United States
Securities and Exchange Commission
Washington, D.C. 20549

FORM 10-Q

☒ **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended: September 29, 2012

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from to

Commission File Number: 001-31410

COTT CORPORATION
(Exact name of registrant as specified in its charter)

CANADA (State or Other Jurisdiction of Incorporation or Organization)	**98-0154711** (IRS Employer Identification No.)
6525 VISCOUNT ROAD **MISSISSAUGA, ONTARIO** **5519 WEST IDLEWILD AVE** **TAMPA, FLORIDA** (Address of principal executive offices)	**L4V 1H6** **33634** (Zip Code)

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

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐ (do not check if a smaller reporting company)	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at October 29, 2012
Common Stock, no par value per share	95,161,968 shares

Table of Contents

PART I – FINANCIAL INFORMATION

Item 1.	**Financial Statements (unaudited)**	3
	Consolidated Statements of Operations	3
	Condensed Consolidated Statements of Comprehensive Income	4
	Consolidated Balance Sheets	5
	Consolidated Statements of Cash Flows	6
	Consolidated Statements of Equity	7
	Notes to the Consolidated Financial Statements	8
Item 2.	**Management's Discussion and Analysis of Financial Condition and Results of Operations**	31
	Overview	31
	Results of Operations	37
	Liquidity and Financial Condition	39
Item 3.	**Quantitative and Qualitative Disclosures about Market Risk**	44
Item 4.	**Controls and Procedures**	45
PART II – OTHER INFORMATION		45
Item 1.	**Legal Proceedings**	45
Item 1A.	**Risk Factors**	45
Item 2.	**Unregistered Sales of Equity Securities and Use of Proceeds**	45
Item 6.	**Exhibits**	46
SIGNATURES		47

Table of Contents

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Cott Corporation
Consolidated Statements of Operations

(in millions of U.S. dollars, except share and per share amounts)
Unaudited

	For the Three Months Ended		For the Nine Months Ended	
	September 29, 2012	October 1, 2011	September 29, 2012	October 1, 2011
Revenue, net	**$ 583.8**	$ 611.3	**$ 1,733.4**	$ 1,785.4
Cost of sales	**510.6**	543.7	**1,504.5**	1,560.2
Gross profit	**73.2**	67.6	**228.9**	225.2
Selling, general and administrative expenses	**43.8**	38.1	**134.4**	128.3
Loss on disposal of property, plant & equipment	**0.8**	0.5	**1.7**	0.5
Operating income	**28.6**	29.0	**92.8**	96.4
Other (income) expense, net	**(1.5)**	1.3	**(2.2)**	2.1
Interest expense, net	**13.1**	14.4	**40.6**	43.4
Income before income taxes	**17.0**	13.3	**54.4**	50.9
Income tax expense (benefit)	**1.2**	(4.0)	**5.5**	(1.7)
Net income	**$ 15.8**	$ 17.3	**$ 48.9**	$ 52.6
Less: Net income attributable to non-controlling interests	**1.3**	1.1	**3.4**	3.1
Net income attributed to Cott Corporation	**$ 14.5**	$ 16.2	**$ 45.5**	$ 49.5
Net income per common share attributed to Cott Corporation				
Basic	**$ 0.15**	$ 0.17	**$ 0.48**	$ 0.53
Diluted	**$ 0.15**	$ 0.17	**$ 0.48**	$ 0.52
Weighted average outstanding shares (thousands) attributed to Cott Corporation				
Basic	**94,488**	94,325	**94,461**	94,179
Diluted	**95,598**	95,146	**95,591**	94,899

The accompanying notes are an integral part of these consolidated financial statements.

[Table of Contents](#)

Cott Corporation
Condensed Consolidated Statements of Comprehensive Income
(in millions of U.S. dollars)
Unaudited

	For the Three Months Ended		For the Nine Months Ended	
	September 29, 2012	October 1, 2011	September 29, 2012	October 1, 2011
Net income	**$ 15.8**	$ 17.3	**$ 48.9**	$ 52.6
Other comprehensive income (loss):				
Currency translation adjustment	**12.5**	(15.8)	**13.5**	(5.2)
Pension benefit plan, net of tax [1]	**0.1**	0.1	**(0.1)**	0.5
Unrealized gain (loss) on derivative instruments, net of tax [2]	**—**	0.6	**(0.3)**	0.6
Total other comprehensive income (loss)	**12.6**	(15.1)	**13.1**	(4.1)
Comprehensive income	**$ 28.4**	$ 2.2	**$ 62.0**	$ 48.5
Less: Comprehensive income attributable to non-controlling interests	**1.2**	1.1	**3.2**	3.1
Comprehensive income attributed to Cott Corporation	**$ 27.2**	$ 1.1	**$ 58.8**	$ 45.4

[1] Net of the effect of a $0.1 million and $0.2 million tax expense for the three and nine months ended September 29, 2012, respectively, and net of the effect of a nil and $0.1 million tax expense for the three and nine months ended October 1, 2011, respectively.

[2] Net of the effect of a nil and $0.1 million tax benefit for the three and nine months ended September 29, 2012, respectively, and net of the effect of a $0.1 million tax expense for both the three and nine months ended October 1, 2011, respectively.

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

Cott Corporation
Consolidated Balance Sheets
(in millions of U.S. dollars, except share amounts)
Unaudited

	September 29, 2012	December 31, 2011
ASSETS		
Current assets		
Cash & cash equivalents	**$ 88.1**	$ 100.9
Accounts receivable, net of allowance of $7.0 ($5.7 as of December 31, 2011)	**252.1**	210.8
Income taxes recoverable	**2.9**	9.9
Inventories	**219.1**	210.0
Prepaid expenses and other assets	**25.0**	19.3
Total current assets	**587.2**	550.9
Property, plant & equipment	**488.1**	482.2
Goodwill	**130.8**	129.6
Intangibles and other assets	**324.1**	341.1
Deferred income taxes	**2.8**	4.1
Other tax receivable	**1.0**	1.0
Total assets	**$ 1,534.0**	$ 1,508.9
LIABILITIES AND EQUITY		
Current liabilities		
Current maturities of long-term debt	**$ 1.8**	$ 3.4
Accounts payable and accrued liabilities	**247.1**	281.1
Total current liabilities	**248.9**	284.5
Long-term debt	**602.1**	602.1
Deferred income taxes	**37.5**	34.1
Other long-term liabilities	**15.4**	20.0
Total liabilities	**903.9**	940.7
Equity		
Capital stock, no par - 95,161,968 (December 31, 2011 - 95,101,230) shares issued	**395.7**	395.9
Treasury stock	**(2.1)**	(2.1)
Additional paid-in-capital	**46.1**	42.6
Retained earnings	**189.5**	144.1
Accumulated other comprehensive loss	**(11.4)**	(24.7)
Total Cott Corporation equity	**617.8**	555.8
Non-controlling interests	**12.3**	12.4
Total equity	**630.1**	568.2
Total liabilities and equity	**$ 1,534.0**	$ 1,508.9

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

Cott Corporation
Consolidated Statements of Cash Flows
(in millions of U.S. dollars)
Unaudited

	For the Three Months Ended		For the Nine Months Ended	
	September 29, 2012	October 1, 2011	September 29, 2012	October 1, 2011
Operating Activities				
Net income	**$ 15.8**	$ 17.3	**$ 48.9**	$ 52.6
Depreciation & amortization	**24.7**	24.0	**72.2**	71.4
Amortization of financing fees	**0.8**	1.1	**2.9**	2.9
Share-based compensation expense	**1.3**	(1.6)	**3.5**	2.2
Increase (decrease) in deferred income taxes	**0.6**	(4.2)	**4.6**	(2.3)
Gain on bargain purchase	**—**	—	**(0.9)**	—
Loss on disposal of property, plant & equipment	**0.8**	0.5	**1.7**	0.5
Contract termination payments	**—**	(3.1)	**—**	(3.1)
Other non-cash items	**(1.4)**	(0.1)	**(0.8)**	1.7
Change in operating assets and liabilities, net of acquisition:				
Accounts receivable	**15.0**	29.5	**(36.8)**	(41.5)
Inventories	**17.1**	23.1	**(5.9)**	0.4
Prepaid expenses and other assets	**0.4**	2.1	**(5.5)**	0.9
Other assets	**(0.2)**	0.9	**0.7**	0.2
Accounts payable and accrued liabilities	**(22.1)**	(25.8)	**(38.4)**	(22.9)
Income taxes recoverable	**5.2**	0.2	**6.8**	(3.4)
Net cash provided by operating activities	**58.0**	63.9	**53.0**	59.6
Investing Activities				
Acquisition	**(4.7)**	(25.7)	**(9.7)**	(25.7)
Additions to property, plant & equipment	**(13.2)**	(8.1)	**(50.6)**	(31.4)
Additions to intangibles and other assets	**(1.0)**	(1.4)	**(4.7)**	(3.9)
Proceeds from sale of property, plant & equipment	**1.3**	0.1	**2.3**	0.1
Proceeds from insurance recoveries	**1.7**	—	**1.7**	—
Other investing activities	**—**	(0.1)	**—**	(1.8)
Net cash used in investing activities	**(15.9)**	(35.2)	**(61.0)**	(62.7)
Financing Activities				
Payments of long-term debt	**(0.2)**	(1.8)	**(2.8)**	(5.2)
Borrowings under ABL	**—**	80.7	**24.5**	224.1
Payments under ABL	**—**	(100.7)	**(24.5)**	(231.9)
Distributions to non-controlling interests	**(1.9)**	(1.7)	**(3.3)**	(4.2)
Exercise of options	**—**	0.2	**—**	0.3
Common share repurchase	**—**	—	**(0.3)**	—
Financing fees	**(1.2)**	—	**(1.2)**	(0.1)
Net cash used in financing activities	**(3.3)**	(23.3)	**(7.6)**	(17.0)
Effect of exchange rate changes on cash	**2.2**	(1.2)	**2.8**	0.1
Net increase (decrease) in cash & cash equivalents	**41.0**	4.2	**(12.8)**	(20.0)
Cash & cash equivalents, beginning of period	**47.1**	24.0	**100.9**	48.2
Cash & cash equivalents, end of period	**$ 88.1**	$ 28.2	**$ 88.1**	$ 28.2

Supplemental Disclosures of Cash Flow information:

Cash paid for interest	**$**	**15.8**	$	16.2	**$**	**41.3**	$	44.1
Cash paid for income taxes (excludes refunds)	**$**	**0.5**	$	0.2	**$**	**0.9**	$	4.4

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

Cott Corporation
Consolidated Statements of Equity
(in millions of U.S. dollars, except share amounts)
Unaudited

	Cott Corporation Equity								
	Number of Common Shares *(In thousands)*	Number of Treasury Shares *(In thousands)*	Capital Stock	Treasury Stock	Additional Paid-in-Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Non-Controlling Interests	Total Equity
Balance at January 1, 2011	**94,750**	**1,051**	**$ 395.6**	**$ (3.2)**	**$ 40.8**	**$ 106.5**	**$ (17.5)**	**$ 13.0**	**$ 535.2**
Options exercised	275	—	0.3	—	—	—	—	—	0.3
Treasury shares issued - PSU Plan	—	(181)	—	0.5	(0.5)	—	—	—	—
Treasury shares issued - EISPP	—	(196)	—	0.6	(0.6)	—	—	—	—
Common shares issued - Directors' share awards	76	—	—	—	0.7	—	—	—	0.7
Share-based compensation	—	—	—	—	1.5	—	—	—	1.5
Contributions from non-controlling interests	—	—	—	—	—	—	—	1.8	1.8
Distributions to non-controlling interests	—	—	—	—	—	—	—	(4.2)	(4.2)
Comprehensive income									
Currency translation adjustment	—	—	—	—	—	—	(5.2)	—	(5.2)
Pension benefit plan, net of tax	—	—	—	—	—	—	0.5	—	0.5
Unrealized gain on derivative instruments, net of tax	—	—	—	—	—	—	0.6	—	0.6
Net income	—	—	—	—	—	49.5	—	3.1	52.6
Balance at October 1, 2011	**95,101**	**674**	**$ 395.9**	**$ (2.1)**	**$ 41.9**	**$ 156.0**	**$ (21.6)**	**$ 13.7**	**$ 583.8**
Balance at December 31, 2011	**95,101**	**674**	**$ 395.9**	**$ (2.1)**	**$ 42.6**	**$ 144.1**	**$ (24.7)**	**$ 12.4**	**$ 568.2**
Common shares issued - Directors' share awards	96.0	—	—	—	0.7	—	—	—	0.7
Common shares repurchased	(35.3)	—	(0.2)	—	—	(0.1)	—	—	(0.3)
Share-based compensation	—	—	—	—	2.8	—	—	—	2.8
Distributions to non-controlling interests	—	—	—	—	—	—	—	(3.3)	(3.3)
Comprehensive									

income									
Currency translation adjustment	—	—	—	—	—	—	13.7	(0.2)	13.5
Pension benefit plan, net of tax	—	—	—	—	—	—	(0.1)	—	(0.1)
Unrealized loss on derivative instruments, net of tax	—	—	—	—	—	—	(0.3)	—	(0.3)
Net income	—	—	—	—	—	45.5	—	3.4	48.9
Balance at September 29, 2012	**95,162**	**674**	**$ 395.7**	**$ (2.1)**	**$ 46.1**	**$ 189.5**	**$ (11.4)**	**$ 12.3**	**$ 630.1**

The accompanying notes are an integral part of these consolidated financial statements.

Cott Corporation
Notes to the Consolidated Financial Statements
Unaudited

Note 1 – Business and Recent Accounting Pronouncements

Description of Business

Cott Corporation, together with its consolidated subsidiaries ("Cott," "the Company," "our Company," "Cott Corporation," "we," "us," or "our"), 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 ("CSDs"), 100% shelf stable juice and juice-based products, clear, still and sparkling flavored waters, energy products, new age beverages, and ready-to-drink teas, as well as alcoholic beverages for brand owners.

Basis of Presentation

The accompanying interim unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and Article 10 of Regulation S-X and in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial reporting. Accordingly, they do not include all information and notes presented in the annual consolidated financial statements in conformity with U.S. GAAP. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair statement of our results of operations for the interim periods reported and of our financial condition as of the date of the interim balance sheet have been included. This Quarterly Report on Form 10-Q should be read in conjunction with the annual audited consolidated financial statements and accompanying notes in our Annual Report on Form 10-K for the year ended December 31, 2011. The accounting policies used in these interim consolidated financial statements are consistent with those used in the annual consolidated financial statements.

The presentation of these interim consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes.

Recent Accounting Pronouncements

ASU 2012-02—Intangibles—Goodwill and Other (Topic 350): Testing Indefinite-Lived Intangible Assets for Impairment

In July 2012, the Financial Accounting Standards Board ("FASB") amended its guidance in regards to testing indefinite-lived intangible assets for impairment in order to reduce the cost and complexity of performing an impairment test for indefinite-lived intangible assets by simplifying how an entity tests those assets for impairment and to improve consistency in impairment testing guidance among long-lived asset categories. The amendment permits an entity first to assess qualitative factors to determine whether it is more likely than not that an indefinite-lived intangible asset is impaired as a basis for determining whether it is necessary to perform the quantitative impairment test in accordance with Accounting Standards Codification ("ASC") Subtopic 350-30, "Intangibles—Goodwill and Other"— *General Intangibles Other than Goodwill* . The more-likely-than-not threshold is defined as having a likelihood of more than 50 percent.

The amendments are effective for annual and interim impairment tests performed for fiscal years beginning after September 15, 2012. Early adoption is permitted, including for annual and interim impairment tests performed as of a date before July 27, 2012, if a public entity's financial statements for the most recent annual or interim period have not yet been issued. We have adopted this guidance and incorporated it into our assessment procedures. The adoption of this guidance did not have a material impact on our consolidated financial statements.

ASU 2011-12— Comprehensive Income: Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update ("ASU") No. 2011-05

In November 2011, the FASB deferred part of the new rules on the presentation of other comprehensive income as required by ASU 2011-05. As written, the guidance in ASU 2011-05 would have required that reclassification adjustments from other comprehensive income to net income be presented by income statement line item. Most respondents pointed out that the information required for separate presentation of reclassification adjustments in the statements may not be available in a timely manner due to the fact that there is currently no process and control in place to collect and summarize the level of detailed information required for such presentation. The amendments in this ASU are effective at the same time as the amendments in ASU 2011-05 so that entities will not be required to comply with the presentation requirements in ASU 2011-05 that this ASU is deferring. The deferral is effective for the fiscal year beginning after December 15, 2011.

ASU 2011-05— Comprehensive Income: Presentation of Comprehensive Income

In June 2011, the FASB amended its guidance on the presentation of comprehensive income in financial statements to improve the comparability, consistency and transparency of financial reporting and to increase the prominence of items that are recorded in other comprehensive income. The new accounting guidance requires entities to report components of comprehensive income in either (i) a continuous statement of comprehensive income or (ii) two separate but consecutive statements. The provisions of this new guidance are effective for fiscal years, and interim periods within those years, beginning after December 15, 2011. We have adopted this guidance and presented the components of comprehensive income in two separate but consecutive statements. This standard affects the presentation but does not have a financial impact on our consolidated financial statements.

ASU 2011-08— Intangibles-Goodwill and Other: Testing Goodwill for Impairment

In September 2011, the FASB amended its guidance in regards to testing goodwill for impairment to address concern raised about the cost and complexity of performing the first step of the two-step goodwill impairment test required under ASC Topic 350 – "Intangibles-Goodwill and Other." The objective of this update is to simplify how entities, both public and nonpublic, test goodwill for impairment. The amendments in the update permit an entity to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment test described in ASC Topic 350. The more-likely-than-not threshold is defined as having a likelihood of more than 50 percent. The amendments are effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. We have adopted this guidance and incorporated it into our goodwill assessment procedures.

Note 2 – Acquisitions

On August 17, 2010, we completed the acquisition of substantially all of the assets and liabilities of Cliffstar Corporation ("Cliffstar") and its affiliated companies for approximately $503.0 million in cash, $14.0 million in deferred consideration to be paid over three years, of which $4.7 million was paid in each of the third quarter of 2011 and the third quarter of 2012, and contingent consideration of up to $55.0 million (the "Cliffstar Acquisition"). The first $15.0 million of the contingent consideration was based upon the achievement of milestones in certain expansion projects in 2010, which were achieved in 2010. The remainder of the contingent consideration was based on the achievement of certain performance measures during the fiscal year ended January 1, 2011.

We were notified on May 9, 2011 by the seller of Cliffstar of certain objections to the performance measures used to calculate the contingent consideration, and the seller asserted a claim for amounts in excess of the amounts accrued as contingent consideration at July 2, 2011. During the third and fourth quarters of 2011, Cott made interim payments to the seller equal to $21.0 million and $8.6 million, respectively. The payment of $21.0 million was net of a $4.7 million refund due to Cott as a result of the final determination of working capital, and the payment of $8.6 million included $0.9 million in settlement of certain of the seller's objections to the calculation of the contingent consideration. The seller's remaining objections to the calculation of the contingent consideration are subject to an ongoing binding arbitration process under the terms of the asset purchase agreement. The seller is seeking up to $12.1 million in additional contingent consideration. The final resolution of these matters may result in amounts payable to the seller that vary from the amount of post-closing payments previously made to the seller of $34.3 million. We are currently unable to predict the ultimate outcome of this action. Any changes in the fair value of contingent consideration will be recorded in our Consolidated Statements of Operations.

