that they will prove to be accurate.

Factors that could cause actual results to differ materially from those described in this press release include, among others: our ability to compete successfully; changes in consumer tastes and preferences for existing products and our ability to develop and timely launch new products that appeal to such changing consumer tastes and preferences; a loss of or reduction in business with key customers, particularly Walmart; fluctuations in commodity prices and our ability to pass on increased costs to our customers, and the impact of those increased prices on our volumes; our ability to manage our operations successfully; currency fluctuations that adversely affect the exchange between the U.S. dollar and the British pound sterling, the Euro, the Canadian dollar, the Mexican peso and other currencies; our ability to maintain favorable arrangements and relationships with our suppliers; the significant amount of our outstanding debt and our ability to meet our obligations under our debt agreements; our ability to maintain compliance with the covenants and conditions under our debt agreements; fluctuations in interest rates; credit rating changes; the impact of global financial events on our financial results; our ability to fully realize the expected cost savings and/or operating efficiencies from our restructuring activities; any disruption to production at our beverage concentrates or other manufacturing facilities; our ability to protect our intellectual property; compliance with product health and safety standards; liability for injury or illness caused by the consumption of contaminated products; liability and damage to our reputation as a result of litigation or legal proceedings; changes in the legal and regulatory environment in which we operate; the impact of proposed taxes on soda and other sugary drinks; enforcement of compliance with the Ontario Environmental Protection Act; unseasonably cold or wet weather, which could reduce the demand for our beverages; the impact of national, regional and global



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events, including those of a political, economic, business and competitive nature; our ability to recruit, retain, and integrate new management; our exposure to intangible asset risk; our ability to renew our collective bargaining agreements on satisfactory terms; disruptions in our information systems; and the volatility of our stock price.

The foregoing list of factors is not exhaustive. Readers are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date hereof. Readers are urged to carefully review and consider the various disclosures, including but not limited to risk factors contained in Cott's Annual Report on Form 10-K for the fiscal year ended December 29, 2012 and its quarterly reports on Form 10-Q, as well as other periodic reports filed with the securities commissions. Cott does not undertake to update or revise any of these statements in light of new information or future events, except as expressly required by applicable law.

Website: www.cott.com



Press Release

COTT CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions of U.S. dollars, except share and per share amounts, U.S. GAAP)
Unaudited

EXHIBIT 1

| | For the Three Months Ended | | For the Nine Months Ended | |
|--|----------------------------|-----------------------|---------------------------|-----------------------|
| | September 28, 2013 | September 29, 2012 | September 28, 2013 | September 29, 2012 |
| Revenue, net | \$ 543.2 | \$ 583.8 | \$ 1,612.4 | \$ 1,733.4 |
| Cost of sales | <u>478.2</u> | <u>510.6</u> | <u>1,414.4</u> | <u>1,504.5</u> |
| Gross profit | 65.0 | 73.2 | 198.0 | 228.9 |
| Selling, general and administrative expenses | 37.9 | 43.8 | 120.9 | 134.4 |
| Loss on disposal of property, plant & equipment | 1.1 | 0.8 | 1.4 | 1.7 |
| Restructuring | <u>—</u> | <u>—</u> | <u>2.0</u> | <u>—</u> |
| Operating income | 26.0 | 28.6 | 73.7 | 92.8 |
| Other income, net | (0.7) | (1.5) | (0.4) | (2.2) |
| Interest expense, net | <u>13.3</u> | <u>13.1</u> | <u>39.4</u> | <u>40.6</u> |
| Income before income taxes | 13.4 | 17.0 | 34.7 | 54.4 |
| Income tax expense | <u>0.1</u> | <u>1.2</u> | <u>2.3</u> | <u>5.5</u> |
| Net income | \$ 13.3 | \$ 15.8 | \$ 32.4 | \$ 48.9 |
| Less: Net income attributable to non-controlling interests | <u>1.3</u> | <u>1.3</u> | <u>3.9</u> | <u>3.4</u> |
| Net income attributed to Cott Corporation | \$ <u><u>12.0</u></u> | \$ <u><u>14.5</u></u> | \$ <u><u>28.5</u></u> | \$ <u><u>45.5</u></u> |
| Net income per common share attributed to Cott Corporation | | | | |
| Basic | \$ 0.13 | \$ 0.15 | \$ 0.30 | \$ 0.48 |
| Diluted | \$ 0.13 | \$ 0.15 | \$ 0.30 | \$ 0.48 |
| Weighted average outstanding shares (millions) attributed to Cott Corporation | | | | |
| Basic | 94.2 | 94.5 | 94.9 | 94.5 |
| Diluted | 94.8 | 95.6 | 95.8 | 95.6 |



Press Release

COTT CORPORATION
CONSOLIDATED BALANCE SHEETS
(in millions of U.S. dollars, except share amounts, U.S. GAAP)
Unaudited

EXHIBIT 2

| | <u>September 28, 2013</u> | <u>December 29, 2012</u> |
|---|---------------------------|--------------------------|
| ASSETS | | |
| <i>Current assets</i> | | |
| Cash & cash equivalents | \$ 125.8 | \$ 179.4 |
| Accounts receivable, net of allowance of \$5.1 (\$6.8 as of December 29, 2012) | 254.6 | 199.4 |
| Income taxes recoverable | 0.7 | 1.2 |
| Inventories | 215.4 | 224.8 |
| Prepaid expenses and other assets | <u>23.1</u> | <u>20.3</u> |
| Total current assets | 619.6 | 625.1 |
| Property, plant & equipment, net | 490.1 | 490.9 |
| Goodwill | 140.4 | 130.3 |
| Intangibles and other assets, net | 303.6 | 315.4 |
| Deferred income taxes | 5.5 | 3.3 |
| Other tax receivable | <u>1.2</u> | <u>0.9</u> |
| Total assets | \$ <u>1,560.4</u> | \$ <u>1,565.9</u> |
| LIABILITIES AND EQUITY | | |
| <i>Current liabilities</i> | | |
| Current maturities of long-term debt | \$ 3.9 | \$ 1.9 |
| Accounts payable and accrued liabilities | <u>259.7</u> | <u>287.7</u> |
| Total current liabilities | 263.6 | 289.6 |
| Long-term debt | 602.4 | 601.8 |
| Deferred income taxes | 48.1 | 39.1 |
| Other long-term liabilities | <u>23.7</u> | <u>12.5</u> |
| Total liabilities | 937.8 | 943.0 |
| <i>Equity</i> | | |
| Capital stock, no par - 94,226,045 (December 29, 2012 - 95,371,484) shares issued | 392.7 | 397.8 |
| Additional paid-in-capital | 43.9 | 40.4 |
| Retained earnings | 193.0 | 186.0 |
| Accumulated other comprehensive loss | <u>(17.0)</u> | <u>(12.4)</u> |
| Total Cott Corporation equity | 612.6 | 611.8 |
| Non-controlling interests | <u>10.0</u> | <u>11.1</u> |
| Total equity | <u>622.6</u> | <u>622.9</u> |
| Total liabilities and equity | \$ <u>1,560.4</u> | \$ <u>1,565.9</u> |



Press Release

COTT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions of U.S. dollars, U.S. GAAP)
Unaudited