During the first quarter of 2012, our United Kingdom ("U.K.") reporting segment acquired a beverage and wholesale business based in Scotland for approximately $5.0 million. The business was purchased from a company in administration and provided a number of benefits to our U.K. reporting segment, including increased product offerings and market share, logistical synergies through expansion into Scotland and access to an additional production line. The acquisition has been accounted for using the purchase method of accounting for business combinations, and related operating results are included in the Consolidated Statements of Operations for the periods subsequent to the acquisition. The identified assets, which included inventory, property, plant and equipment, trade names and customer lists, were recorded at their estimated fair values, which exceeded the fair value of the purchase price of the business. Accordingly, the acquisition has been accounted for as a bargain purchase and, as a result, we recognized a gain of approximately $0.9 million associated with the acquisition. The gain is included in the other (income) expense, net section of the Consolidated Statements of Operations.

Table of Contents

Note 3 – Share-Based Compensation

The table below summarizes the share-based compensation expense for the three and nine months ended September 29, 2012 and October 1, 2011. This share-based compensation expense was recorded in selling, general and administrative expenses in our Consolidated Statements of Operations. As used below: (i) "Performance-based RSUs" mean restricted share units with performance-based vesting granted under the Company's 2010 Equity Incentive Plan (the "2010 Equity Incentive Plan"), (ii) "Time-based RSUs" mean restricted share units with time-based vesting granted under the 2010 Equity Incentive Plan, and (iii) "Stock options" mean non-qualified stock options granted under the 2010 Equity Incentive Plan and the Restated 1986 Common Share Option Plan (the "1986 Option Plan").

(in millions of U.S. dollars)	For the Three Months Ended September 29, 2012	For the Three Months Ended October 1, 2011	For the Nine Months Ended September 29, 2012	For the Nine Months Ended October 1, 2011
Stock options	**$ 0.1**	$ —	**$ 0.3**	$ —
Directors' share awards	**—**	—	**0.7**	0.7
Performance-based RSUs	**0.2**	(2.7)	**0.4**	(1.2)
Time-based RSUs	**1.0**	1.1	**2.1**	2.7
Total	**$ 1.3**	$ (1.6)	**$ 3.5**	$ 2.2

As of September 29, 2012, the unrecognized share-based compensation expense and years we expect to recognize the future compensation expense were as follows:

(in millions of U.S. dollars, except years)	Unrecognized share-based compensation expense as of September 29, 2012	Weighted average years expected to recognize compensation
Stock options	**$ 1.1**	**2.3**
Performance-based RSUs	**1.6**	**2.3**
Time-based RSUs	**3.3**	**1.7**
Total	**$ 6.0**	

Stock option activity for the nine months ended September 29, 2012 was as follows:

	Shares *(in thousands)*	Weighted average exercise price *(Canadian $)*
Balance at December 31, 2011	**284**	**$ 20.47**
Awarded	**385**	**6.47**
Forfeited or expired	**(201)**	**24.40**
Outstanding at September 29, 2012	**468**	**$ 7.28**
Exercisable at September 29, 2012	**125**	**$ 9.49**

During the nine months ended September 29, 2012, Performance-based RSU and Time-based RSU activity was as follows:

(in thousands of shares)	Number of Performance-based RSUs	Number of Time-based RSUs
Balance at December 31, 2011	**2,319**	**1,548**
Awarded	**331**	**442**
Forfeited	**(267)**	**(221)**
Outstanding at September 29, 2012	**2,383**	**1,769**

Stock options awarded during the nine months ended September 29, 2012 were granted under the 2010 Equity Incentive Plan. Stock options outstanding at December 31, 2011 were granted under the 1986 Option Plan. The Board of Directors terminated the 1986 Option Plan effective as of February 23, 2011. In connection with the termination of the 1986 Option Plan, outstanding options will continue in accordance with the terms of the 1986 Option Plan until exercised, forfeited or terminated, as applicable. No further awards will be granted under the 1986 Option Plan.

Average Canadian to U.S. Dollar Exchange Rate for the Nine Months Ended September 29, 2012

The weighted average exercise prices for options in Note 3 are disclosed in Canadian dollars. The table below represents the average Canadian dollar to U.S. dollar exchange rate for the nine months ended September 29, 2012:

	For the Nine Months Ended September 29, 2012
Average exchange rate	$ **0.999**

Note 4 – Income Tax Expense (Benefit)

Income tax expense was $5.5 million on pretax income of $54.4 million for the nine months ended September 29, 2012. The year to date income tax expense was primarily the result of the recording of $4.3 million of allowances against deferred tax assets in the U.S. that are uncertain to be realized, reduced by $1.8 million related to an audit settlement, the lapse of a statute of limitation and an enacted decrease in the U.K. statutory rate. For the nine months ended October 1, 2011, the income tax benefit was $1.7 million on pretax income of $50.9 million, due partially to a favorable competent authority settlement and an enacted decrease in the U.K. statutory rate. During the second quarter of 2011, we completed a reorganization of our legal entity structure and refinanced intercompany debt. As a result of these activities, our annual effective tax rate was lower than the statutory rate for 2011 and is also expected to be lower than the statutory rate for 2012.

Note 5 – Net Income Per Common Share

Basic net income per common share is computed by dividing net income by the weighted-average number of common shares outstanding during the period. Diluted net income per common share is calculated using the weighted-average number of common shares outstanding adjusted to include the effect, if dilutive, of the exercise of in-the-money stock options, Performance-based RSUs and Time-based RSUs.

A reconciliation of the denominators of the basic and diluted net income per common share computations is as follows:

	For the Three Months Ended		For the Nine Months Ended	
(in thousands of shares)	September 29, 2012	October 1, 2011	September 29, 2012	October 1, 2011
Weighted average number of shares outstanding - basic	**94,488**	94,325	**94,461**	94,179
Dilutive effect of Stock options	**32**	34	**32**	34
Dilutive effect of Performance-based RSUs	**51**	—	**43**	—
Dilutive effect of Time-based RSUs	**1,027**	787	**1,055**	686
Adjusted weighted average number of shares outstanding - diluted	**95,598**	95,146	**95,591**	94,899

We excluded 392,479 (October 1, 2011 – 233,500) stock options from the computation of diluted net income per share because the options' exercise price was greater than the average market price of the common shares or they were anti-dilutive. Shares purchased on the open market and held by independent trusts are categorized as treasury shares under applicable accounting rules. We excluded 674,397 (October 1, 2011 – 674,397) treasury shares held in various trusts in the calculation of basic and diluted earnings per share.

Table of Contents

Note 6 – Segment Reporting

We produce multiple types of beverages in a variety of packaging formats and sizes, including CSDs, 100% shelf stable juice and juice-based products, clear, still and sparkling flavored waters, energy products, new age beverages, and ready-to-drink teas, as well as alcoholic beverages, on behalf of retailers, brand owners and distributors through five reporting segments – North America (which includes our U.S. operating segment and our Canada operating segment), U.K. (which includes our United Kingdom reporting unit and our Continental European reporting unit), Mexico, Royal Crown International ("RCI") and All Other.

(in millions of U.S. dollars)	North America	United Kingdom	Mexico	RCI	All Other	Total
For the Three Months Ended September 29, 2012						
External revenue [1]	**$ 439.3**	**$ 125.5**	**$ 9.7**	**$ 9.3**	**$ —**	**$ 583.8**
Depreciation & amortization	**21.1**	**3.2**	**0.4**	**—**	**—**	**24.7**
Operating income (loss)	**18.9**	**7.8**	**(1.0)**	**2.9**	**—**	**28.6**
Additions to property, plant & equipment	**10.0**	**1.7**	**1.5**	**—**	**—**	**13.2**
For the Nine Months Ended September 29, 2012						
External revenue [1]	**$1,323.1**	**$ 356.2**	**$29.0**	**$25.1**	**$ —**	**$1,733.4**
Depreciation & amortization	**61.3**	**9.6**	**1.3**	**—**	**—**	**72.2**
Operating income (loss)	**67.4**	**21.5**	**(3.2)**	**7.1**	**—**	**92.8**
Additions to property, plant & equipment	**39.0**	**9.8**	**1.8**	**—**	**—**	**50.6**
As of September 29, 2012						
Property, plant & equipment	**$ 382.2**	**$ 97.1**	**$ 8.8**	**$ —**	**$ —**	**$ 488.1**
Goodwill	**126.3**	**—**	**—**	**4.5**	**—**	**130.8**
Intangibles and other assets	**309.3**	**14.4**	**0.4**	**—**	**—**	**324.1**
Total assets [2]	**1,227.4**	**262.2**	**28.6**	**15.1**	**0.7**	**1,534.0**

1 Intersegment revenue between North America and the other reporting segments was $4.9 million and $13.0 million for the three and nine months ended September 29, 2012, respectively.

2 Excludes intersegment accounts receivables, investments and notes receivable.

(in millions of U.S. dollars)	North America	United Kingdom	Mexico	RCI	All Other	Total
For the Three Months Ended October 1, 2011						
External revenue [1]	$ 468.1	$ 124.5	$12.7	$ 6.0	$ —	$ 611.3
Depreciation & amortization	20.1	3.5	0.4	—	—	24.0
Operating income (loss)	19.8	8.3	(0.9)	1.8	—	29.0
Additions to property, plant & equipment	6.8	1.2	0.1	—	—	8.1
For the Nine Months Ended October 1, 2011						
External revenue [1]	$1,388.2	$ 336.8	$40.3	$20.1	$ —	$1,785.4
Depreciation & amortization	59.7	10.2	1.5	—	—	71.4
Operating income (loss)	70.6	22.7	(3.0)	6.1	—	96.4
Additions to property, plant & equipment	23.2	8.1	0.1	—	—	31.4
As of December 31, 2011						
Property, plant & equipment	$ 383.1	$ 89.8	$ 9.3	$ —	$ —	$ 482.2
Goodwill	125.1	—	—	4.5	—	129.6
Intangibles and other assets	326.1	14.6	0.4	—	—	341.1
Total assets [2]	1,231.3	237.0	28.4	11.3	0.9	1,508.9

1 Intersegment revenue between North America and the other reporting segments was $3.3 million and $11.5 million for the three and nine months ended October 1, 2011, respectively.

2 Excludes intersegment accounts receivables, investments and notes receivable.

A significant portion of our revenue is concentrated in a small number of customers. For the nine months ended September 29, 2012, sales to Walmart accounted for 31.3% (October 1, 2011 – 31.9%) of our total revenues, 36.3% of our North America reporting segment revenues (October 1, 2011 – 36.1%), 15.4% of our U.K. reporting segment revenues (October 1, 2011 – 14.7%), and 21.7% of our Mexico reporting segment revenues (October 1, 2011 – 46.5%).

Table of Contents

Credit risk arises from the potential default of a customer in meeting its financial obligations to us. Concentrations of credit exposure may arise with a group of customers that have similar economic characteristics or that are located in the same geographic region. The ability of such customers to meet obligations would be similarly affected by changing economic, political or other conditions. We are not currently aware of any facts that would create a material credit risk.

Revenues are attributed to operating segments based on the location of the customer. Revenues by operating segment were as follows:

(in millions of U.S. dollars)	For the Three Months Ended		For the Nine Months Ended	
	September 29, 2012	**October 1, 2011**	**September 29, 2012**	**October 1, 2011**
United States	**$ 388.0**	$ 414.3	**$ 1,169.0**	$ 1,236.6
Canada	**63.2**	66.0	**190.3**	189.8
United Kingdom	**125.5**	124.5	**356.2**	336.8
Mexico	**9.7**	12.7	**29.0**	40.3
RCI	**9.3**	6.0	**25.1**	20.1
Elimination [1]	**(11.9)**	(12.2)	**(36.2)**	(38.2)
	$ 583.8	$ 611.3	**$ 1,733.4**	$ 1,785.4

[1] Represents intersegment revenue among our operating segments, of which $4.9 million and $13.0 million represents intersegment revenue between the North America reporting segment and our other operating segments for the three and nine months ended September 29, 2012, respectively, compared to $3.3 million and $11.5 million for the three and nine months ended October 1, 2011, respectively.

Revenues by product were as follows:

(in millions of U.S. dollars)	For the Three Months Ended September 29, 2012				
	North America	**United Kingdom**	**Mexico**	**RCI**	**Total**
Revenue					
Carbonated soft drinks	**$ 182.3**	**$ 43.1**	**$ 5.1**	**$ 0.3**	**$ 230.8**
Juice	**133.7**	**3.7**	**0.3**	**0.4**	**138.1**
Concentrate	**3.3**	**0.5**	**—**	**8.5**	**12.3**
All other products	**120.0**	**78.2**	**4.3**	**0.1**	**202.6**
Total	**$ 439.3**	**$ 125.5**	**$ 9.7**	**$ 9.3**	**$ 583.8**

(in millions of U.S. dollars)	For the Nine Months Ended September 29, 2012				
	North America	**United Kingdom**	**Mexico**	**RCI**	**Total**
Revenue					
Carbonated soft drinks	**$ 533.3**	**$ 121.8**	**$ 16.4**	**$ 0.3**	**$ 671.8**
Juice	**406.9**	**10.5**	**0.7**	**1.1**	**419.2**
Concentrate	**9.6**	**1.8**	**—**	**23.6**	**35.0**
All other products	**373.3**	**222.1**	**11.9**	**0.1**	**607.4**
Total	**$ 1,323.1**	**$ 356.2**	**$ 29.0**	**$ 25.1**	**$ 1,733.4**

For the Three Months Ended October 1, 2011					
(in millions of U.S. dollars)	North America	United Kingdom	Mexico	RCI	Total
Revenue					
Carbonated soft drinks	$ 192.8	$ 47.5	$ 9.6	$ —	$ 249.9
Juice	144.1	3.4	0.7	—	148.2
Concentrate	2.5	0.7	—	6.0	9.2
All other products	128.7	72.9	2.4	—	204.0
Total	**$ 468.1**	**$ 124.5**	**$ 12.7**	**$ 6.0**	**$ 611.3**

For the Nine Months Ended October 1, 2011					
(in millions of U.S. dollars)	North America	United Kingdom	Mexico	RCI	Total
Revenue					
Carbonated soft drinks	$ 549.8	$ 134.4	$ 31.2	$ —	$ 715.4
Juice	456.3	9.6	2.4	—	468.3
Concentrate	6.8	2.4	—	20.1	29.3
All other products	375.3	190.4	6.7	—	572.4
Total	**$ 1,388.2**	**$ 336.8**	**$ 40.3**	**$ 20.1**	**$ 1,785.4**

Property, plant and equipment by operating segment as of September 29, 2012 and December 31, 2011 was as follows:

(in millions of U.S. dollars)	September 29, 2012	December 31, 2011
United States	**$ 333.5**	$ 336.2
Canada	**48.7**	46.9
United Kingdom	**97.1**	89.8
Mexico	**8.8**	9.3
	$ 488.1	**$ 482.2**

Note 7 – Inventories

The following table summarizes inventories as of September 29, 2012 and December 31, 2011:

(in millions of U.S. dollars)	September 29, 2012	December 31, 2011
Raw materials	**$ 77.8**	$ 87.3
Finished goods	**120.3**	102.3
Other	**21.0**	20.4
	$ 219.1	**$ 210.0**

Table of Contents

Note 8 – Intangibles and Other Assets

The following table summarizes intangibles and other assets as of September 29, 2012:

	September 29, 2012		
(in millions of U.S. dollars)	**Cost**	**Accumulated Amortization**	**Net**
Intangibles			
Not subject to amortization			
Rights	**$ 45.4**	**$ —**	**$ 45.4**
Subject to amortization			
Customer relationships	**$367.6**	**$ 136.6**	**$231.0**
Trademarks	**28.9**	**22.9**	**6.0**
Information technology	**65.2**	**49.7**	**15.5**
Other	**11.5**	**7.8**	**3.7**
	473.2	**217.0**	**256.2**
	518.6	**217.0**	**301.6**
Other Assets			
Financing costs	**$ 24.4**	**$ 10.3**	**$ 14.1**
Deposits	**7.2**	**—**	**7.2**
Other	**1.5**	**0.3**	**1.2**
	33.1	**10.6**	**22.5**
Total Intangibles and Other Assets	**$551.7**	**$ 227.6**	**$324.1**

Amortization expense of intangible and other assets was $8.8 million and $26.6 million for the three and nine months ended September 29, 2012, respectively, compared to $9.4 million and $27.2 million for the comparable prior year periods.

The estimated amortization expense for intangibles over the next five years is:

(in millions of U.S. dollars)	
Remainder of 2012	**$ 8.1**
2013	**30.6**
2014	**28.7**
2015	**26.7**
2016	**23.4**
Thereafter	**138.7**
	$256.2

Our only intangible asset with an indefinite life relates to the 2001 acquisition of intellectual property from Royal Crown Company, Inc., including the right to manufacture our concentrates, with all related inventions, processes, technologies, technical and manufacturing information, know-how and the use of the Royal Crown brand outside of North America and Mexico (the “Rights”). The Rights are not subject to amortization.

Note 9 – Debt

Our total debt as of September 29, 2012 and December 31, 2011 was as follows:

(in millions of U.S. dollars)	September 29, 2012	December 31, 2011
8.375% senior notes due in 2017 [1]	**$ 215.0**	$ 215.0
8.125% senior notes due in 2018	**375.0**	375.0
GE obligation	**10.1**	12.4
Other capital leases	**4.7**	4.1
Other debt	**1.3**	1.5
Total debt	**606.1**	608.0
Less: Current debt		
GE obligation - current maturities	**0.9**	2.6
Other capital leases - current maturities	**0.7**	0.6
Other debt - current maturities	**0.2**	0.2
Total current debt	**1.8**	3.4
Long-term debt before discount	**604.3**	604.6
Less discount on 8.375% notes [1]	**(2.2)**	(2.5)
Total long-term debt	**$ 602.1**	**$ 602.1**

1 Our 8.375% senior notes were issued at a discount of 1.425% on November 13, 2009.

Asset Based Lending Credit Facility

On March 31, 2008, we entered into a credit agreement with JPMorgan Chase Bank N.A. as Agent that created an asset-based lending credit facility (the "ABL facility") to provide financing for our North America, U.K. and Mexico reporting segments. In connection with the Cliffstar Acquisition, we refinanced the ABL facility on August 17, 2010 to, among other things, provide for the Cliffstar Acquisition, the issuance of $375.0 million of 8.125% senior notes that are due on September 1, 2018 (the "2018 Notes") and the application of net proceeds therefrom, the underwritten public offering of 13,340,000 common shares at a price of $5.67 per share and the application of net proceeds therefrom and to increase the amount available for borrowings to $275.0 million. We drew down a portion of the indebtedness under the ABL facility in order to fund the Cliffstar Acquisition. We incurred $5.4 million of financing fees in connection with the refinancing of the ABL facility.

On July 19, 2012, we amended the ABL facility to, among other things, extend the maturity date to either July 19, 2017 or, if we have not redeemed, repurchased or refinanced our 8.375% senior notes due 2017 (the "2017 Notes") by May 1, 2017, May 15, 2017. We incurred $1.2 million of financing fees in connection with the amendment of the ABL facility.

The financing fees incurred in connection with the refinancing of the ABL facility on August 17, 2010, along with the financing fees incurred in connection with the amendment of the ABL facility on July 19, 2012, are being amortized using the straight line method over the duration of the amended ABL facility.

As of September 29, 2012, we had no outstanding borrowings under the ABL facility. The commitment fee was 0.375% per annum of the unused commitment, which, taking into account $11.0 million of letters of credit, was $264.0 million as of September 29, 2012.

8.125% Senior Notes due in 2018

On August 17, 2010, we issued the 2018 Notes. The issuer of the 2018 Notes is our wholly-owned subsidiary Cott Beverages Inc., but Cott Corporation and most of its U.S., Canadian and U.K. subsidiaries guarantee the 2018 Notes. The interest on the 2018 Notes is payable semi-annually on March 1st and September 1st of each year.