EXHIBIT 3

| | For the Three Months Ended | | For the Nine Months Ended | |
|---|----------------------------|--------------------|---------------------------|--------------------|
| | September 28, 2013 | September 29, 2012 | September 28, 2013 | September 29, 2012 |
| Operating Activities | | | | |
| Net income | \$ 13.3 | \$ 15.8 | \$ 32.4 | \$ 48.9 |
| Depreciation & amortization | 25.1 | 24.7 | 74.7 | 72.2 |
| Amortization of financing fees | 0.7 | 0.8 | 2.2 | 2.9 |
| Share-based compensation expense | 1.1 | 1.3 | 3.6 | 3.5 |
| Increase in deferred income taxes | 0.3 | 0.6 | 1.9 | 4.6 |
| Gain on bargain purchase | — | — | — | (0.9) |
| Loss on disposal of property, plant & equipment | 1.1 | 0.8 | 1.4 | 1.7 |
| Other non-cash items | — | (1.4) | 0.2 | (0.8) |
| Change in operating assets and liabilities, net of acquisition: | | | | |
| Accounts receivable | 19.0 | 15.0 | (38.8) | (36.8) |
| Inventories | 26.6 | 17.1 | 15.8 | (5.9) |
| Prepaid expenses and other assets | — | 0.4 | (2.0) | (5.5) |
| Other assets | 6.1 | (0.2) | 6.0 | 0.7 |
| Accounts payable and accrued liabilities | (6.0) | (22.1) | (34.9) | (38.4) |
| Income taxes recoverable | 0.1 | 5.2 | 0.4 | 6.8 |
| Net cash provided by operating activities | <u>87.4</u> | <u>58.0</u> | <u>62.9</u> | <u>53.0</u> |
| Investing Activities | | | | |
| Acquisition, net of cash acquired | (4.7) | (4.7) | (11.2) | (9.7) |
| Additions to property, plant & equipment | (10.2) | (13.2) | (44.7) | (50.6) |
| Additions to intangibles and other assets | (2.1) | (1.0) | (4.0) | (4.7) |
| Proceeds from sale of property, plant & equipment | 0.2 | 1.3 | 0.2 | 2.3 |
| Proceeds from insurance recoveries | — | 1.7 | 0.4 | 1.7 |
| Net cash used in investing activities | <u>(16.8)</u> | <u>(15.9)</u> | <u>(59.3)</u> | <u>(61.0)</u> |
| Financing Activities | | | | |
| Payments of long-term debt | (0.6) | (0.2) | (20.2) | (2.8) |
| Borrowings under ABL | — | — | — | 24.5 |
| Payments under ABL | — | — | — | (24.5) |
| Distributions to non-controlling interests | (2.2) | (1.9) | (5.0) | (3.3) |
| Common shares repurchased and cancelled | (4.5) | — | (12.9) | (0.3) |
| Financing fees | (0.1) | (1.2) | (0.1) | (1.2) |
| Dividends to shareholders | (5.5) | — | (16.7) | — |
| Net cash used in financing activities | <u>(12.9)</u> | <u>(3.3)</u> | <u>(54.9)</u> | <u>(7.6)</u> |
| Effect of exchange rate changes on cash | 1.3 | 2.2 | (2.3) | 2.8 |
| Net increase (decrease) in cash & cash equivalents | 59.0 | 41.0 | (53.6) | (12.8) |
| Cash & cash equivalents, beginning of period | 66.8 | 47.1 | 179.4 | 100.9 |
| Cash & cash equivalents, end of period | \$ 125.8 | \$ 88.1 | \$ 125.8 | \$ 88.1 |



Press Release

COTT CORPORATION
SEGMENT INFORMATION

(in millions of U.S. dollars or 8 oz equivalent cases, U.S. GAAP)

Unaudited

EXHIBIT 4

| | For the Three Months Ended | | For the Nine Months Ended | |
|--|----------------------------|--------------------|---------------------------|--------------------|
| | September 28, 2013 | September 29, 2012 | September 28, 2013 | September 29, 2012 |
| Revenue | | | | |
| North America | \$ 383.3 | \$ 439.3 | \$ 1,194.6 | \$ 1,323.1 |
| United Kingdom | 142.9 | 125.5 | 368.2 | 356.2 |
| Mexico | 7.5 | 9.7 | 22.6 | 29.0 |
| RCI | 9.5 | 9.3 | 27.0 | 25.1 |
| | <u>\$ 543.2</u> | <u>\$ 583.8</u> | <u>\$ 1,612.4</u> | <u>\$ 1,733.4</u> |
| Operating income (loss) | | | | |
| North America | \$ 14.6 | \$ 18.9 | \$ 49.3 | \$ 67.4 |
| United Kingdom | 9.5 | 7.8 | 18.6 | 21.5 |
| Mexico | (1.2) | (1.0) | (1.6) | (3.2) |
| RCI | 3.1 | 2.9 | 7.4 | 7.1 |
| | <u>\$ 26.0</u> | <u>\$ 28.6</u> | <u>\$ 73.7</u> | <u>\$ 92.8</u> |
| Volume - 8 oz equivalent cases - Total Beverage (including concentrate) | | | | |
| North America | 165.3 | 190.1 | 512.9 | 573.9 |
| United Kingdom | 58.5 | 53.9 | 157.4 | 154.5 |
| Mexico | 4.5 | 6.4 | 14.2 | 19.0 |
| RCI | 64.1 | 77.5 | 194.8 | 220.2 |
| | <u>292.4</u> | <u>327.9</u> | <u>879.3</u> | <u>967.6</u> |
| Volume - 8 oz equivalent cases - Filled Beverage | | | | |
| North America | 146.9 | 167.3 | 451.4 | 505.6 |
| United Kingdom | 55.8 | 50.5 | 145.9 | 143.1 |
| Mexico | 4.5 | 6.4 | 14.2 | 19.0 |
| RCI | 0.4 | 0.3 | 0.9 | 0.3 |
| | <u>207.6</u> | <u>224.5</u> | <u>612.4</u> | <u>668.0</u> |



Press Release

COTT CORPORATION
SUPPLEMENTARY INFORMATION - NON-GAAP - Analysis of Revenue by Reporting Segment
Unaudited

EXHIBIT 5

(in millions of U.S. dollars, except percentage amounts)

| | For the Three Months Ended | | | | |
|---|-----------------------------------|----------------------|-----------------------|-----------------|---------------|
| | September 28, 2013 | | | | |
| | Cott ¹ | North America | United Kingdom | Mexico | RCI |
| Change in revenue | <u>\$(40.6)</u> | <u>\$ (56.0)</u> | <u>\$ 17.4</u> | <u>\$ (2.2)</u> | <u>\$ 0.2</u> |
| Impact of foreign exchange ² | <u>4.7</u> | <u>2.0</u> | <u>2.9</u> | <u>(0.2)</u> | <u>—</u> |
| Change excluding foreign exchange | <u>\$(35.9)</u> | <u>\$ (54.0)</u> | <u>\$ 20.3</u> | <u>\$ (2.4)</u> | <u>\$ 0.2</u> |
| Percentage change in revenue | <u>-7.0%</u> | <u>-12.7%</u> | <u>13.9%</u> | <u>-22.7%</u> | <u>2.2%</u> |
| Percentage change in revenue excluding foreign exchange | <u>-6.1%</u> | <u>-12.3%</u> | <u>16.2%</u> | <u>-24.7%</u> | <u>2.2%</u> |

(in millions of U.S. dollars, except percentage amounts)

| | For the Nine Months Ended | | | | |
|---|----------------------------------|----------------------|-----------------------|-----------------|---------------|
| | September 28, 2013 | | | | |
| | Cott ¹ | North America | United Kingdom | Mexico | RCI |
| Change in revenue | <u>\$(121.0)</u> | <u>\$(128.5)</u> | <u>\$ 12.0</u> | <u>\$ (6.4)</u> | <u>\$ 1.9</u> |
| Impact of foreign exchange ² | <u>9.2</u> | <u>2.9</u> | <u>7.3</u> | <u>(1.0)</u> | <u>—</u> |
| Change excluding foreign exchange | <u>\$(111.8)</u> | <u>\$(125.6)</u> | <u>\$ 19.3</u> | <u>\$ (7.4)</u> | <u>\$ 1.9</u> |
| Percentage change in revenue | <u>-7.0%</u> | <u>-9.7%</u> | <u>3.4%</u> | <u>-22.1%</u> | <u>7.6%</u> |
| Percentage change in revenue excluding foreign exchange | <u>-6.4%</u> | <u>-9.5%</u> | <u>5.4%</u> | <u>-25.5%</u> | <u>7.6%</u> |

¹ Cott includes the following reporting segments: North America, United Kingdom, Mexico and RCI.

² Impact of foreign exchange is the difference between the current year's revenue translated utilizing the current year's average foreign exchange rates less the current year's revenue translated utilizing the prior year's average foreign exchange rates.