We incurred $8.6 million of financing fees in connection with the issuance of the 2018 Notes. The financing fees are being amortized using the effective interest method over an eight-year period, which represents the duration of the 2018 Notes.

8.375% Senior Notes due in 2017

On November 13, 2009, we issued $215.0 million of 2017 Notes. The 2017 Notes were issued at a $3.1 million discount. The issuer of the 2017 Notes is Cott Beverages Inc., but Cott Corporation and most of its U.S., Canadian and U.K. subsidiaries guarantee the 2017 Notes. The interest on the 2017 Notes is payable semi-annually on May 15 th and November 15 th of each year.

We incurred $5.1 million of financing fees in connection with the 2017 Notes. The financing fees are being amortized using the effective interest method over an eight-year period, which represents the duration of the 2017 Notes.

Note 10 – Commitments and Contingencies

We are subject to various claims and legal proceedings with respect to matters such as governmental regulations and other actions arising out of the normal course of business. Management believes that the resolution of these matters will not have a material adverse effect on our financial position, results of operations, or cash flow.

As of December 31, 2011, our accrued liability for litigation contingencies with a probable likelihood of loss was $2.9 million which was related to a single contingency. During the first quarter of 2012 we settled this legal matter for an amount not materially different from our accrued liability.

On August 17, 2010, we completed the Cliffstar Acquisition. The first $15.0 million of the maximum of $55.0 million of contingent consideration was based upon the achievement of milestones in certain expansion projects in 2010, which were achieved in 2010. The remainder of the contingent consideration was based on the achievement of certain performance measures during the fiscal year ended January 1, 2011.

We were notified on May 9, 2011 by the seller of Cliffstar of certain objections to the performance measures used to calculate the contingent consideration, and the seller asserted a claim for amounts in excess of the amounts accrued as contingent consideration at July 2, 2011. During the third and fourth quarters of 2011, Cott made interim payments to the seller equal to $21.0 million and $8.6 million, respectively. The payment of $21.0 million was net of a $4.7 million refund due to Cott as a result of the final determination of working capital, and the payment of $8.6 million included $0.9 million in settlement of certain of the seller's objections to the calculation of the contingent consideration. The seller's remaining objections to the calculation of the contingent consideration are subject to an ongoing binding arbitration process under the terms of the asset purchase agreement. The seller is seeking up to $12.1 million in additional contingent consideration. The final resolution of these matters may result in amounts payable to the seller that vary from the amount of post-closing payments previously made to the seller of $34.3 million. We are currently unable to predict the ultimate outcome of this action. Any changes in the fair value of contingent consideration will be recorded in our Consolidated Statements of Operations.

We had $11.0 million in standby letters of credit outstanding as of September 29, 2012 (October 1, 2011 – $9.8 million).

Note 11 – Shares Held in Trust treated as Treasury Shares and Share Repurchase Program

In May 2008, an independent trustee acting under certain of our benefit plans purchased 2.3 million of our common shares to be used to satisfy future liabilities under the Amended and Restated Performance Share Unit Plan (the "PSU Plan") and the Restated Executive Incentive Share Purchase Plan (the "Restated EISPP"). As of September 29, 2012, 0.7 million shares were held in trust, and accounted for as treasury shares under applicable accounting rules. Treasury shares are reported at cost.

Subsequent to the adoption of the 2010 Equity Incentive Plan on May 4, 2010, the Human Resources and Compensation Committee of the Board of Directors determined that certain of Cott's long-term incentive plans were no longer needed and terminated the PSU Plan and the Restated EISPP effective February 23, 2011. No further awards will be granted under such plans, as future awards will be made under our 2010 Equity Incentive Plan.

On May 1, 2012, our Board of Directors authorized the repurchase of up to $35.0 million of our common shares in the open market or through privately negotiated transactions over a 12-month period through either a 10b5-1 automatic trading plan or at management's discretion in compliance with regulatory requirements, and given market, cost and other considerations. We are unable to predict the number of shares that will be repurchased under the share repurchase program, or the aggregate dollar amount of the shares actually purchased. We may discontinue purchases at any time, subject to compliance with applicable regulatory requirements. We repurchased 35,272 shares of common stock for approximately $0.3 million during the second quarter of 2012. No repurchases were made during the three months ended September 29, 2012.

Note 12 – Hedging Transactions and Derivative Financial Instruments

We are directly and indirectly affected by changes in foreign currency market conditions. These changes in market conditions may adversely impact our financial performance and are referred to as market risks. When deemed appropriate by management, we use derivatives as a risk management tool to mitigate the potential impact of foreign currency market risks.

We purchase forward contract derivative instruments. Forward contracts are agreements to buy or sell a quantity of a currency at a predetermined future date and at a predetermined rate or price. We do not enter into derivative financial instruments for trading purposes.

As of September 29, 2012, all derivatives are carried at fair value in the Consolidated Balance Sheets in the line item accounts payable and accrued liabilities. The carrying values of the derivatives reflect the impact of legally enforceable agreements with the same counterparties. These allow us to net settle positive and negative positions (assets and liabilities) arising from different transactions with the same counterparty.

The accounting for gains and losses that result from changes in the fair values of derivative instruments depends on whether the derivatives have been designated and qualify as hedging instruments and the types of hedging relationships. The changes in fair values of derivatives that have been designated and qualify as cash flow hedges are recorded in accumulated other comprehensive income (loss) ("AOCI") and are reclassified into the line item in the Consolidated Statements of Operations in which the hedged items are recorded in the same period the hedged items affect earnings. Due to the high degree of effectiveness between the hedging instruments and the underlying exposures being hedged, fluctuations in the value of the derivative instruments are generally offset by changes in the fair values or cash flows of the underlying exposures being hedged.

We formally designate and document, at inception, the financial instrument as a hedge of a specific underlying exposure, the risk management objective and the strategy for undertaking the hedge transaction. In addition, we formally assess both at the inception and at least quarterly thereafter, whether the financial instruments used in hedging transactions are effective at offsetting changes in either the fair values or cash flows of the related underlying exposures. Any ineffective portion of a financial instrument's change in fair value is immediately recognized into earnings.

We estimate the fair values of our derivatives based on quoted market prices or pricing models using current market rates (refer to Note 13). The notional amounts of the derivative financial instruments do not necessarily represent amounts exchanged by the parties and, therefore, are not a direct measure of our exposure to the financial risks described above. The amounts exchanged are calculated by reference to the notional amounts and by other terms of the derivatives, such as interest rates, foreign currency exchange rates or other financial indices. We do not view the fair values of our derivatives in isolation, but rather in relation to the fair values or cash flows of the underlying hedged transactions. All of our derivatives are straightforward over-the-counter instruments with liquid markets.

Credit Risk Associated with Derivatives

We have established strict counterparty credit guidelines and enter into transactions only with financial institutions of investment grade or better. We mitigate pre-settlement risk by being permitted to net settle for transactions with the same counterparty.

Cash Flow Hedging Strategy

We use cash flow hedges to minimize the variability in cash flows of assets or liabilities or forecasted transactions caused by fluctuations in foreign currency exchange rates. The changes in the fair values of derivatives designated as cash flow hedges are recorded in AOCI and are reclassified into the line item in the Consolidated Statements of Operations in which the hedged items are recorded in the same period the hedged items affect earnings. The changes in fair values of hedges that are determined to be ineffective are immediately reclassified from AOCI into earnings. We did not discontinue any cash flow hedging relationships during the nine months ended September 29, 2012. The maximum length of time over which we hedge our exposure to future cash flows is typically one year.

We maintain a foreign currency cash flow hedging program to reduce the risk that our procurement activities will be adversely affected by changes in foreign currency exchange rates. We enter into forward contracts to hedge certain portions of forecasted cash flows denominated in foreign currencies. The total notional value of derivatives that have been designated and qualify for our foreign currency cash flow hedging program as of September 29, 2012 was approximately $20.8 million.

The fair value of the Company's derivative instrument liabilities was $0.3 million as of September 29, 2012.

The settlement of our derivative instruments resulted in a charge to cost of sales of $0.3 million and $0.4 million for the three and nine months ended September 29, 2012, respectively.

Note 13 – Fair Value Measurements

ASC Topic 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Additionally, the inputs used to measure fair value are prioritized based on a three-level hierarchy. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs.

The three levels of inputs used to measure fair value are as follows:

- Level 1 – Quoted prices in active markets for identical assets or liabilities.
- Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

We have certain assets and liabilities that are required to be recorded at fair value on a recurring basis in accordance with U.S. GAAP.

The following table summarizes those assets and liabilities measured at a fair value on a recurring basis as of September 29, 2012:

	September 29, 2012				
(in millions of U.S. dollars)	Level 1	Level 2	Level 3	Netting Adjustment	Fair Value Measurements
Liabilities					
Derivatives	$ —	$ 0.3	$ —	$ —	$ 0.3
Total Liabilities	**$ —**	**$ 0.3**	**$ —**	**$ —**	**$ 0.3**

Fair Value of Financial Instruments

The carrying amounts reflected in the Consolidated Balance Sheets for cash, receivables, payables, short-term borrowings and long-term debt approximate their respective fair values, except as otherwise indicated. The carrying values and estimated fair values of our significant outstanding debt as of September 29, 2012 and December 31, 2011 were as follows:

	September 29, 2012		December 31, 2011	
(in millions of U.S. dollars)	Carrying Value	Fair Value	Carrying Value	Fair Value
8.375% senior notes due in 2017 [1]	**$ 215.0**	**235.7**	$ 215.0	231.4
8.125% senior notes due in 2018 [1]	**375.0**	**416.7**	375.0	404.5
Total	**$ 590.0**	**$ 652.4**	**$ 590.0**	**$ 635.9**

[1] The fair values are based on the trading levels and bid/offer prices observed by a market participant and are considered Level 1 inputs.

Fair value of contingent consideration

We were notified on May 9, 2011 by the seller of Cliffstar of certain objections to the performance measures used to calculate the contingent consideration, and the seller asserted a claim for amounts in excess of the amounts accrued as contingent consideration at July 2, 2011. During the third and fourth quarters of 2011, Cott made interim payments to the seller equal to $21.0 million and $8.6 million, respectively. The payment of $21.0 million was net of a $4.7 million refund due to Cott as a result of the final determination of working capital, and the payment of $8.6 million included $0.9 million in settlement of certain of the seller's objections to the calculation of the contingent consideration. The seller's remaining objections to the calculation of the contingent consideration are subject to an ongoing binding arbitration process under the terms of the asset purchase agreement. The seller is seeking up to $12.1 million in additional contingent consideration. The final resolution of these matters may result in amounts payable to the seller that vary from the amount of post-closing payments previously made to the seller of $34.3 million. We are currently unable to predict the ultimate outcome of this action. Any changes in the fair value of contingent consideration will be recorded in our Consolidated Statements of Operations.

Note 14 – Guarantor Subsidiaries

The 2017 Notes and 2018 Notes issued by our wholly-owned subsidiary, Cott Beverages, Inc., are unconditionally guaranteed on a senior basis pursuant to guarantees by Cott Corporation and certain other wholly-owned subsidiaries (the "Guarantor Subsidiaries"). The guarantees of the Guarantor Subsidiaries are subject to release in limited circumstances only upon the occurrence of certain customary conditions.

We have not presented separate financial statements and separate disclosures have not been provided concerning subsidiary guarantors because management has determined such information is not material to the holders of the above-mentioned notes.

The following supplemental financial information sets forth on an unconsolidated basis, our Balance Sheets, Statements of Operations and Cash Flows for Cott Corporation, Cott Beverages Inc., Guarantor Subsidiaries and our other subsidiaries (the "Non-guarantor Subsidiaries"). The supplemental financial information reflects our investments and those of Cott Beverages Inc. in their respective subsidiaries using the equity method of accounting.

In the third quarter of 2012, Cott revised the financial statements of certain Non-guarantor Subsidiaries to properly reflect their capitalization and subsequent investment in certain Guarantor Subsidiaries resulting from a reorganization completed in connection with the Cliffstar Acquisition. These Non-guarantor Subsidiaries, which have no business operations and no operating assets, hold, directly or indirectly, the Company's investments in substantially all of the Guarantor Subsidiaries and therefore may be viewed for purposes of the below disclosure as in substance Guarantor Subsidiaries themselves. Cott has therefore included these Non-guarantor Subsidiaries as Guarantor Subsidiaries in the supplemental financial information below and has revised the Consolidated Balance Sheets as of September 29, 2012 and December 31, 2011. While this revision does not change the assets available to satisfy the guarantees made by the Guarantor Subsidiaries, the inclusion of these Non-guarantor Subsidiaries in the Guarantor Subsidiary column for purposes of the below disclosure results in the December 31, 2011 investment in subsidiaries and equity accounts for Non-guarantor Subsidiaries being reduced by $225.3 million. There was no change to the Consolidated Balance Sheets nor any changes to the Consolidating Statements of Operations and Cash Flows for the periods presented.

Table of Contents

Condensed Consolidating Statements of Operations

(in millions of U.S. dollars)
Unaudited

	For the Three Months Ended September 29, 2012					
	Cott Corporation	Cott Beverages Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination Entries	Consolidated
Revenue, net	$ 52.6	$ 220.2	$ 271.6	$ 46.9	$ (7.5)	$ 583.8
Cost of sales	42.1	187.2	246.7	42.1	(7.5)	510.6
Gross profit	10.5	33.0	24.9	4.8	—	73.2
Selling, general and administrative expenses	8.1	18.3	15.1	2.3	—	43.8
Loss on disposal of property, plant & equipment	—	0.2	0.1	0.5	—	0.8
Operating income	2.4	14.5	9.7	2.0	—	28.6
Other (income) expense, net	(0.4)	(1.1)	0.1	(0.1)	—	(1.5)
Intercompany interest (income) expense, net	—	(3.5)	3.5	—	—	—
Interest expense, net	—	12.8	0.2	0.1	—	13.1
Income before income tax expense (benefit) and equity income	2.8	6.3	5.9	2.0	—	17.0
Income tax expense (benefit)	0.9	1.2	(1.0)	0.1	—	1.2
Equity income	12.6	1.5	6.5	—	(20.6)	—
Net income	$ 14.5	$ 6.6	$ 13.4	$ 1.9	$ (20.6)	$ 15.8
Less: Net income attributable to non-controlling interests	—	—	—	1.3	—	1.3
Net income attributed to Cott Corporation	$ 14.5	$ 6.6	$ 13.4	$ 0.6	$ (20.6)	$ 14.5
Comprehensive income attributed to Cott Corporation	$ 27.2	$ 26.8	$ 24.0	$ 9.6	$ (60.4)	$ 27.2

Table of Contents

Condensed Consolidating Statements of Operations

(in millions of U.S. dollars)
Unaudited

	For the Nine Months Ended September 29, 2012					
	Cott Corporation	Cott Beverages Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination Entries	Consolidated
Revenue, net	$ 157.6	$ 669.9	$ 799.1	$ 131.5	$ (24.7)	$ 1,733.4
Cost of sales	126.7	564.4	719.4	118.7	(24.7)	1,504.5
Gross profit	30.9	105.5	79.7	12.8	—	228.9
Selling, general and administrative expenses	23.4	58.0	45.1	7.9	—	134.4
Loss on disposal of property, plant & equipment	—	0.6	0.6	0.5	—	1.7
Operating income	7.5	46.9	34.0	4.4	—	92.8
Other expense (income), net	0.1	(1.0)	(0.8)	(0.5)	—	(2.2)
Intercompany interest (income) expense, net	—	(8.2)	8.2	—	—	—
Interest expense, net	0.2	39.8	0.5	0.1	—	40.6
Income before income tax expense (benefit) and equity income	7.2	16.3	26.1	4.8	—	54.4
Income tax expense (benefit)	4.1	1.8	(0.4)	—	—	5.5
Equity income	42.4	3.8	18.3	—	(64.5)	—
Net income	$ 45.5	$ 18.3	$ 44.8	$ 4.8	$ (64.5)	$ 48.9
Less: Net income attributable to non-controlling interests	—	—	—	3.4	—	3.4
Net income attributed to Cott Corporation	$ 45.5	$ 18.3	$ 44.8	$ 1.4	$ (64.5)	$ 45.5
Comprehensive income (loss) attributed to Cott Corporation	$ 58.8	$ 44.2	$ (38.0)	$ 55.2	$ (61.4)	$ 58.8

Table of Contents

Condensed Consolidating Statements of Operations

(in millions of U.S. dollars)
Unaudited

	For the Three Months Ended October 1, 2011					
	Cott Corporation	Cott Beverages Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination Entries	Consolidated
Revenue, net	$ 55.7	$ 241.7	$ 277.7	$ 45.5	$ (9.3)	$ 611.3
Cost of sales	43.9	217.0	251.3	40.8	(9.3)	543.7
Gross profit	11.8	24.7	26.4	4.7	—	67.6
Selling, general and administrative expenses	7.0	15.3	12.7	3.1	—	38.1
Loss on disposal of property, plant & equipment	—	0.4	0.1	—	—	0.5
Operating income	4.8	9.0	13.6	1.6	—	29.0
Other expense (income), net	1.2	(1.0)	0.5	0.6	—	1.3
Intercompany interest (income) expense, net	—	(2.1)	2.1	—	—	—
Interest expense, net	0.1	13.7	0.5	0.1	—	14.4
Income (loss) before income tax expense (benefit) and equity income	3.5	(1.6)	10.5	0.9	—	13.3
Income tax expense (benefit)	1.0	(2.2)	(2.8)	—	—	(4.0)
Equity income	13.7	1.2	1.9	—	(16.8)	—
Net income	$ 16.2	$ 1.8	$ 15.2	$ 0.9	$ (16.8)	$ 17.3
Less: Net income attributable to non-controlling interests	—	—	—	1.1	—	1.1
Net income (loss) attributed to Cott Corporation	$ 16.2	$ 1.8	$ 15.2	$ (0.2)	$ (16.8)	$ 16.2
Comprehensive income (loss) attributed to Cott Corporation	$ 1.1	$ (12.9)	$ 7.9	$ (12.6)	$ 17.6	$ 1.1

Table of Contents

Condensed Consolidating Statements of Operations

(in millions of U.S. dollars)
Unaudited

	For the Nine Months Ended October 1, 2011					
	Cott Corporation	Cott Beverages Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination Entries	Consolidated
Revenue, net	$ 158.4	$ 711.0	$ 818.6	$ 125.9	$ (28.5)	$ 1,785.4
Cost of sales	126.4	625.8	724.7	111.8	(28.5)	1,560.2
Gross profit	32.0	85.2	93.9	14.1	—	225.2
Selling, general and administrative expenses	24.8	55.8	37.8	9.9	—	128.3
Loss on disposal of property, plant & equipment	—	0.4	0.1	—	—	0.5
Operating income	7.2	29.0	56.0	4.2	—	96.4
Other expense (income), net	1.3	(0.3)	0.6	0.5	—	2.1
Intercompany interest (income) expense, net	(3.5)	(1.9)	5.4	—	—	—
Interest expense, net	0.3	41.3	1.6	0.2	—	43.4
Income (loss) before income tax expense (benefit) and equity income (loss)	9.1	(10.1)	48.4	3.5	—	50.9
Income tax expense (benefit)	2.1	(1.0)	(3.0)	0.2	—	(1.7)
Equity income (loss)	42.5	3.4	(5.3)	—	(40.6)	—
Net income (loss)	$ 49.5	$ (5.7)	$ 46.1	$ 3.3	$ (40.6)	$ 52.6
Less: Net income attributable to non-controlling interests	—	—	—	3.1	—	3.1
Net income (loss) attributed to Cott Corporation	$ 49.5	$ (5.7)	$ 46.1	$ 0.2	$ (40.6)	$ 49.5
Comprehensive income (loss) attributed to Cott Corporation	$ 45.4	$ (2.7)	$ 142.3	$ 21.3	$ (160.9)	$ 45.4

Table of Contents

Consolidating Balance Sheets

(in millions of U.S. dollars)
Unaudited

	As of September 29, 2012					
	Cott Corporation	Cott Beverages Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination Entries	Consolidated
ASSETS						
Current assets						
Cash & cash equivalents	$ 40.5	$ 8.1	$ 33.3	$ 6.2	$ —	$ 88.1
Accounts receivable, net of allowance	18.7	114.5	179.6	17.0	(77.7)	252.1
Income taxes recoverable	—	2.9	—	—	—	2.9
Inventories	23.1	75.1	113.0	7.9	—	219.1
Prepaid expenses and other assets	1.5	14.9	8.5	0.1	—	25.0
Total current assets	**83.8**	**215.5**	**334.4**	**31.2**	**(77.7)**	**587.2**
Property, plant & equipment	50.7	184.8	243.3	9.3	—	488.1
Goodwill	27.9	4.5	98.4	—	—	130.8
Intangibles and other assets	1.1	104.0	203.5	15.5	—	324.1
Deferred income taxes	2.5	—	—	0.3	—	2.8
Other tax receivable	0.4	—	0.6	—	—	1.0
Due from affiliates	35.5	176.0	78.1	41.8	(331.4)	—
Investments in subsidiaries	491.3	392.7	832.3	—	(1,716.3)	—
Total assets	$ 693.2	$ 1,077.5	$ 1,790.6	$ 98.1	$(2,125.4)	$ 1,534.0
LIABILITIES AND EQUITY						
Current liabilities						
Current maturities of long-term debt	$ —	$ 1.2	$ 0.2	$ 0.4	$ —	$ 1.8
Accounts payable and accrued liabilities	31.7	117.5	163.2	12.4	(77.7)	247.1
Total current liabilities	**31.7**	**118.7**	**163.4**	**12.8**	**(77.7)**	**248.9**
Long-term debt	0.3	598.8	1.5	1.5	—	602.1
Deferred income taxes	—	30.3	6.4	0.8	—	37.5
Other long-term liabilities	0.2	3.6	11.6	—	—	15.4
Due to affiliates	43.2	76.7	178.7	32.8	(331.4)	—
Total liabilities	**75.4**	**828.1**	**361.6**	**47.9**	**(409.1)**	**903.9**
Equity						
Capital stock, no par	395.7	574.5	1,750.8	83.5	(2,408.8)	395.7
Treasury stock	(2.1)	—	—	—	—	(2.1)
Additional paid-in-capital	46.1	—	—	—	—	46.1
Retained earnings (deficit)	189.5	(341.8)	(332.5)	(44.4)	718.7	189.5
Accumulated other comprehensive (loss) income	(11.4)	16.7	10.7	(1.2)	(26.2)	(11.4)
Total Cott Corporation equity	**617.8**	**249.4**	**1,429.0**	**37.9**	**(1,716.3)**	**617.8**
Non-controlling interests	—	—	—	12.3	—	12.3
Total equity	**617.8**	**249.4**	**1,429.0**	**50.2**	**(1,716.3)**	**630.1**
Total liabilities and equity	**$ 693.2**	**$ 1,077.5**	**$ 1,790.6**	**$ 98.1**	**$(2,125.4)**	**$ 1,534.0**

Table of Contents

Consolidating Balance Sheets

(in millions of U.S. dollars)

	As of December 31, 2011					
	Cott Corporation	Cott Beverages Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination Entries	Consolidated
ASSETS						
Current assets						
Cash & cash equivalents	$ 13.7	$ 20.7	$ 58.9	$ 7.6	$ —	$ 100.9
Accounts receivable, net of allowance	22.4	97.2	136.3	14.6	(59.7)	210.8
Income taxes recoverable	—	8.8	0.8	0.3	—	9.9
Inventories	18.1	60.2	124.2	7.5	—	210.0
Prepaid expenses and other assets	1.8	13.8	3.6	0.1	—	19.3
Total current assets	**56.0**	**200.7**	**323.8**	**30.1**	**(59.7)**	**550.9**
Property, plant & equipment	48.0	179.3	245.1	9.8	—	482.2
Goodwill	26.9	4.5	98.2	—	—	129.6
Intangibles and other assets	0.9	105.3	216.5	18.4	—	341.1
Deferred income taxes	4.1	—	—	—	—	4.1
Other tax receivable	0.5	—	0.5	—	—	1.0
Due from affiliates	30.3	166.4	79.1	41.9	(317.7)	—
Investments in subsidiaries	459.8	365.5	572.3	—	(1,397.6)	—
Total assets	**$ 626.5**	**$ 1,021.7**	**$ 1,535.5**	**$ 100.2**	**$(1,775.0)**	**$ 1,508.9**
LIABILITIES AND EQUITY						
Current liabilities						
Current maturities of long-term debt	$ —	$ 2.9	$ 0.1	$ 0.4	$ —	$ 3.4
Accounts payable and accrued liabilities	27.1	117.1	181.2	15.4	(59.7)	281.1
Total current liabilities	**27.1**	**120.0**	**181.3**	**15.8**	**(59.7)**	**284.5**
Long-term debt	0.2	599.0	1.2	1.7	—	602.1
Deferred income taxes	—	26.8	6.8	0.5	—	34.1
Other long-term liabilities	0.2	3.5	16.3	—	—	20.0
Due to affiliates	43.2	77.8	168.9	27.8	(317.7)	—
Total liabilities	**70.7**	**827.1**	**374.5**	**45.8**	**(377.4)**	**940.7**
Equity						
Capital stock, no par	395.9	569.3	1,396.5	82.8	(2,048.6)	395.9
Treasury stock	(2.1)	—	—	—	—	(2.1)
Additional paid-in-capital	42.6	—	—	—	—	42.6
Retained earnings (deficit)	144.1	(365.5)	(329.0)	(42.1)	736.6	144.1
Accumulated other comprehensive (loss) income	(24.7)	(9.2)	93.5	1.3	(85.6)	(24.7)
Total Cott Corporation equity	**555.8**	**194.6**	**1,161.0**	**42.0**	**(1,397.6)**	**555.8**
Non-controlling interests	—	—	—	12.4	—	12.4
Total equity	**555.8**	**194.6**	**1,161.0**	**54.4**	**(1,397.6)**	**568.2**
Total liabilities and equity	**$ 626.5**	**$ 1,021.7**	**$ 1,535.5**	**$ 100.2**	**$(1,775.0)**	**$ 1,508.9**

Table of Contents

Consolidating Statements of Condensed Cash Flows

(in millions of U.S. dollars)
Unaudited

	For the Three Months Ended September 29, 2012					
	Cott Corporation	Cott Beverages Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination Entries	Consolidated
Operating Activities						
Net income	$ 14.5	$ 6.6	$ 13.4	$ 1.9	$ (20.6)	$ 15.8
Depreciation & amortization	1.6	9.4	12.1	1.6	—	24.7
Amortization of financing fees	0.1	0.6	0.1	—	—	0.8
Share-based compensation expense	0.2	0.9	0.3	(0.1)	—	1.3
Increase (decrease) in deferred income taxes	0.6	1.2	(1.3)	0.1	—	0.6
Loss on disposal of property, plant & equipment	—	0.2	0.1	0.5	—	0.8
Equity loss, net of distributions	(12.6)	(1.5)	(6.5)	—	20.6	—
Intercompany transactions	2.1	2.1	—	—	(4.2)	—
Other non-cash items	(0.4)	(1.0)	—	—	—	(1.4)
Net change in operating assets and liabilities, net of acquisition	16.4	0.9	(3.4)	(2.7)	4.2	15.4
Net cash provided by operating activities	22.5	19.4	14.8	1.3	—	58.0
Investing Activities						
Acquisition	—	(4.7)	—	—	—	(4.7)
Additions to property, plant & equipment	(1.2)	(9.0)	(1.7)	(1.3)	—	(13.2)
Additions to intangibles and other assets	(0.5)	(1.1)	0.6	—	—	(1.0)
Proceeds from sale of property, plant & equipment	—	—	—	1.3	—	1.3
Proceeds from insurance recoveries	—	1.7	—	—	—	1.7
Advances to affiliates	—	—	—	(1.6)	1.6	—
Net cash used in investing activities	(1.7)	(13.1)	(1.1)	(1.6)	1.6	(15.9)
Financing Activities						
Payments of long-term debt	0.1	(0.2)	—	(0.1)	—	(0.2)
Advances from affiliates	1.6	—	—	—	(1.6)	—
Distributions to non-controlling interests	—	—	—	(1.9)	—	(1.9)
Financing fees	—	(1.2)	—	—	—	(1.2)
Net cash provided by (used in) financing activities	1.7	(1.4)	—	(2.0)	(1.6)	(3.3)
Effect of exchange rate changes on cash	1.2	—	0.8	0.2	—	2.2
Net increase (decrease) in cash & cash equivalents	**23.7**	**4.9**	**14.5**	**(2.1)**	**—**	**41.0**
Cash & cash equivalents, beginning of period	**16.8**	**3.2**	**18.8**	**8.3**	**—**	**47.1**
Cash & cash equivalents, end of period	**$ 40.5**	**$ 8.1**	**$ 33.3**	**$ 6.2**	**$ —**	**$ 88.1**

Table of Contents

Consolidating Statements of Condensed Cash Flows

(in millions of U.S. dollars)
Unaudited

	For the Nine Months Ended September 29, 2012					
	Cott Corporation	Cott Beverages Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination Entries	Consolidated
Operating Activities						
Net income	$ 45.5	$ 18.3	$ 44.8	$ 4.8	$ (64.5)	$ 48.9
Depreciation & amortization	4.7	27.1	36.0	4.4	—	72.2
Amortization of financing fees	0.2	2.5	0.2	—	—	2.9
Share-based compensation expense	1.0	1.7	0.8	—	—	3.5
Increase (decrease) in deferred income taxes	1.7	3.7	(0.7)	(0.1)	—	4.6
Gain on bargain purchase	—	—	(0.9)	—	—	(0.9)
Loss on disposal of property, plant & equipment	—	0.6	0.6	0.5	—	1.7
Equity loss, net of distributions	(42.4)	(3.8)	(18.3)	—	64.5	—
Intercompany transactions	18.3	3.5	—	—	(21.8)	—
Other non-cash items	—	(0.8)	—	—	—	(0.8)
Net change in operating assets and liabilities, net of acquisition	(2.3)	(20.1)	(76.2)	(2.3)	21.8	(79.1)
Net cash provided by (used in) operating activities	26.7	32.7	(13.7)	7.3	—	53.0
Investing Activities						
Acquisition	—	(4.7)	(5.0)	—	—	(9.7)
Additions to property, plant & equipment	(5.4)	(33.8)	(9.8)	(1.6)	—	(50.6)
Additions to intangibles and other assets	(0.5)	(4.7)	0.5	—	—	(4.7)
Proceeds from sale of property, plant & equipment	—	—	1.0	1.3	—	2.3
Proceeds from insurance recoveries	—	1.7	—	—	—	1.7
Advances to affiliates	—	—	—	(5.1)	5.1	—
Net cash used in investing activities	(5.9)	(41.5)	(13.3)	(5.4)	5.1	(61.0)
Financing Activities						
Payments of long-term debt	0.1	(2.6)	—	(0.3)	—	(2.8)
Borrowings under ABL	—	24.5	—	—	—	24.5
Payments under ABL	—	(24.5)	—	—	—	(24.5)
Advances from affiliates	5.1	—	—	—	(5.1)	—
Distributions to non-controlling interests	—	—	—	(3.3)	—	(3.3)
Common share repurchase	(0.3)	—	—	—	—	(0.3)
Financing fees	—	(1.2)	—	—	—	(1.2)
Net cash provided by (used in) financing activities	4.9	(3.8)	—	(3.6)	(5.1)	(7.6)
Effect of exchange rate changes on cash	1.1	—	1.4	0.3	—	2.8
Net increase (decrease) in cash & cash equivalents	**26.8**	**(12.6)**	**(25.6)**	**(1.4)**	**—**	**(12.8)**
Cash & cash equivalents, beginning of period	**13.7**	**20.7**	**58.9**	**7.6**	**—**	**100.9**
Cash & cash equivalents, end of period	**$ 40.5**	**$ 8.1**	**$ 33.3**	**$ 6.2**	**$ —**	**$ 88.1**

Table of Contents

Consolidating Statements of Condensed Cash Flows

(in millions of U.S. dollars)
Unaudited

	For the Three Months Ended October 1, 2011					
	Cott Corporation	Cott Beverages Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination Entries	Consolidated
Operating Activities						
Net income	$ 16.2	$ 1.8	$ 15.2	$ 0.9	$ (16.8)	$ 17.3
Depreciation & amortization	1.5	8.8	12.1	1.6	—	24.0
Amortization of financing fees	0.1	0.9	0.1	—	—	1.1
Share-based compensation expense	—	(1.6)	—	—	—	(1.6)
Increase (decrease) in deferred income taxes	0.5	(1.7)	(2.8)	(0.2)	—	(4.2)
Loss on disposal of property, plant & equipment	—	0.4	0.1	—	—	0.5
Contract termination payments	(0.8)	(2.3)	—	—	—	(3.1)
Equity loss, net of distributions	(14.0)	(1.3)	(1.4)	—	16.7	—
Intercompany transactions	8.9	5.1	—	—	(14.0)	—
Other non-cash items	—	(0.1)	—	—	—	(0.1)
Net change in operating assets and liabilities, net of acquisition	(12.0)	206.6	(174.9)	(3.8)	14.1	30.0
Net cash provided by (used in) operating activities	0.4	216.6	(151.6)	(1.5)	—	63.9
Investing Activities						
Acquisition	—	(25.7)	—	—	—	(25.7)
Additions to property, plant & equipment	(1.3)	(5.7)	(1.1)	—	—	(8.1)
Additions to intangibles and other assets	—	(0.9)	(0.4)	(0.1)	—	(1.4)
Proceeds from sale of property, plant & equipment	—	0.1	—	—	—	0.1
Other investing activities	—	(0.1)	—	—	—	(0.1)
Advances to affiliates	—	—	162.5	5.1	(167.6)	—
Net cash (used in) provided by investing activities	(1.3)	(32.3)	161.0	5.0	(167.6)	(35.2)
Financing Activities						
Payments of long-term debt	—	(1.6)	—	(0.2)	—	(1.8)
Borrowings under ABL	—	80.7	—	—	—	80.7
Payments under ABL	—	(100.7)	—	—	—	(100.7)
Advances from affiliates	(5.1)	(162.5)	—	—	167.6	—
Distributions to non-controlling interests	—	—	—	(1.7)	—	(1.7)
Exercise of options	—	0.2	—	—	—	0.2
Net cash used in financing activities	(5.1)	(183.9)	—	(1.9)	167.6	(23.3)
Effect of exchange rate changes on cash	(0.4)	—	(0.4)	(0.4)	—	(1.2)
Net (decrease) increase in cash & cash equivalents	**(6.4)**	**0.4**	**9.0**	**1.2**	**—**	**4.2**
Cash & cash equivalents, beginning of period	**8.7**	**1.5**	**8.4**	**5.4**	**—**	**24.0**
Cash & cash equivalents, end of period	**$ 2.3**	**$ 1.9**	**$ 17.4**	**$ 6.6**	**$ —**	**$ 28.2**

Table of Contents

Consolidating Statements of Condensed Cash Flows

(in millions of U.S. dollars)
Unaudited

	For the Nine Months Ended October 1, 2011					
	Cott Corporation	Cott Beverages Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination Entries	Consolidated
Operating Activities						
Net income (loss)	$ 49.5	$ (5.7)	$ 46.1	$ 3.3	$ (40.6)	$ 52.6
Depreciation & amortization	4.5	26.1	36.2	4.6	—	71.4
Amortization of financing fees	0.2	2.5	0.2	—	—	2.9
Share-based compensation expense	1.0	0.6	0.6	—	—	2.2
Increase (decrease) in deferred income taxes	1.4	(0.5)	(3.0)	(0.2)	—	(2.3)
Loss on disposal of property, plant & equipment	—	0.4	0.1	—	—	0.5
Contract termination payments	(0.8)	(2.3)	—	—	—	(3.1)
Equity (loss) income, net of distributions	(42.8)	(3.5)	5.8	—	40.5	—
Intercompany transactions	15.8	7.8	—	—	(23.6)	—
Other non-cash items	—	1.7	—	—	—	1.7
Net change in operating assets and liabilities, net of acquisition	(28.8)	185.0	(242.7)	(3.5)	23.7	(66.3)
Net cash provided by (used in) operating activities	—	212.1	(156.7)	4.2	—	59.6
Investing Activities						
Acquisition	—	(25.7)	—	—	—	(25.7)
Additions to property, plant & equipment	(3.5)	(19.9)	(8.0)	—	—	(31.4)
Additions to intangibles and other assets	1.4	(3.5)	(0.5)	(1.3)	—	(3.9)
Proceeds from sale of property, plant & equipment	—	0.1	—	—	—	0.1
Other investing activities	—	(1.8)	—	—	—	(1.8)
Advances to affiliates	—	—	156.1	3.2	(159.3)	—
Net cash (used in) provided by investing activities	(2.1)	(50.8)	147.6	1.9	(159.3)	(62.7)
Financing Activities						
Payments of long-term debt	—	(4.8)	—	(0.4)	—	(5.2)
Borrowings under ABL	—	224.1	—	—	—	224.1
Payments under ABL	—	(231.9)	—	—	—	(231.9)
Advances from affiliates	(3.2)	(156.1)	—	—	159.3	—
Distributions to non-controlling interests	—	—	—	(4.2)	—	(4.2)
Exercise of options	—	0.3	—	—	—	0.3
Financing fees	—	(0.1)	—	—	—	(0.1)
Net cash used in financing activities	(3.2)	(168.5)	—	(4.6)	159.3	(17.0)
Effect of exchange rate changes on cash	(0.2)	—	0.5	(0.2)	—	0.1
Net (decrease) increase in cash & cash equivalents	**(5.5)**	**(7.2)**	**(8.6)**	**1.3**	**—**	**(20.0)**
Cash & cash equivalents, beginning of period	**7.8**	**9.1**	**26.0**	**5.3**	**—**	**48.2**
Cash & cash equivalents, end of period	**$ 2.3**	**$ 1.9**	**$ 17.4**	**$ 6.6**	**$ —**	**$ 28.2**

Note 15 – Subsequent Event

On October 31, 2012, the Board of Directors declared a dividend of CAD $0.06 per share on common shares, payable in cash on December 20, 2012 to shareowners of record at the close of business on December 4, 2012.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This Management's Discussion and Analysis of Financial Condition and Results of Operations is intended to further the reader's understanding of the consolidated financial condition and results of operations of our Company. It should be read in conjunction with the financial statements included in this quarterly report on Form 10-Q and our annual report on Form 10-K for the year ended December 31, 2011 (the "2011 Annual Report"). These historical financial statements may not be indicative of our future performance. This discussion contains a number of forward-looking statements, all of which are based on our current expectations and could be affected by the uncertainties and risks referred to under "Risk Factors" in Item 1A in our 2011 Annual Report.

Overview

We are one of the world's largest producers of beverages on behalf of retailers, brand owners and distributors. Our objective of creating sustainable long-term growth in revenue and profitability is predicated on working closely with our customers to provide proven profitable products. As a "fast follower" of innovative products, our goal is to identify which new products are succeeding in the marketplace and develop similar private label, high quality products at a better value. This objective is increasingly relevant in more difficult economic times.