Press Release

COTT CORPORATION
SUPPLEMENTARY INFORMATION - NON-GAAP - EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION & AMORTIZATION
(EBITDA)

EXHIBIT 6

(in millions of U.S. dollars)

Unaudited

| | For the Three Months Ended | | For the Nine Months Ended | |
|--|----------------------------|--------------------|---------------------------|--------------------|
| | September 28, 2013 | September 29, 2012 | September 28, 2013 | September 29, 2012 |
| Net income attributed to Cott Corporation | \$ 12.0 | \$ 14.5 | \$ 28.5 | \$ 45.5 |
| Interest expense, net | 13.3 | 13.1 | 39.4 | 40.6 |
| Income tax expense | 0.1 | 1.2 | 2.3 | 5.5 |
| Depreciation & amortization | 25.1 | 24.7 | 74.7 | 72.2 |
| Net income attributable to non-controlling interests | 1.3 | 1.3 | 3.9 | 3.4 |
| EBITDA | \$ 51.8 | \$ 54.8 | \$ 148.8 | \$ 167.2 |
| Restructuring | — | — | 2.0 | — |
| Foreign regulatory adjustments | 0.5 | — | 0.5 | — |
| Acquisition adjustments | | | | |
| Inventory step-up | 0.7 | — | 1.0 | 0.1 |
| Acquisition costs | 0.1 | — | 1.6 | — |
| Integration costs | 0.4 | 1.3 | 0.4 | 3.1 |
| Adjusted EBITDA | \$ 53.5 | \$ 56.1 | \$ 154.3 | \$ 170.4 |



Press Release

COTT CORPORATION
SUPPLEMENTARY INFORMATION - NON-GAAP - FREE CASH FLOW
(in millions of U.S. dollars)
Unaudited

EXHIBIT 7

| | For the Three Months Ended | |
|--|----------------------------|--------------------|
| | September 28, 2013 | September 29, 2012 |
| Net cash provided by operating activities | \$ 87.4 | \$ 58.0 |
| Less: Capital expenditures | (10.2) | (13.2) |
| Free Cash Flow | \$ 77.2 | \$ 44.8 |

| | For the Nine Months Ended | |
|--|---------------------------|--------------------|
| | September 28, 2013 | September 29, 2012 |
| Net cash provided by operating activities | \$ 62.9 | \$ 53.0 |
| Less: Capital expenditures | (44.7) | (50.6) |
| Free Cash Flow | \$ 18.2 | \$ 2.4 |



Press Release

COTT CORPORATION
SUPPLEMENTARY INFORMATION - NON-GAAP - EARNINGS PER DILUTED SHARE (EPS)
(in millions of U.S. dollars, except share and per share amounts)
Unaudited

EXHIBIT 8

| | For the Three Months Ended | | For the Nine Months Ended | |
|--|----------------------------|--------------------|---------------------------|--------------------|
| | September 28, 2013 | September 29, 2012 | September 28, 2013 | September 29, 2012 |
| Net income attributed to Cott Corporation | \$ 12.0 | \$ 14.5 | \$ 28.5 | \$ 45.5 |
| Restructuring, net of tax | — | — | 1.9 | — |
| Foreign regulatory adjustments, net of tax | 0.5 | — | 0.5 | — |
| Acquisition adjustments, net of tax | | | | |
| Inventory step-up | 0.5 | — | 0.8 | 0.1 |
| Acquisition costs | 0.1 | — | 1.4 | — |
| Integration costs | 0.4 | 1.3 | 0.4 | 3.1 |
| Adjusted net income attributed to Cott Corporation | \$ 13.5 | \$ 15.8 | \$ 33.5 | \$ 48.7 |
| Adjusted net income per common share attributed to Cott Corporation | | | | |
| Basic | \$ 0.14 | \$ 0.17 | \$ 0.35 | \$ 0.52 |
| Diluted | \$ 0.14 | \$ 0.17 | \$ 0.35 | \$ 0.51 |
| Weighted average outstanding shares (millions) attributed to Cott Corporation | | | | |
| Basic | 94.2 | 94.5 | 94.9 | 94.5 |
| Diluted | 94.8 | 95.6 | 95.8 | 95.6 |