The beverage market is subject to some seasonal variations. Our beverage sales are generally higher during the warmer months and also can be influenced by the timing of holidays and weather fluctuations. The purchases of our raw materials and related accounts payable fluctuate based upon the demand for our products as well as the timing of the fruit growing season. The seasonality of our sales volume combined with the fruit growing season causes our working capital needs to fluctuate throughout the year, with inventory levels increasing in the first half of the year in order to meet the higher summer demand, while fruit peaks during the last quarter of the year when purchases are made after the growing season. In addition, our accounts receivable balances decline in the fall as customers pay their higher-than-average outstanding balances from the summer deliveries.

We typically operate at low margins, and therefore relatively small changes in cost structures can materially impact our results.

Ingredient and packaging costs represent a significant portion of our cost of sales. These costs are subject to global and regional commodity price trends. Our largest commodities are aluminum for cans and ends, resin for polyethylene terephthalate bottles, preforms and caps, fruit and fruit concentrates and corn for high fructose corn syrup ("HFCS"). We attempt to manage our exposure to fluctuations in ingredient and packaging costs of our products by implementing price increases as needed and entering into fixed price commitments for a portion of our ingredient and packaging requirements. We have entered into fixed price commitments for the remainder of 2012 for all of our HFCS requirements and a majority of our forecasted aluminum and fruit requirements. We also have entered into fixed price commitments for over half of our aluminum, all of our HFCS requirements and a portion of our fruit requirements for 2013. Finally, we have entered into fixed price commitments for a small portion of our aluminum for 2014.

On August 17, 2010, we completed the acquisition of substantially all of the assets and liabilities of Cliffstar Corporation ("Cliffstar") and its affiliated companies for approximately $503.0 million in cash, $14.0 million in deferred consideration to be paid over three years, of which $4.7 million was paid in each of the third quarter of 2011 and the third quarter of 2012, and contingent consideration of up to $55.0 million (the "Cliffstar Acquisition"). The first $15.0 million of the contingent consideration was based upon the achievement of milestones in certain expansion projects in 2010, which were achieved in 2010. The remainder of the contingent consideration was based on the achievement of certain performance measures during the fiscal year ended January 1, 2011. The seller of Cliffstar notified us of certain objections to the performance measures used to calculate the contingent consideration, and the seller asserted a claim for amounts in excess of the amounts accrued as contingent consideration at July 2, 2011. During the third and fourth quarters of 2011, Cott made interim payments to the seller equal to $21.0 million and $8.6 million, respectively. The payment of $21.0 million was net of a $4.7 million refund due to Cott as a result of the final determination of working capital, and the payment of $8.6 million included $0.9 million in settlement of certain of the seller's objections to the calculation of the contingent consideration. The seller's remaining objections to the calculation of the contingent consideration are subject to an ongoing binding arbitration process under the terms of the asset purchase agreement. The seller is seeking up to $12.1 million in additional contingent consideration. The final resolution of these matters may result in amounts payable to the seller that vary from the amount of post-closing payments previously made to the seller of $34.3 million. We are currently unable to predict the ultimate outcome of this action. Any changes in the fair value of contingent consideration will be recorded in our Consolidated Statements of Operations.

We supply Walmart and its affiliated companies, under annual non-exclusive supply agreements, with a variety of products in the United States, Canada, United Kingdom and Mexico, including carbonated soft drinks ("CSDs"), clear, still and sparkling flavored waters, juice, juice-based products, bottled water, energy drinks and ready-to-drink teas. During the first nine months of 2012, we supplied Walmart with all of its private label CSDs in the United States. If Walmart were to utilize other suppliers to fulfill a portion or all of its requirements for such products, our operating results could be materially adversely affected. Sales to Walmart for the nine months ended September 29, 2012 and October 1, 2011 accounted for 31.3% and 31.9% of total revenue, respectively.

Summary financial results

Our net income for the three months ended September 29, 2012 (the "third quarter") and the nine months ended September 29, 2012 ("first nine months of 2012" or "year to date") was $14.5 million or $0.15 per diluted share and $45.5 million or $0.48 per diluted share, respectively, compared with net income of $16.2 million or $0.17 per diluted share and $49.5 million or $0.52 per diluted share for the three and nine months ended October 1, 2011, respectively.

The following items of significance impacted our financial results for the third quarter and first nine months of 2012:

- our revenue decreased 2.9% year to date from the comparable prior year period due primarily to a decline in North America volume resulting from our exit from certain low margin business and a product mix shift into juice drinks and sports drinks from 100% shelf-stable juice. Absent foreign exchange impact, revenue decreased 1.9% year to date from the comparable prior year period;
- our gross profit as a percentage of revenue increased to 12.5% and 13.2% for the third quarter and year to date, respectively, compared to 11.1% and 12.6%, respectively, from the comparable prior year periods due primarily to increased pricing on products and our exit from lower margin business;
- our filled beverage 8-ounce equivalents ("beverage case volume") decreased 8.7% year to date due primarily to the exit of certain low margin business and the general decline in the North American CSD and juice categories;
- our selling, general and administrative ("SG&A") expenses for the first nine months of 2012 increased to $134.4 million from $128.3 million in the comparable prior year period due primarily to an increase in certain employee-related costs compared to a lowering of the annual incentive and long-term incentive accruals in the prior year;
- our loss on disposal of property, plant and equipment year to date was the result of the sale of a facility in each of Mexico and the U.K. and normal operational disposals;
- our other income was $2.2 million year to date as a result of insurance recoveries in excess of the loss incurred on a U.S. facility in the amount of $1.3 million and recording a bargain purchase of $0.9 million in the U.K. compared to other expense of $2.1 million in the comparable prior year period, which was the result of $1.2 million in foreign exchange effects and $0.9 million in adjustments to the contingent consideration associated with the Cliffstar Acquisition;
- our interest expense decreased by $2.8 million year to date as a result of decreased debt balances held throughout the period;
- our income tax expense was $5.5 million year to date compared to a $1.7 million benefit in the comparable prior year period, due primarily to the recording of $4.3 million of allowances against deferred tax assets in the U.S. that are uncertain to be realized and the lapping of a favorable tax settlement in the prior year; and
- our earnings before interest expense, taxes, depreciation and amortization adjusted for inventory step-up (step-down) and integration costs related to the Cliffstar Acquisition ("Adjusted EBITDA") increased 2.8% to $170.4 million year to date from $165.8 million in the comparable prior year period.

The following items of significance impacted our financial results for the third quarter and first nine months of 2011:

- the Cliffstar Acquisition contributed $401.7 million to revenue and $26.8 million to operating income on a year to date basis;
- our gross profit as a percentage of revenue was 11.1% and 12.6% for the third quarter and year to date, respectively, compared to 13.8% and 15.5%, respectively, from the comparable prior year period;
- our revenue increased 40.1% year to date from the comparable prior year period. Absent foreign exchange impact, revenue increased 38.0% year to date from the comparable prior year period, due primarily to the Cliffstar Acquisition;
- our beverage case volume increased 20.5% year to date due primarily to the Cliffstar Acquisition. Excluding the impact of the Cliffstar Acquisition, our year to date beverage case volume increased 5.4% on a consolidated basis and 4.6% in North America;
- our SG&A expenses for the first nine months of 2011 increased to $128.3 million from $114.2 million in the comparable prior year period, due primarily to the Cliffstar Acquisition, offset in part by a reduction to certain employee-related costs, information technology costs and professional fees;
- our interest expense increased to $43.4 million year to date from $22.6 million in the comparable prior year period due primarily to the issuance in the prior year period of $375.0 million of senior notes that are due on September 1, 2018 (the "2018 Notes");
- the decrease in other expense of $1.5 million year to date was due primarily to the write-off of financing fees in the comparable prior year period; and
- our income tax benefit of $1.7 million compared to income tax expense of $13.9 million in the comparable prior year period, due primarily to lower pretax income in the United States and Canada, the reorganization of our legal entity structure and refinancing of intercompany debt.

Non-GAAP Measures

In this report, we supplement our reporting of financial measures determined in accordance with U.S. generally accepted accounting principles ("GAAP") by utilizing certain non-GAAP financial measures. We exclude the impact of foreign exchange from GAAP revenues to separate the impact of currency exchange rate changes from Cott's results of operations. Cott excludes these items to better understand trends in the business.

We also utilize earnings before interest expense, taxes, depreciation and amortization ("EBITDA"), which is GAAP earnings before interest expense, provision for income taxes, depreciation and amortization. We consider EBITDA to be an indicator of operating performance. We also use EBITDA, as do analysts, lenders, investors and others, because it excludes certain items that can vary widely across different industries or among companies within the same industry. These differences can result in considerable variability in the relative costs of productive assets and the depreciation and amortization expense among companies. We also utilize Adjusted EBITDA as an indicator of operating performance. Our Adjusted EBITDA excludes purchase accounting adjustments, integration expenses, restructuring and asset impairments. Adjusted EBITDA excludes these items to facilitate period-over-period comparisons of our ongoing core operations before material charges.

Because Cott uses these adjusted financial results in the management of its business and to understand underlying business performance, management believes this supplemental information is useful to investors for their independent evaluation and understanding of Cott's business performance and the performance of its management. 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 statements prepared in accordance with GAAP. In addition, the non-GAAP financial measures included in this report 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.

Table of Contents

The following table summarizes our Consolidated Statements of Operations as a percentage of revenue for the three and nine months ended September 29, 2012 and October 1, 2011, respectively:

	For the Three Months Ended				For the Nine Months Ended			
	September 29, 2012		October 1, 2011		September 29, 2012		October 1, 2011	
(in millions of U.S. dollars, except percentages)	$	%	$	%	$	%	$	%
Revenue, net	**583.8**	**100.0**	611.3	100.0	**1,733.4**	**100.0**	1,785.4	100.0
Cost of sales	**510.6**	**87.5**	543.7	88.9	**1,504.5**	**86.8**	1,560.2	87.4
Gross profit	**73.2**	**12.5**	67.6	11.1	**228.9**	**13.2**	225.2	12.6
Selling, general and administrative expenses	**43.8**	**7.5**	38.1	6.2	**134.4**	**7.8**	128.3	7.2
Loss on disposal of property, plant & equipment	**0.8**	**0.1**	0.5	0.1	**1.7**	**0.1**	0.5	0.0
						—		
Operating income	**28.6**	**4.9**	29.0	4.8	**92.8**	**5.3**	96.4	5.4
Other (income) expense, net	**(1.5)**	**(0.3)**	1.3	0.2	**(2.2)**	**(0.1)**	2.1	0.1
Interest expense, net	**13.1**	**2.2**	14.4	2.4	**40.6**	**2.3**	43.4	2.4
Income before income taxes	**17.0**	**3.0**	13.3	2.2	**54.4**	**3.1**	50.9	2.9
Income tax expense (benefit)	**1.2**	**0.2**	(4.0)	(0.7)	**5.5**	**0.3**	(1.7)	(0.1)
Net income	**15.8**	**2.8**	17.3	2.9	**48.9**	**2.8**	52.6	3.0
Less: Net income attributable to non-controlling interests	**1.3**	**0.2**	1.1	0.2	**3.4**	**0.2**	3.1	0.2
Net income attributed to Cott Corporation	**14.5**	**2.6**	16.2	2.7	**45.5**	**2.6**	49.5	2.8
Depreciation & amortization	**24.7**	**4.2**	24.0	3.9	**72.2**	**4.2**	71.4	4.0

The following table summarizes our revenue and operating income (loss) by reporting segment for the three and nine months ended September 29, 2012 and October 1, 2011, respectively:

	For the Three Months Ended		For the Nine Months Ended	
(in millions of U.S. dollars)	September 29, 2012	October 1, 2011	September 29, 2012	October 1, 2011
Revenue				
North America	**$ 439.3**	$ 468.1	**$ 1,323.1**	$ 1,388.2
United Kingdom	**125.5**	124.5	**356.2**	336.8
Mexico	**9.7**	12.7	**29.0**	40.3
RCI	**9.3**	6.0	**25.1**	20.1
Total	**$ 583.8**	$ 611.3	**$ 1,733.4**	$ 1,785.4
Operating income (loss)				
North America	**$ 18.9**	$ 19.8	**$ 67.4**	$ 70.6
United Kingdom	**7.8**	8.3	**21.5**	22.7
Mexico	**(1.0)**	(0.9)	**(3.2)**	(3.0)
RCI	**2.9**	1.8	**7.1**	6.1
Total	**$ 28.6**	$ 29.0	**$ 92.8**	$ 96.4

Revenues are attributed to reporting segments based on the location of the customer.

The following table summarizes our beverage case volume by reporting segment for the three and nine months ended September 29, 2012 and October 1, 2011, respectively:

(in millions of physical cases)	For the Three Months Ended		For the Nine Months Ended	
	September 29, 2012	October 1, 2011	September 29, 2012	October 1, 2011
Volume - 8 oz equivalent cases - Total Beverage (including concentrate)				
North America	**190.1**	207.5	**573.9**	620.3
United Kingdom	**53.9**	55.6	**154.5**	157.3
Mexico	**6.4**	8.7	**19.0**	28.9
RCI	**77.5**	60.2	**220.2**	204.3
Total	**327.9**	332.0	**967.6**	1,010.8
Volume - 8 oz equivalent cases - Filled Beverage				
North America	**167.3**	188.1	**505.6**	557.3
United Kingdom	**50.5**	53.0	**143.1**	145.8
Mexico	**6.4**	8.7	**19.0**	28.9
RCI	**0.3**	—	**0.3**	—
Total	**224.5**	249.8	**668.0**	732.0

The following tables summarize revenue and volume by product for the three and nine months ended September 29, 2012 and October 1, 2011, respectively:

For the Three Months Ended September 29, 2012

(in millions of U.S. dollars)	North America	United Kingdom	Mexico	RCI	Total
Revenue					
Carbonated soft drinks	**$ 182.3**	**$ 43.1**	**$ 5.1**	**$ 0.3**	**$ 230.8**
Juice	**133.7**	**3.7**	**0.3**	**0.4**	**138.1**
Concentrate	**3.3**	**0.5**	**—**	**8.5**	**12.3**
All other products	**120.0**	**78.2**	**4.3**	**0.1**	**202.6**
Total	**$ 439.3**	**$ 125.5**	**$ 9.7**	**$ 9.3**	**$ 583.8**

For the Three Months Ended September 29, 2012

(in millions of physical cases)	North America	United Kingdom	Mexico	RCI	Total
Volume - 8 oz equivalent cases - Total Beverage (including concentrate)					
Carbonated soft drinks	**77.0**	**22.7**	**3.7**	**0.1**	**103.5**
Juice	**30.1**	**1.0**	**0.4**	**0.2**	**31.7**
Concentrate	**22.8**	**3.4**	**—**	**77.2**	**103.4**
All other products	**60.2**	**26.8**	**2.3**	**—**	**89.3**
Total	**190.1**	**53.9**	**6.4**	**77.5**	**327.9**

For the Nine Months Ended September 29, 2012

(in millions of U.S. dollars)	North America	United Kingdom	Mexico	RCI	Total
Revenue					
Carbonated soft drinks	**$ 533.3**	**$ 121.8**	**$16.4**	**$ 0.3**	**$ 671.8**
Juice	**406.9**	**10.5**	**0.7**	**1.1**	**419.2**
Concentrate	**9.6**	**1.8**	**—**	**23.6**	**35.0**
All other products	**373.3**	**222.1**	**11.9**	**0.1**	**607.4**
Total	**$ 1,323.1**	**$ 356.2**	**$29.0**	**$25.1**	**$1,733.4**

Table of Contents

For the Nine Months Ended September 29, 2012

(in millions of physical cases)	North America	United Kingdom	Mexico	RCI	Total
Volume - 8 oz equivalent cases - Total Beverage (including concentrate)					
Carbonated soft drinks	**235.2**	**63.8**	**11.6**	**0.1**	**310.7**
Juice	**92.6**	**2.8**	**0.7**	**0.2**	**96.3**
Concentrate	**68.3**	**11.4**	**—**	**219.9**	**299.6**
All other products	**177.8**	**76.5**	**6.7**	**—**	**261.0**
Total	**573.9**	**154.5**	**19.0**	**220.2**	**967.6**

For the Three Months Ended October 1, 2011

(in millions of U.S. dollars)	North America	United Kingdom	Mexico	RCI	Total
Revenue					
Carbonated soft drinks	$ 192.8	$ 47.5	$ 9.6	$ —	$ 249.9
Juice	144.1	3.4	0.7	—	148.2
Concentrate	2.5	0.7	—	6.0	9.2
All other products	128.7	72.9	2.4	—	204.0
Total	**$ 468.1**	**$ 124.5**	**$ 12.7**	**$ 6.0**	**$ 611.3**

For the Three Months Ended October 1, 2011

(in millions of physical cases)	North America	United Kingdom	Mexico	RCI	Total
Volume - 8 oz equivalent cases - Total Beverage (including concentrate)					
Carbonated soft drinks	90.9	25.5	6.0	—	122.4
Juice	32.5	1.0	0.8	—	34.3
Concentrate	19.5	2.6	—	60.2	82.3
All other products	64.6	26.5	1.9	—	93.0
Total	**207.5**	**55.6**	**8.7**	**60.2**	**332.0**

For the Nine Months Ended October 1, 2011

(in millions of U.S. dollars)	North America	United Kingdom	Mexico	RCI	Total
Revenue					
Carbonated soft drinks	$ 549.8	$ 134.4	$ 31.2	$ —	$ 715.4
Juice	456.3	9.6	2.4	—	468.3
Concentrate	6.8	2.4	—	20.1	29.3
All other products	375.3	190.4	6.7	—	572.4
Total	**$ 1,388.2**	**$ 336.8**	**$ 40.3**	**$ 20.1**	**$1,785.4**

For the Nine Months Ended October 1, 2011

(in millions of physical cases)	North America	United Kingdom	Mexico	RCI	Total
Volume - 8 oz equivalent cases - Total Beverage (including concentrate)					
Carbonated soft drinks	262.0	73.2	20.5	—	355.7
Juice	104.4	2.7	2.1	—	109.2
Concentrate	63.1	11.4	—	204.3	278.8
All other products	190.8	70.0	6.3	—	267.1
Total	**620.3**	**157.3**	**28.9**	**204.3**	**1,010.8**

Results of operations

The following tables summarize the change in revenue by reporting segment for the three and nine months ended September 29, 2012 and October 1, 2011, respectively:

(in millions of U.S. dollars, except percentages)	For the Three Months Ended September 29, 2012				
	Cott	North America	United Kingdom	Mexico	RCI
Change in revenue	$(27.5)	$ (28.8)	$ 1.0	$ (3.0)	$ 3.3
Impact of foreign exchange [1]	5.5	1.6	2.9	1.0	—
Change excluding foreign exchange	$(22.0)	$ (27.2)	$ 3.9	$ (2.0)	$ 3.3
Percentage change in revenue	-4.5%	-6.2%	0.8%	-23.6%	55.0%
Percentage change in revenue excluding foreign exchange	-3.6%	-5.8%	3.1%	-15.7%	55.0%

(in millions of U.S. dollars, except percentages)	For the Nine Months Ended September 29, 2012				
	Cott	North America	United Kingdom	Mexico	RCI
Change in revenue	$(52.0)	$ (65.1)	$ 19.4	$(11.3)	$ 5.0
Impact of foreign exchange [1]	17.2	5.0	8.3	3.9	—
Change excluding foreign exchange	$(34.8)	$ (60.1)	$ 27.7	$ (7.4)	$ 5.0
Percentage change in revenue	-2.9%	-4.7%	5.8%	-28.0%	24.9%
Percentage change in revenue excluding foreign exchange	-1.9%	-4.3%	8.2%	-18.4%	24.9%

[1] 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.

(in millions of U.S. dollars, except percentages)	For the Three Months Ended October 1, 2011				
	Cott	North America	United Kingdom	Mexico	RCI
Change in revenue	$124.4	$ 96.3	$ 27.9	$ 0.3	$ (0.1)
Impact of foreign exchange [1]	(7.0)	(2.7)	(3.8)	(0.5)	—
Change excluding foreign exchange	$117.4	$ 93.6	$ 24.1	$ (0.2)	$ (0.1)
Percentage change in revenue	25.5%	25.9%	28.9%	2.4%	-1.6%
Percentage change in revenue excluding foreign exchange	24.1%	25.2%	24.9%	-1.6%	-1.6%

(in millions of U.S. dollars, except percentages)	For the Nine Months Ended October 1, 2011				
	Cott	North America	United Kingdom	Mexico	RCI
Change in revenue	$510.9	$452.4	$ 59.3	$ 2.0	$ (2.8)
Impact of foreign exchange [1]	(26.0)	(7.9)	(15.9)	(2.2)	—
Change excluding foreign exchange	$484.9	$444.5	$ 43.4	$ (0.2)	$ (2.8)
Percentage change in revenue	40.1%	48.3%	21.4%	5.2%	-12.2%
Percentage change in revenue excluding foreign exchange	38.0%	47.5%	15.6%	-0.5%	-12.2%

[1] 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.

The following table summarizes our EBITDA and Adjusted EBITDA for the three and nine months ended September 29, 2012 and October 1, 2011, respectively.

(in millions of U.S. dollars)	For the Three Months Ended		For the Nine Months Ended	
	September 29, 2012	October 1, 2011	September 29, 2012	October 1, 2011
Net income attributed to Cott Corporation	**$ 14.5**	$ 16.2	**$ 45.5**	$ 49.5
Interest expense, net	**13.1**	14.4	**40.6**	43.4
Income tax expense (benefit)	**1.2**	(4.0)	**5.5**	(1.7)
Depreciation & amortization	**24.7**	24.0	**72.2**	71.4
Net income attributable to non-controlling interests	**1.3**	1.1	**3.4**	3.1
EBITDA	**$ 54.8**	$ 51.7	**$ 167.2**	$ 165.7
Acquisition adjustments				
Earnout adjustment	**—**	0.9	**—**	0.9
Inventory step-up (step-down)	**—**	0.3	**0.1**	(3.8)
Integration costs	**1.3**	1.9	**3.1**	3.0
Adjusted EBITDA	**$ 56.1**	$ 54.8	**$ 170.4**	$ 165.8

Revenue – Revenue decreased $27.5 million or 4.5% and $52.0 million or 2.9% in the third quarter and year to date, respectively, from the comparable prior year periods. Excluding the impact of foreign exchange, revenue decreased 3.6% and 1.9% in the third quarter and year to date, respectively, from the comparable prior year periods.

North America revenue decreased $28.8 million or 6.2% and $65.1 million or 4.7% in the third quarter and year to date, respectively, from the comparable prior year periods due primarily to an 8.4% and 7.5% decrease in beverage case volume in the third quarter and year to date, respectively, from the comparable prior year periods. Net selling price per beverage case (which is net revenue divided by beverage case volume) increased 2.4% and 3.0% in the third quarter and year to date, respectively, from the comparable prior year periods. The increase in net selling price per beverage case was due primarily to a price increase implemented to mitigate rising commodity costs and was more than offset by our exit from certain low gross margin business and a product mix shift into sports drinks from 100% shelf-stable juice.

U.K. revenue increased $1.0 million or 0.8% and $19.4 million or 5.8% in the third quarter and year to date, respectively, from the comparable prior year periods due primarily to continued improvement in product mix and growth in the wholesale channel. Net selling price per beverage case increased 4.0% and 7.7% in the third quarter and year to date, respectively, from the comparable prior year periods due primarily to price increases implemented to mitigate rising commodity costs and an improved product mix. Absent foreign exchange impact, U.K. revenue increased 3.1% and 8.2% in the third quarter and year to date, respectively, from the comparable prior year periods.

Mexico revenue decreased $3.0 million or 23.6% and $11.3 million or 28.0% in the third quarter and year to date, respectively, from the comparable prior year periods due primarily to the non-renewal of a regional brand license. As a result of the current product mix, Mexico saw an increase in net selling price per beverage case of 3.8% and 9.5% in the third quarter and year to date, respectively. Absent foreign exchange impact, Mexico revenue decreased 15.7% and 18.4% in the third quarter and year to date, respectively, from the comparable prior year periods.

RCI revenue increased $3.3 million or 55.0% and $5.0 million or 24.9% in the third quarter and year to date, respectively, from the comparable prior year periods. Concentrate volume increased 28.4% and 7.6% in the third quarter and year to date, respectively, from the comparable prior year periods due primarily to increased shipments to Asia and South America. Net selling price per case increased 20.4% and 15.9% in the third quarter and year to date, respectively, from the comparable prior year periods. RCI primarily sells concentrate.

Cost of Sales – Cost of sales represented 87.5% and 86.8% of revenue in the third quarter and year to date, respectively, compared to 88.9% and 87.4% in the comparable prior year periods. The decrease in cost of sales as a percentage of revenue in the third quarter was due primarily to the price increases implemented to mitigate rising commodity costs and an improved product mix. Variable costs represented 76.7% and 76.0% of revenue in the third quarter and year to date, respectively, compared to 78.9% and 77.3% in the comparable prior year periods. Major elements of these variable costs included ingredient and packaging costs, distribution costs and fees paid to third-party manufacturers.

Gross Profit – Gross profit as a percentage of revenue increased to 12.5% and 13.2% in the third quarter and year to date, respectively, from 11.1% and 12.6% in the comparable prior year periods, due primarily to increased pricing on products and our exit from certain low gross margin business.

Selling, General and Administrative Expenses – SG&A increased $5.7 million or 15.4% and $6.1 million or 4.8% in the third quarter and year to date, respectively, from the comparable prior year periods. The increase was due primarily to an increase of certain employee-related costs compared to a lowering of the annual incentive and long-term incentive accruals from the comparable prior year periods. As a percentage of revenue, SG&A increased to 7.5% and 7.8% in the third quarter and year to date from 6.2% and 7.2% in the comparable prior year periods.

Operating Income – Operating income was $28.6 million and $92.8 million in the third quarter and year to date, respectively, compared to $29.0 million and $96.4 million, respectively, in the comparable prior year periods. The decrease in the third quarter and year to date was due primarily to lower overall sales relative to the prior year periods, as well as higher SG&A costs, offset partly by higher gross profit as a percentage of revenue.

Other (Income) Expense – Other income was $1.5 million and $2.2 million in the third quarter and year to date, respectively, compared to other expense of $1.3 million and $2.1 million, respectively, in the comparable prior year periods. The increase year to date was due to insurance recoveries in excess of the loss incurred on a U.S. facility in the amount of $1.3 million and a gain on bargain purchase in the amount of $0.9 million in the U.K. There was not a significant impact from foreign exchange rates.

Income Tax Expense (Benefit) – Income tax expense was $1.2 million and $5.5 million in the third quarter and year to date, respectively, compared to a benefit of $4.0 million and $1.7 million, respectively, in the comparable prior year periods. The year to date increase was due primarily to the recording of $4.3 million of allowances against deferred tax assets in the U.S. that are uncertain to be realized and the lapping of a favorable tax settlement in the prior year. Due to the global restructuring during the second quarter of 2011 our annual effective tax rate is expected to be lower than the statutory rate for the current year.

Liquidity and Financial Condition

The following table summarizes our cash flows for the three and nine months ended September 29, 2012 and October 1, 2011, respectively, as reported in our Consolidated Statements of Cash Flows in the accompanying Consolidated Financial Statements:

	For the Three Months Ended		For the Nine Months Ended	
(in millions of U.S. dollars)	**September 29, 2012**	**October 1, 2011**	**September 29, 2012**	**October 1, 2011**
Net cash provided by operating activities	**$ 58.0**	$ 63.9	**$ 53.0**	$ 59.6
Net cash used in investing activities	**(15.9)**	(35.2)	**(61.0)**	(62.7)
Net cash used in financing activities	**(3.3)**	(23.3)	**(7.6)**	(17.0)
Effect of exchange rate changes on cash	**2.2**	(1.2)	**2.8**	0.1
Net increase (decrease) in cash & cash equivalents	**41.0**	4.2	**(12.8)**	(20.0)
Cash & cash equivalents, beginning of period	**47.1**	24.0	**100.9**	48.2
Cash & cash equivalents, end of period	**$ 88.1**	**$ 28.2**	**$ 88.1**	**$ 28.2**

Financial and Capital Resources and Liquidity

As of September 29, 2012, we had total debt of $606.1 million and $88.1 million of cash and cash equivalents compared to $609.3 million of debt and $28.2 million of cash and cash equivalents as of October 1, 2011.

We believe that our level of resources, which includes cash on hand, available borrowings under our asset-based lending credit facility (the "ABL facility") and funds provided by operations, will be adequate to meet our expenses, capital expenditures, and debt service obligations for the next twelve months. We have maintained adequate liquidity to meet current working capital requirements, fund capital expenditures and make scheduled principal and interest payments on debt. Absent deterioration of market conditions, we believe that cash flows from operating activities and financing activities will provide adequate resources to satisfy working capital, scheduled principal and interest payments on debt, and anticipated capital expansion requirements for both short-term and long-term capital needs, as well as the payment of future dividends. For periods extending beyond twelve months, we believe that our ability to generate cash to meet our expenses and debt service obligations and to otherwise reduce our debt as anticipated will depend primarily on our ability to retain a substantial amount of volume from our key customers and maintain the profitability of our business. If we do not generate sufficient cash from operations or have excess debt availability to meet our expenses and debt service obligations or if the ABL facility, the 8.375% senior notes that are due on November 15, 2017 (the "2017 Notes") or the 2018 Notes were to become currently due, either at maturity or as a result of a breach, we may be required to take actions such as amending our ABL facility, the indenture governing the 2017 Notes, or the indenture governing the 2018 Notes, refinancing all or part of our existing debt, selling assets, incurring additional indebtedness or raising equity. If we need to seek additional financing, there is no assurance that this additional financing will be available on favorable terms or at all.

Should we desire to consummate significant acquisition opportunities or undertake significant expansion activities, our capital needs would increase and could result in our needing to borrow available amounts under the ABL facility, increase available borrowings under our ABL facility or access public or private debt or equity markets.

As of September 29, 2012, our total availability under the ABL facility was $275.0 million, which was based on our borrowing base (accounts receivable, inventory and fixed assets) as of October 15, 2012 (the September month-end under the terms of the credit agreement governing our ABL facility), and we had no ABL borrowings outstanding and $11.0 million in outstanding letters of credit. As a result, our excess availability under the ABL facility was $264.0 million. Each month's borrowing base is not effective until submitted to the lenders, which usually occurs on the fifteenth day of the following month.

We may, from time to time, depending on market conditions, including without limitation whether the 2017 Notes or 2018 Notes are then trading at discounts to their respective face amounts, repurchase the 2017 Notes or 2018 Notes for cash and/or in exchange for shares of our common stock, warrants, preferred stock, debt or other consideration, in each case in open market purchases and/or privately negotiated transactions. The amounts involved in any such transactions, individually or in the aggregate, may be material. However, the covenants in our ABL facility subject such purchases to certain limitations and conditions.

Operating activities

Cash provided by operating activities was $53.0 million year to date compared to $59.6 million in the comparable prior year period. The $6.6 million decrease was due primarily to the timing of inventory, prepaids and accounts payable payments, offset in part by accounts receivable receipts and income tax recoveries.

Investing activities

Cash used in investing activities was $61.0 million year to date compared to $62.7 million in the comparable prior year period. The $1.7 million decrease was due primarily to not making any contingent consideration payments in 2012, the sale of two facilities, and the recovery of insurance proceeds on a third facility, offset in part by increased capital expenditure investments and the acquisition of a beverage and wholesale business in our U.K. reporting segment. The prior year period included contingent consideration payments of $21.0 million paid in connection with the Cliffstar Acquisition.

Financing activities

Cash used in financing activities was $7.6 million year to date compared to $17.0 million in the comparable prior year period. The $9.4 million decrease was due primarily to ABL borrowings in the prior year period.

Off-Balance Sheet Arrangements

We had no off-balance sheet arrangements as defined under Item 303(a)(4) of Regulation S-K as of September 29, 2012.

Contractual Obligations

We have no material changes to the disclosure on this matter made in our Annual Report on Form 10-K for the year ended December 31, 2011.

Debt

Asset Based Lending Credit Facility

On March 31, 2008, we entered into a credit agreement with JPMorgan Chase Bank N.A. as Agent that created an ABL facility to provide financing for our North America, U.K. and Mexico reporting segments. In connection with the Cliffstar Acquisition, we refinanced the ABL facility on August 17, 2010 to, among other things, provide for the Cliffstar Acquisition, the issuance of the 2018 Notes and the application of net proceeds therefrom, the underwritten public offering of 13,340,000 common shares at a price of $5.67 per share and the application of net proceeds therefrom, and to increase the amount available for borrowings to $275.0 million. We drew down a portion of the indebtedness under the ABL facility in order to fund the Cliffstar Acquisition. We incurred $5.4 million of financing fees in connection with the refinancing of the ABL facility.

On July 19, 2012, we amended the ABL facility to, among other things, extend the maturity date to either July 19, 2017 or, if we have not redeemed, repurchased or refinanced the 2017 Notes by May 1, 2017, May 15, 2017. We incurred $1.2 million of financing fees in connection with the amendment of the ABL facility.

The financing fees incurred in connection with the refinancing of the ABL facility on August 17, 2010, along with the financing fees incurred in connection with the amendment of the ABL facility on July 19, 2012, are being amortized using the straight line method over the duration of the amended ABL facility.

As of September 29, 2012, we had no outstanding borrowings under the ABL facility. The commitment fee was 0.375% per annum of the unused commitment, which, taking into account $11.0 million of letters of credit, was $264.0 million as of September 29, 2012.

8.125% Senior Notes due in 2018

On August 17, 2010, we issued $375.0 million of the 2018 Notes. The issuer of the 2018 Notes is our wholly-owned subsidiary Cott Beverages Inc., but Cott Corporation and most of its U.S., Canadian and U.K. subsidiaries guarantee the 2018 Notes. The interest on the 2018 Notes is payable semi-annually on March 1st and September 1st of each year.

We incurred $8.6 million of financing fees in connection with the 2018 Notes. The financing fees are being amortized using the effective interest method over an eight-year period, which represents the duration of the 2018 Notes.

8.375% Senior Notes due in 2017

On November 13, 2009, we issued $215.0 million of the 2017 Notes. The 2017 Notes were issued at a $3.1 million discount. The issuer of the 2017 Notes is our wholly-owned subsidiary Cott Beverages Inc., but Cott Corporation and most of its U.S., Canadian and U.K. subsidiaries guarantee the 2017 Notes. The interest on the 2017 Notes is payable semi-annually on May 15th and November 15th of each year.

We incurred $5.1 million of financing fees in connection with the 2017 Notes. The financing fees are being amortized using the effective interest method over an eight-year period, which represents the duration of the 2017 Notes.

Credit Ratings and Covenant Compliance

Credit Ratings

On September 26, 2012, Standard & Poor's raised its long-term corporate credit rating on Cott and its rating on the 2017 Notes and 2018 Notes to "B+" from "B". The rating outlook remains at "stable."

On September 26, 2012, Moody's raised Cott's rating outlook to "positive" from "stable", affirmed its long-term corporate credit rating on Cott at "B2" and affirmed its rating on the 2017 Notes and 2018 Notes at "B3."

Covenant Compliance

ABL Facility

Under the credit agreement governing the ABL facility, Cott Corporation and its restricted subsidiaries are subject to a number of business and financial covenants, including a covenant requiring a minimum fixed charge coverage ratio of at least 1.1 to 1.0 effective when and if excess availability is less than the greater of (a) $30.0 million and (b) the lesser of (i) 12.5% of the amount of the aggregate borrowing base or (ii) $37.5 million. If availability is less than $37.5 million, the lenders will take dominion over the cash and will apply excess cash to reduce amounts owing under the facility.

On July 19, 2012, we, and the other parties to the ABL facility, agreed to amend the ABL facility to, among other things (a) extend the maturity date to either July 19, 2017 or, if we have not redeemed, repurchased or refinanced the 2017 Notes by May 1, 2017, May 15, 2017, (b) change the threshold at which the springing minimum fixed charge coverage ratio would be tested, which threshold will now be met if excess availability is less than the greater of 10% of the lenders' commitments under the revolving credit facility (the "Revolver") or $27.5 million, and (c) change the threshold at which the springing cash dominion provision would become effective, which threshold will now be met if excess availability is less than the greater of 12.5% of the lenders' commitments under the Revolver or $34.375 million. Although the minimum fixed charge coverage ratio was not triggered as of September 29, 2012, the ratio as calculated under this covenant was greater than 1.1 to 1.0. We were in compliance with all of the applicable covenants under the ABL facility as of September 29, 2012.

8.125% Senior Notes due in 2018

Under the indenture governing the 2018 Notes, we are subject to a number of covenants, including covenants that limit our and certain of our subsidiaries' ability, subject to certain exceptions and qualifications, to (i) pay dividends or make distributions, repurchase equity securities, prepay subordinated debt or make certain investments, (ii) incur additional debt or issue certain disqualified stock or preferred stock, (iii) create or incur liens on assets securing indebtedness, (iv) merge or consolidate with another company or sell all or substantially all of our assets taken as a whole, (v) enter into transactions with affiliates and (vi) sell assets. We have been in compliance with all of the covenants under the 2018 Notes and there have been no amendments to any such covenants since the 2018 Notes were issued.

8.375% Senior Notes due in 2017

Under the indenture governing the 2017 Notes, we are subject to a number of covenants, including covenants that limit our and certain of our subsidiaries' ability, subject to certain exceptions and qualifications, to (i) pay dividends or make distributions, repurchase equity securities, prepay subordinated debt or make certain investments, (ii) incur additional debt or issue certain disqualified stock or preferred stock, (iii) create or incur liens on assets securing indebtedness, (iv) merge or consolidate with another company or sell all or substantially all of our assets taken as a whole, (v) enter into transactions with affiliates and (vi) sell assets. We have been in compliance with all of the covenants under the 2017 Notes and there have been no amendments to any such covenants since the 2017 Notes were issued.

Common Share Repurchase Program

On May 1, 2012, our Board of Directors authorized the repurchase of up to $35.0 million of our common shares in the open market or through privately negotiated transactions over a 12-month period through either a 10b5-1 automatic trading plan or at management's discretion in compliance with regulatory requirements, and given market, cost and other considerations. We are unable to predict the number of shares that will be repurchased under the share repurchase program, or the aggregate dollar amount of the shares actually purchased. We may discontinue purchases at any time, subject to compliance with applicable regulatory requirements. During the second quarter of 2012, we repurchased 35,272 common shares for approximately $0.3 million through open market transactions. No repurchases were made during the three months ended September 29, 2012.

Capital Structure

Since December 31, 2011, our equity has increased by $62.0 million. The increase was the result of net income of $45.5 million, share-based compensation expense of $3.5 million, and other comprehensive income of $13.3 million, partly offset by common share repurchases of $0.3 million.

Dividend Payments

There are certain restrictions on the payment of dividends under our ABL facility and under the indentures governing the 2017 Notes and 2018 Notes. No dividend payments were made during the first nine months of 2012 or in 2011. On October 31, 2012, the Board of Directors declared a dividend of CAD $0.06 per share on common shares, payable in cash on December 20, 2012 to shareowners of record at the close of business on December 4, 2012. Cott intends to pay a regular quarterly dividend on its common shares subject to, among other things, the best interests of its shareowners, Cott's results of operations, cash balances and future cash requirements, financial condition, statutory regulations and covenants set forth in the ABL facility and indentures governing the 2017 Notes and 2018 Notes, as well as other factors that the Board of Directors may deem relevant from time to time.

Critical Accounting Policies and Estimates

Our critical accounting policies require management to make estimates and assumptions that affect the reported amounts in the consolidated financial statements and the accompanying notes. These estimates are based on historical experience, the advice of external experts or other assumptions that management believes to be reasonable. Where actual amounts differ from estimates, revisions are included in the results for the period in which actual amounts become known. Historically, differences between estimated and actual amounts have not had a significant impact on our consolidated financial statements.

Critical accounting policies and estimates used to prepare the financial statements are discussed with our Audit Committee as they are implemented and on an annual basis.

We have no material changes to our Critical Accounting Policies and Estimates disclosure as filed in our Annual Report on Form 10-K for the year ended December 31, 2011.

Forward-looking Statements

In addition to historical information, this report may contain statements relating to future events and future results. These statements are "forward-looking" within the meaning of the Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation and involve known and unknown risks, uncertainties, future expectations and other factors that may cause actual results, performance or achievements of Cott Corporation to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such statements include, but are not limited to, statements that relate to projections of sales, earnings, earnings per share, cash flows, capital expenditures or other financial items, discussions of estimated future revenue enhancements and cost savings. These statements also relate to our business strategy, goals and expectations concerning our market position, future operations, margins, profitability, liquidity and capital resources. Generally, words such as "anticipate," "believe," "continue," "could," "endeavor," "estimate," "expect," "intend," "may," "will," "plan," "predict," "project," "should" and similar terms and phrases are used to identify forward-looking statements in this report and in the documents incorporated in this report by reference. These forward-looking statements reflect current expectations regarding future events and operating performance and are made only as of the date of this report.

The forward-looking statements are not guarantees of future performance or events and, by their nature, are based on certain estimates and assumptions regarding interest and foreign exchange rates, expected growth, results of operations, performance, business prospects and opportunities and effective income tax rates, which are subject to inherent risks and uncertainties. Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in forward-looking statements may include, but are not limited to, assumptions regarding management's current plans and estimates, our ability to remain a low cost supplier, and effective management of commodity costs. Although we believe the assumptions underlying these forward-looking statements are reasonable, any of these assumptions could prove to be inaccurate and, as a result, the forward-looking statements based on those assumptions could prove to be incorrect. Our operations involve risks and uncertainties, many of which are outside of our control, and any one or any combination of these risks and uncertainties could also affect whether the forward-looking statements ultimately prove to be correct. These risks and uncertainties include, but are not limited to, those described in Part I, Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2011, and those described from time to time in our future reports filed with the Securities and Exchange Commission ("SEC") and Canadian securities regulatory authorities.

The following are some of the factors that could affect our financial performance, including but not limited to, sales, earnings and cash flows, or could cause actual results to differ materially from estimates contained in or underlying the forward-looking statements:

- our ability to compete successfully in the highly competitive beverage category;
- 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;
- loss of or a 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;
- our ability to realize the expected benefits of the Cliffstar Acquisition because of integration difficulties and other challenges;
- risks associated with the asset purchase agreement entered into in connection with the Cliffstar Acquisition;
- our substantial indebtedness we incurred and our ability to meet our obligations;
- 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 demand for our beverages;
- the impact of national, regional and global events, including those of a political, economic, business and competitive nature;
- our ability to recruit, retain, and integrate new management and a new management structure;
- our exposure to intangible asset risk;
- our ability to renew our collective bargaining agreements on satisfactory terms;
- disruptions in our information systems;
- volatility of our stock price; or
- our ability to maintain compliance with the listing requirements of the New York Stock Exchange.

We undertake no obligation to update any information contained in this report or to publicly release the results of any revisions to forward-looking statements to reflect events or circumstances of which we may become aware of after the date of this report. Undue reliance should not be placed on forward-looking statements, and all future written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We do not trade market risk sensitive instruments.

Currency Exchange Rate Risk

Our North America and U.K. reporting segments purchase a portion of their inventory for our Canadian and European operations, respectively, through transactions denominated and settled in U.S. dollars and Euros, respectively, currencies different from the functional currency of those operations. These inventory purchases are subject to exposure from movements in exchange rates. We use foreign exchange forward contracts to hedge operational exposures resulting from changes in these foreign currency exchange rates. The intent of the foreign exchange contracts is to provide predictability in our overall cost structure. These foreign exchange contracts, carried at fair value, have maturities of less than one year. As of September 29, 2012, we had outstanding foreign exchange forward contracts with notional amounts of $20.8 million.

Debt Obligations and Interest Rates

We have exposure to interest rate risk from the outstanding principal amounts of our short-term and long-term debt. Our long-term debt is fixed and our short-term debt is variable. Our ABL facility is vulnerable to fluctuations in the U.S. short-term base rate and the LIBOR rate. At current debt levels as of September 29, 2012, a 100 basis point increase in the current per annum interest rate for our ABL facility (excluding the $11.0 million in outstanding letters of credit) would result in less than $0.1 million of additional interest expense during the next year. This change would not be material to our cash flows or our results of operations. The weighted-average interest rate of our debt outstanding at September 29, 2012 was 8.2%.

Commodity Price Risk

We have no material changes to the disclosure on this matter made in our Annual Report on Form 10-K for the year ended December 31, 2011.

Item 4. Controls and Procedures

The Company maintains disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Company's management, under the supervision and with the participation of the Company's Chief Executive Officer and Chief Financial Officer, carried out an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of September 29, 2012. Based upon this evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that, as of September 29, 2012, the Company's disclosure controls and procedures are functioning effectively to ensure that information required to be disclosed by the Company in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and accumulated and communicated to the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

In addition, our management carried out an evaluation, as required by Rule 13a-15(d) of the Exchange Act, with the participation of our Chief Executive Officer and our Chief Financial Officer, of changes in our internal control over financial reporting. Based on this evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that there have been no changes in our internal control over financial reporting during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

Reference is made to the legal proceedings described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2011.

Item 1A. Risk Factors

There has been no material change in our risk factors since December 31, 2011. Please refer to our Annual Report on Form 10-K for the fiscal year ended December 31, 2011 for a detailed description of our risk factors.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Common Share Repurchase Program

On May 1, 2012, our Board of Directors authorized the repurchase of up to $35.0 million of our common shares in the open market or through privately negotiated transactions over a 12-month period through either a 10b5-1 automatic trading plan or at management's discretion in compliance with regulatory requirements, and given market, cost and other considerations. We are unable to predict the number of shares that will be repurchased under the share repurchase program, or the aggregate dollar amount of the shares actually purchased. We may discontinue purchases at any time, subject to compliance with applicable regulatory requirements. We repurchased 35,272 shares of common stock for approximately $0.3 million during the second quarter of 2012. No repurchases were made during the three months ended September 29, 2012.

Item 6. Exhibits

Number	Description
3.1	Articles of Amalgamation of Cott Corporation (incorporated by reference to Exhibit 3.1 to our Form 10-K dated February 28, 2007).
3.2	Second Amended and Restated By-laws of Cott Corporation (incorporated by reference to Exhibit 3.2 to our Form 10-Q filed May 10, 2007).
10.1	Amendment No. 2 to Credit Agreement, dated as of July 19, 2012, by and among Cott Corporation, Cott Beverages Inc., Cliffstar LLC, and Cott Beverages Limited, as Borrowers, the other Loan Parties party thereto, the Lenders party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent (filed herewith).
31.1	Certification of the Chief Executive Officer pursuant to section 302 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended September 29, 2012 (filed herewith).
31.2	Certification of the Chief Financial Officer pursuant to section 302 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended September 29, 2012 (filed herewith).
32.1	Certification of the Chief Executive Officer pursuant to section 906 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended September 29, 2012 (furnished herewith).
32.2	Certification of the Chief Financial Officer pursuant to section 906 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended September 29, 2012 (furnished herewith).
101	The following financial statements from Cott Corporation’s Quarterly Report on Form 10-Q for the quarter ended September 29, 2012, filed on November 1, 2012, formatted in XBRL (eXtensible Business Reporting Language): (i) Consolidated Statements of Operations, (ii) Condensed Consolidated Statements of Comprehensive Income, (iii) Consolidated Balance Sheets, (iv) Consolidated Statements of Cash Flows, (v) Consolidated Statements of Equity, (vi) Notes to the Consolidated Financial Statements (furnished herewith).

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

COTT CORPORATION
(Registrant)

Date: November 1, 2012

/s/ Jay Wells
Jay Wells
Chief Financial Officer
(On behalf of the Company)

Date: November 1, 2012

/s/ Gregory Leiter
Gregory Leiter
Senior Vice President, Chief Accounting Officer and Assistant Secretary
(Principal Accounting Officer)

Exhibit Index

Number	Description
3.1	Articles of Amalgamation of Cott Corporation (incorporated by reference to Exhibit 3.1 to our Form 10-K dated February 28, 2007).
3.2	Second Amended and Restated By-laws of Cott Corporation (incorporated by reference to Exhibit 3.2 to our Form 10-Q filed May 10, 2007).
10.1	Amendment No. 2 to Credit Agreement, dated as of July 19, 2012, by and among Cott Corporation, Cott Beverages Inc., Cliffstar LLC, and Cott Beverages Limited, as Borrowers, the other Loan Parties party thereto, the Lenders party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent (filed herewith).
31.1	Certification of the Chief Executive Officer pursuant to section 302 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended September 29, 2012 (filed herewith).
31.2	Certification of the Chief Financial Officer pursuant to section 302 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended September 29, 2012 (filed herewith).
32.1	Certification of the Chief Executive Officer pursuant to section 906 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended September 29, 2012 (furnished herewith).
32.2	Certification of the Chief Financial Officer pursuant to section 906 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended September 29, 2012 (furnished herewith).
101	The following financial statements from Cott Corporation's Quarterly Report on Form 10-Q for the quarter ended September 29, 2012, filed on November 1, 2012, formatted in XBRL (eXtensible Business Reporting Language): (i) Consolidated Statements of Operations, (ii) Condensed Consolidated Statements of Comprehensive Income, (iii) Consolidated Balance Sheets, (iv) Consolidated Statements of Cash Flows, (v) Consolidated Statements of Equity, (vi) Notes to the Consolidated Financial Statements (furnished herewith).

Exhibit 10.1

EXECUTION VERSION

AMENDMENT NO. 2 TO CREDIT AGREEMENT

THIS AMENDMENT NO. 2 TO CREDIT AGREEMENT, dated as of July 19, 2012 (this " Amendment "), by and among Cott Corporation Corporation Cott, a corporation organized under the laws of Canada, Cott Beverages Inc., a Georgia corporation, Cliffstar LLC, a Delaware limited liability company, and Cott Beverages Limited, a company organized under the laws of England and Wales, as Borrowers, the other Loan Parties party hereto, the Lenders party hereto, and JPMorgan Chase Bank, N.A., London Branch, as UK Security Trustee, JPMorgan Chase Bank, N.A., as Administrative Agent and Administrative Collateral Agent, and General Electric Capital Corporation, as Co-Collateral Agent. Each capitalized term used herein and not defined herein shall have the meaning ascribed thereto in the Credit Agreement referred to below.

WITNESSETH

WHEREAS, the Borrowers, the other Loan Parties, the Lenders, the Administrative Agent, the UK Security Trustee, the Administrative Collateral Agent, the Co-Collateral Agent, and the other parties party thereto, are parties to that certain Credit Agreement, dated as of August 17, 2010 (as amended by that certain Amendment No. 1 to Credit Agreement, dated as of April 19, 2012 and as may be further amended, restated, supplemented or otherwise modified from time to time prior to the date hereof, the " Credit Agreement "; and as amended by this Amendment, the " Amended Credit Agreement "); and

WHEREAS, the Borrowers have requested that the Administrative Agent and the Lenders agree to amend certain provisions of the Credit Agreement on the terms and subject to the conditions expressly set forth herein.

NOW, THEREFORE, in consideration of the premises set forth above, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each party hereto is willing to agree to amend certain provisions of the Credit Agreement on the terms and subject to the conditions expressly set forth herein.

I. Amendments to Credit Agreement . Effective as of the Amendment No. 2 Effective Date (as defined below), each party hereto hereby agrees that the Credit Agreement shall be and hereby is amended as follows:

1. The cover page of the Credit Agreement is hereby amended by deleting the word "and" immediately after the phrase "as Co-Collateral Agent," and replacing it with the following:

"DEUTSCHE BANK AG NEW YORK BRANCH,
as Syndication Agent, and"

2. The definition of " 2009 Notes " is hereby amended by inserting the phrase "November 15," immediately after the phrase "8.375% Senior Notes due".

3. The definition of " Aggregate Borrowing Base " is hereby amended by replacing the reference to the number "$150,000,000" contained therein with a reference to the number "$175,000,000".

4. The definition of " Amortization Commencement Date " is hereby amended and restated in its entirety as follows:

"" Amortization Commencement Date " means June 1, 2011."

5. The definition of " Applicable Commitment Fee Rate " is hereby amended by (A) deleting the phrase ", provided that until August 31, 2010, the "Applicable Commitment Fee Rate" shall be the applicable rate per annum set forth below in Category 1"; (B) deleting the reference to the percentage "0.50%" contained therein and replacing it with a reference to the percentage "0.375%" and (C) deleting the reference to the percentage "0.375%" contained therein and replacing it with the a reference to the percentage "0.25%".

6. The definition of " Applicable Rate " is hereby amended and restated in its entirety as follows:

"" Applicable Rate " means, for any day, with respect to any ABR Loan, Canadian Prime Loan, Eurodollar Loan, CDOR Loan, or Overnight LIBO Loan, as the case may be, the applicable rate per annum set forth below under the caption "ABR Spread", "Canadian Prime Spread", "Eurodollar Spread", "CDOR Spread" or "Overnight LIBO Spread", as the case may be, based upon the Borrowers' Average Aggregate Availability during the most recent fiscal quarter of the Borrowers.

Average Aggregate Availability	ABR Spread	Canadian Prime Spread	Eurodollar Spread	CDOR Spread	Overnight LIBO Spread
Category 1					
> $150,000,000	0.25%	0.25%	1.75%	1.75%	1.75%
Category 2					
≤ $150,000,000 but					
> $75,000,000	0.50%	0.50%	2.00%	2.00%	2.00%
Category 3					
≤ $75,000,000	0.75%	0.75%	2.25%	2.25%	2.25%

For purposes of the foregoing, (a) the Applicable Rate shall be determined as of the end of each fiscal quarter of the Borrowers based upon the Borrowers' Aggregate Borrowing Base Certificates delivered from time to time pursuant to Section 5.01 and outstanding during such fiscal quarter, (b) each change in the Applicable Rate resulting from a change in the Borrowers' Average Aggregate Availability shall be effective on the first day of the next fiscal quarter, provided that the Average Aggregate Availability for purposes of determining the Applicable Rate shall be deemed to be in Category 3 (A) at any time that an Event of Default has occurred and is continuing or (B) at the option of the Administrative Agent or at the request of the Required Lenders if the Borrowers fail to deliver the Borrowing Base Certificates required to be delivered by them pursuant to Section 5.01, during the period from the expiration of the time for delivery thereof until such Borrowing Base Certificates are delivered and (c) until the delivery of the Borrowers' Aggregate Borrowing Base Certificate pursuant to Section 5.01, the Applicable Rate shall be determined based upon the Borrowers' Average Aggregate Availability for the quarter ended June 30, 2012."

7. The definition of " Borrowing Base " is hereby amended by deleting the reference to the number "$150,000,000" contained therein and replacing it with a reference to the number "$175,000,000".

8. The definition of " Borrowing Base Reporting Trigger Level " is hereby amended and restated in its entirety as follows:

"" Borrowing Base Reporting Trigger Level " means, at any time, 12.5% of the aggregate amount of all Commitments at such time."

9. The definition of " Canadian Security Agreement " is hereby amended and restated in its entirety as follows:

"" Canadian Security Agreement " means that certain Canadian Pledge and Security Agreement, dated as of August 17, 2010, between the Loan Parties party thereto and the Administrative Collateral Agent, for the benefit of the Administrative Collateral Agent and the Lenders, and any other pledge or security agreement entered into, after the date of this Agreement by any other Loan Party (as required by this Agreement or any other Loan Document for the purpose of creating a Lien on the property of any Loan Party organized in Canada (or any other property located therein)), or any other Person, as amended on the date hereof by the Canadian Reaffirmation Agreement, as the same may be further amended, restated or otherwise modified from time to time."

10. The definition of " Capital Lease Obligations " is hereby amended by adding the phrase "; provided that, if, as a result of a change in GAAP after the Amendment No. 2 Effective Date, any Capital Lease Obligations would constitute obligations in respect of an operating lease, as defined and interpreted in accordance with GAAP as in effect and applied on the Amendment No. 2 Effective Date, then for purposes of this Agreement, the obligations under such lease shall not constitute Capital Lease Obligations." immediately after the phrase "determined in accordance with GAAP".

11. The definition " Cash Management Transition Period " and each reference in the Credit Agreement to such term is hereby deleted in its entirety.

12. The definition of " Change in Law " is hereby amended by adding the phrase "; provided that, notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, requirements, guidelines, statements of policy, practice statement or directives thereunder, issued in connection therewith or in implementation thereof and (y) all requests, rules, requirements, guidelines, statements of policy, practice statement or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law" after the date hereof, regardless of the date enacted, adopted, issued, made or implemented." immediately after the phrase "of any Governmental Authority made or issued after the date of this Agreement".

13. The definition of " Disqualified Equity Interests " is hereby amended by deleting each reference to the date "August 17, 2015" and replacing it with the date "July 19, 2017".

14. The definition of " EBITDA " is hereby amended by deleting the reference to the number "$8,700,000" contained therein and replacing it with a reference to the number "$1,500,000".

15. The definition of " Effective Date " is hereby amended and restated in its entirety as follows:

"" Effective Date " means August 17, 2010."

16. The definition of " Eligible Accounts " is hereby amended by deleting the sentence "No Account acquired in the Cliffstar Acquisition, or generated in the business so acquired, may constitute an Eligible Account until the completion of the Administrative Collateral Agent's due diligence (including its field examinations) relating thereto."

17. The definition of " Eligible Equipment " is hereby amended by (A) deleting the word "and" at the end of clause (f) thereof, (B) inserting the word "and" at the end of clause (g) thereof, (C) deleting the phrase " provided , that notwithstanding anything contained herein to the contrary, in the event that the Borrowers shall fail to deliver the updated appraisals required under item 1 of Schedule 5.15 on or prior to the dates required on such Schedule, the equipment to which such delayed deliveries relate shall not be subject to qualification as Eligible Equipment until such time as such deliveries are complete." at the end of such definition, and (D) adding a new clause (h) at the end of such definition as follows:

"(h) such equipment is not invested in accordance with Section 6.04(o)."

18. The definition of " Eligible Inventory " is hereby amended by deleting the sentence "No Inventory acquired in the Cliffstar Acquisition, or generated in the business so acquired, may constitute Eligible Inventory until the completion of the Administrative Collateral Agent's due diligence (including its appraisals) relating thereto."

19. The definition of " Eligible Real Property " is hereby amended by deleting the phrase "; provided , that notwithstanding anything contained herein to the contrary, in the event that the Borrowers shall fail to deliver the updated appraisals, insurance reports, and environmental reports required under items 1, 2 and 3 of Schedule 5.15 on or prior to the dates required on such Schedule, the real property to which such delayed deliveries relate shall not be subject to qualification as Eligible Real Property until such time as such deliveries are complete".

20. Clause (iii) of the proviso to the definition of " Excluded Subsidiary " is hereby amended by deleting each reference to the defined term "Effective Date" in such clause and replacing it with a reference to the defined term "Amendment No. 2 Effective Date".

21. The definition of " Excluded Taxes " is hereby amended by adding the clause ", and, in the case of a Treaty Lender, U.S. Federal and United Kingdom withholding Taxes imposed on amounts payable (excluding, (x) the portion of United Kingdom withholding Taxes with respect to which the applicable Treaty Lender is entitled to claim a reduction under an income tax treaty, and (y) United Kingdom withholding Taxes on payments made by any guarantor under any guarantee of the obligations to the extent such withholding Taxes would not

have applied if the payment had been made by the Borrower rather than such guarantor) to or for the account of such Treaty Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Treaty Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the UK Borrower under Section 2.19(b)) or (ii) such Treaty Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.17, amounts with respect to such Taxes were payable either to such Treaty Lender's assignor immediately before such Treaty Lender acquired the applicable interest in the Loan or Commitment or to such Treaty Lender immediately before it changed its lending office," immediately after the clause "(c) any withholding taxes imposed under Section 1471 or 1472 of the Code".

22. The definition of " Existing Letters of Credit " and each reference in the Credit Agreement to such term is hereby deleted in its entirety.

23. The definition of " Fee Letters " is hereby amended by (A) adding the phrase "amended and restated" immediately before the phrase "fee letter" and (B) adding the phrase "Amendment No. 2" immediately before the phrase "Effective Date".

24. The definition of " Fixed Charge Coverage Ratio " is hereby amended and restated in its entirety as follows:

"" Fixed Charge Coverage Ratio " means the ratio, determined as of the end of each fiscal quarter of the Company for the most-recently ended four fiscal quarters, of (a) EBITDA *minus* the unfinanced portion of Capital Expenditures to (b) Fixed Charges, all calculated for the Company and its Subsidiaries on a consolidated basis in accordance with GAAP."

25. The definition of " Fixed Charge Trigger Level " is hereby amended by deleting the phrase "the lesser of (i) 12.5% of the Aggregate Borrowing Base and (ii) $37,500,000" and replacing it with the phrase "10.0% of the aggregate amount of all Commitments at such time".

26. The definition of " Fixed Charges " is hereby amended by (A) deleting the phrase " *plus* (g) any payments by the Company or its Subsidiaries related to any purchase of the 2009 Notes or the 2010 Notes pursuant to Section 6.09(b)(x)," and (B) deleting the sentence "For purposes of determining Fixed Charges as of any date for the period of four consecutive fiscal quarters ended on or prior to March 31, 2011, (x) the Fixed Charges for the fiscal quarter ended January 3, 2010 shall be $26,100,000, (y) the Fixed Charges for the fiscal quarter ended April 3, 2010 shall be $26,300,000 and (z) the Fixed Charges for the fiscal quarter ended July 3, 2010 shall be $26,000,000".

27. The definition of " Loan Documents " is hereby amended by inserting the phrase ", the Reaffirmation Agreements," immediately before the phrase "and all other agreements, instruments, documents and certificates identified in Section 4.01".

28. The definition of " Maturity Date " is hereby amended by deleting the phrase "August 17, 2014 or" and replacing it with the phrase "the earliest of (a) July 19, 2017, (b) solely if at the close of business on May 1, 2017 the 2009 Notes have not been redeemed, repurchased or otherwise refinanced in full, May 15, 2017 or (c)".

29. The definition " New Equity " and each reference in the Credit Agreement to such term is hereby deleted in its entirety.

30. The definition of " Permitted Acquisition " is hereby amended and restated in its entirety as follows:

"" Permitted Acquisition " means any Proposed Acquisition that satisfies each of the following conditions precedent:

(a) with respect to any Proposed Acquisition where the Acquisition Consideration exceeds $15,000,000, the Administrative Agent shall receive at least 10 Business Days' prior written notice (or such shorter period as may be acceptable to the Administrative Agent) of such Proposed Acquisition, which notice shall include, without limitation, a reasonably detailed description of such Proposed Acquisition, and, if any earnout is included as part of the Acquisition Consideration, such notice shall be accompanied by a certificate of a Financial Officer of the Company setting forth (i) the good faith estimate of the aggregate amount required to be reserved in accordance with GAAP in respect of the earnout constituting Acquisition Consideration, (ii) after giving effect to the earnout described in clause (i), a detailed calculation of the aggregate amount of all earnouts (other than the Earnout) that will be outstanding as of the closing date of the Proposed Acquisition, and (iii) a determination as to whether a Reserve will be required on the closing date of the Proposed Acquisition pursuant to Section 6.01(r);

(b) such Proposed Acquisition shall have been approved by the Proposed Acquisition Target's board of directors (or equivalent);

(c) the Proposed Acquisition Target shall be engaged in a Permitted Business;

(d) all governmental and material third-party approvals necessary in connection with such Proposed Acquisition shall have been obtained and be in full force and effect;

(e) no additional Indebtedness or other liabilities shall be incurred, assumed or otherwise be reflected on a consolidated balance sheet of the Company and Proposed Acquisition Target after giving effect to such Proposed Acquisition, except (i) Loans made hereunder, (ii) ordinary course trade payables, accrued expenses and (iii) Indebtedness permitted under Section 6.01;

(f) with respect to any Proposed Acquisition having an Acquisition Consideration of at least $50,000,000, the Borrower Representative shall have delivered to the Administrative Agent, in form and substance reasonably satisfactory to the Administrative Agent and the Required Lenders and sufficiently in advance of such

Proposed Acquisition, such other financial information, financial analysis, documentation or other information relating to such Proposed Acquisition as the Administrative Agent or any Lender shall reasonably request;

(g) with respect to any Proposed Acquisition having an Acquisition Consideration of at least $50,000,000, the Administrative Agent shall be reasonably satisfied with the form and substance of the acquisition agreement and with all other material agreements, instruments and documents implementing such Acquisition or executed in connection therewith, including opinions, certificates and lien search results, and such Acquisition shall be consummated in accordance with the terms of such documents and in compliance with applicable law and regulatory approvals;

(h) at or prior to the closing of such Proposed Acquisition, the Company (or the Restricted Subsidiary making such Proposed Acquisition) and the Proposed Acquisition Target shall have executed such documents and taken such actions as may be required under Section 5.13;

(i) at the time of such Proposed Acquisition and after giving effect thereto, (A) no Default shall have occurred and be continuing, (B) all representations and warranties contained in Article III and in the other Loan Documents shall be true and correct in all material respects and (C) any Reserve required pursuant to Section 6.01(r) shall have been disclosed to the Collateral Agents; and

(j) with respect to any Proposed Acquisition where the Company (or the Restricted Subsidiary making such Proposed Acquisition) intends to sell, transfer or dispose of fixed assets in accordance with Section 6.05(g), the Administrative Agent shall receive a certificate of a Financial Officer of the Company (or of the Restricted Subsidiary making such Proposed Acquisition) at least 10 Business Days (or such shorter period as may be acceptable to the Administrative Agent) prior to the closing of the Proposed Acquisition, (x) designating such fixed assets as assets sold, transferred or disposed of in accordance with clause (ii) of the proviso to Section 6.05(g), (y) identifying such assets with specificity, and (z) including a detailed calculation of (I) the good faith estimate of the aggregate fair market value of such assets at such time, (II) the good faith estimate of the aggregate fair market value (computed as of the time originally designated under this paragraph (j)) of the fixed assets previously designated in accordance with this paragraph (j), and (III) the aggregate fair market value (computed as of the time originally designated under this paragraph (j)) of all assets sold, transferred or disposed of on or after the Amendment No. 2 Effective Date in accordance with clause (ii) of the proviso to Section 6.05(g), such certificate to be in form and substance reasonably satisfactory to the Administrative Agent."

31. The definition of " Permitted Business " is hereby amended by adding the phrase "so long as the majority of the operations of such business is in the beverage industry" immediately after the phrase "or related line of business".

32. The definition of " Permitted Investments " is hereby amended by (A) replacing the reference to "AAA" contained therein with the phrase "at least AA" and (B) replacing the reference to "Aaa" contained therein with the phrase "at least Aa".

33. The definition of " Permitted Margin Stock " is hereby amended by inserting the phrase "Amendment No. 2" immediately before the phrase "Effective Date".

34. The definition " PP&E Cap " and each reference in the Credit Agreement to such term is hereby deleted in its entirety.

35. The definition of " PP&E Component " is hereby amended by deleting the phrase "the PP&E Cap at such time" from clause (a) (ii) thereof and replacing it with the number "$50,000,000".

36. The definition of " PP&E Percentage " is hereby amended and restated in its entirety as follows:

"" PP&E Percentage " shall mean, at the time of any determination occurring on or after the Amortization Commencement Date, the percentage equal to one hundred percent (100%) *minus* the lesser of (a) the percentage obtained by dividing the number of full fiscal months of the Company elapsed since the Amortization Commencement Date by eight-four (84) and (b) one hundred percent (100%)."

37. Clause (c) of the definition of " Prepayment Event " is hereby amended by deleting the phrase "any over allotment or "green shoe" offered after the Effective Date in connection with the New Equity or" therefrom.

38. Clause (i) of the definition of " Swap Agreement " is hereby amended by inserting the phrase "(including any commodity sold by the Borrower or any of its Subsidiaries directly to a vendor solely for the purpose of being used or consumed to manufacture products of the Borrower or any of its Subsidiaries in the ordinary course of such vendor's business)" immediately after the phrase "used or consumed in the ordinary course of the Company's business".

39. The definition of " Transactions " is hereby amended by deleting the phrase ", the execution, delivery and performance of the 2010 Note Documents, including the issuance of the 2010 Notes, the issuance of the New Equity, the use of the proceeds of each of the foregoing" therefrom.

40. The definition of " UK Security Agreement " is hereby amended by deleting the phrase "the date hereof" and replacing it with the date "August 17, 2010".

41. The definition of " U.S. Security Agreement " is hereby amended by (A) deleting the phrase "the date hereof" and replacing it with the date "August 17, 2010"; (B) inserting the phrase "amended on the date hereof by the U.S. Reaffirmation Agreement, as" immediately after the phrase "or any other Person, as" and (C) inserting the word "further" immediately before the phrase "amended, restated or otherwise modified from time to time".

42. Section 1.01 of the Credit Agreement is hereby amended by inserting the following new definitions in the appropriate alphabetical order:

(a) " Amendment No. 1 " means Amendment No. 1 to Credit Agreement, dated as of April 19, 2012, among the Loan Parties party thereto, the Lenders party thereto, and the Administrative Agent.

(b) " Amendment No. 2 " means Amendment No. 2 to Credit Agreement, dated as of July 19, 2012, among the Loan Parties party thereto, the Lenders party thereto, and the Agents.

(c) " Amendment No. 2 Effective Date " has the meaning assigned to such term in Amendment No. 2.

(d) " Borrower DTTP Filing " means an HM Revenue & Customs Form DTTP2 duly completed and filed by the relevant UK Borrower, which (a) where it relates to a Treaty Lender that is a Treaty Lender on the day on which this Agreement is entered into, contains the scheme reference number and jurisdiction of tax residence provided by the Treaty Lender to the UK Borrower and the Administrative Agent, and (i) where the UK Borrower becomes a UK Borrower on the day on which this Agreement is entered into, is filed with HM Revenue & Customs within 30 days of the date of this Agreement; or (ii) where the UK Borrower becomes a UK Borrower hereunder after the day on which this Agreement is entered into, is filed with HM Revenue & Customs within 30 days of the date on which that UK Borrower becomes a UK Borrower; or (b) where it relates to a party that becomes a Treaty Lender hereunder pursuant to an Assignment and Assumption or a Participant, contains the scheme reference number and jurisdiction of tax residence of such party and is provided by such party to the UK Borrower and the Administrative Agent, and (i) where the UK Borrower is a UK Borrower on the effective date of the relevant Assignment and Assumption or participation, is filed with HM Revenue & Customs within 30 days of the effective date of the relevant aforementioned document; or (ii) where the UK Borrower becomes a UK Borrower hereunder after the effective date of the relevant Assignment and Assumption or participation, is filed with HM Revenue & Customs within 30 days of the date on which that UK Borrower becomes a UK Borrower.

(e) " Canadian Borrower " mean the Company.

(f) " Canadian Reaffirmation Agreement " means the Canadian Reaffirmation Agreement and Amendment No. 1 to Canadian Security Agreement, dated as of the Amendment No. 2 Effective Date, by and between the Loan Parties party thereto and the Administrative Collateral Agent, for the benefit of the Administrative Agent, the Collateral Agents and the Lenders.

(g) " HMRC DT Treaty Passport scheme " means the Board of H.M. Revenue and Customs Double Taxation Treaty Passport scheme.

(h) " Reaffirmation Agreements " means the Canadian Reaffirmation Agreement, the UK Reaffirmation Agreement and the U.S. Reaffirmation Agreement.

(i) " UK Reaffirmation Agreement " means the UK Reaffirmation Agreement, dated as of the Amendment No. 2 Effective Date, by and between the Loan Parties party thereto and the UK Security Trustee.

(j) " U.S. Reaffirmation Agreement " means the U.S. Reaffirmation Agreement and Amendment No. 1 to U.S. Security Agreement, dated as of the Amendment No. 2 Effective Date, by and between the Loan Parties party thereto and the Administrative Collateral Agent, for the benefit of the Administrative Agent, the Collateral Agents and the Lenders.

43. Section 1.04 of the Credit Agreement is hereby amended by adding the following sentence to the end of such Section:

"Notwithstanding the foregoing, all financial statements delivered hereunder shall be prepared, and all financial covenants contained herein shall be calculated, without giving effect to any election under the Statement of Financial Accounting Standards Codification 825-10-25 (previously referred to as Statement of Financial Accounting Standards No. 159), or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect, permitting or requiring a Person to value its financial liabilities or Indebtedness at the fair value thereof."

44. Clause (b) of Section 2.06 of the Credit Agreement is hereby amended by (A) inserting the word "other" immediately before the phrase "electronic communication" and (B) deleting the phrase "9:00 am" and replacing it with the phrase "9:00 a.m.".

45. Clause (c) of Section 2.06 of the Credit Agreement is hereby amended by adding a semi-colon immediately after the phrase "(ii) the date that is five Business Days prior to the Maturity Date".

46. Clause (k) of Section 2.06 of the Credit Agreement is hereby deleted in its entirety.

47. Clause (e) of Section 2.09 of the Credit Agreement is hereby amended by (A) inserting ";" immediately before the first occurrence of the word " provided " and (B) deleting the word "and" immediately before the phrase " provided , further " and replacing it with ";".

48. The first proviso to clause (c) of Section 2.11 of the Credit Agreement is hereby amended by inserting the phrase "Amendment No. 2" immediately before the phrase "Effective Date exceeds $1,000,000".

49. The last proviso to clause (c) of Section 2.11 of the Credit Agreement is hereby amended by deleting each reference to "Section 6.09(b)(xi)" and replacing it with a reference to "Section 6.09(b)(vii)".

50. A new clause (h) of Section 2.17 of the Credit Agreement is hereby inserted, which reads as follows:

"(h) Additional United Kingdom Withholding Tax Matters . (i) Subject to (ii) and (iii) below, a Treaty Lender and each UK Borrower which makes a payment to which that Treaty Lender is entitled shall co-operate in completing any procedural formalities necessary for that UK Borrower to obtain authorization to make that payment without withholding or deduction for Taxes imposed under the laws of the United Kingdom; (ii)(A) a Treaty Lender which becomes a Treaty Lender on the day on which this Agreement is entered into that holds a passport under the HMRC DT Treaty Passport scheme, and which wishes that scheme to apply to this Agreement, shall provide its scheme reference number and its jurisdiction of tax residence to the Borrower and the Administrative Agent; and (B) a Treaty Lender which becomes a Treaty Lender hereunder after the day on which this Agreement is entered into that holds a passport under the HMRC DT Treaty Passport scheme, and which wishes that scheme to apply to this Agreement, shall provide its scheme reference number and its jurisdiction of tax residence to the UK Borrower and the Administrative Agent, and, having done so, that Treaty Lender shall be under no further obligation pursuant to paragraph (g) and (h)(i) above; (iii) nothing in paragraph (i) above shall require a Treaty Lender to: (A) register under the HMRC DT Treaty Passport scheme; (B) apply the HMRC DT Treaty Passport scheme to any Borrowings if it has so registered; or (C) file Treaty forms if it has included an indication to the effect that it wishes the HMRC DT Treaty Passport scheme to apply to this Agreement in accordance with paragraph (h)(ii) above and the UK Borrower making that payment has not complied with its obligations under paragraph (h)(iv) below; (iv) if a Treaty Lender has confirmed its scheme reference number and its jurisdiction of tax residence in accordance with paragraph (h)(ii) above the relevant UK Borrower shall make a Borrower DTTP filing, and where (1) that Borrower DTTP Filing has been rejected by HM Revenue & Customs; or (2) HM Revenue & Customs has not given the UK Borrower authority to make payments to that Treaty Lender without a deduction for tax within 60 days of the date of the Borrower DTTP Filing, and, in each case, the UK Borrower has notified that Treaty Lender in writing, that Treaty Lender and the UK Borrower shall co-operate in completing any additional procedural formalities necessary for that UK Borrower to obtain authorization to make that payment without withholding or deduction for Taxes imposed under the laws of the United Kingdom; (v) if a Lender has not confirmed its scheme reference number and jurisdiction of tax residence in accordance with paragraph (g)(ii) above, no UK Borrower shall make a Borrower DTTP Filing or file any other form relating to the HMRC DT Treaty Passport scheme in respect of that Lender's Commitment(s) or its participation in any Loan unless the Lender otherwise agrees; (vi) a UK Borrower shall, promptly on making a Borrower DTTP Filing, deliver a copy of that Borrower DTTP Filing to the Administrative Agent for delivery to the relevant Treaty Lender; and (vii) a Treaty Lender shall notify the UK Borrower and Administrative Agent if it determines in its sole discretion that it is ceases to be entitled to claim the benefits of an income tax treaty to which the United Kingdom is a party with respect to payments made by the UK Borrower hereunder."

51. Clause (h) of Section 2.17 of the Credit Agreement is hereby renumbered as clause (i).

52. Clause (i) of Section 2.17 of the Credit Agreement is hereby renumbered as clause (j).

53. Clause (j) of Section 2.17 of the Credit Agreement is hereby renumbered as clause (k).

54. Clause (k) of Section 2.17 of the Credit Agreement is hereby renumbered as clause (l).

55. Clause (l) of Section 2.17 of the Credit Agreement is hereby deleted in its entirety.

56. Section 3.04 of the Credit Agreement is hereby amended and restated in its entirety as follows:

"Section 3.04. Financial Condition; No Material Adverse Change .

(a) The Company has heretofore furnished to the Lenders the Company's consolidated balance sheet and statements of income, stockholders equity and cash flows (i) as of and for the fiscal year ended December 31, 2011, reported on by PricewaterhouseCoopers LLP, independent public accountants, and (ii) as of and for the fiscal quarters and the portions of the fiscal year ended March 31, 2012, certified by its chief financial officer. Such financial statements described in the preceding sentence present fairly, in all material respects, the financial position and results of operations and cash flows of the Company and its consolidated Subsidiaries as of such dates and for such periods in accordance with GAAP, subject to year-end audit adjustments and the absence of footnotes in the case of the statements referred to in clause (ii) above.

(b) No event, change or condition has occurred that has had, or could reasonably be expected to have, a Material Adverse Effect, since December 31, 2011."

57. Clause (a) of Section 3.06 of the Credit Agreement is hereby amended by deleting the phrase "(x) on the Effective Date relating to the Cliffstar Acquisition or (y)".

58. The last sentence of clause (b) of Section 3.10 of the Credit Agreement is hereby amended by deleting the reference to the defined term "Effective Date" and replacing it with a reference to the defined term "Amendment No. 2 Effective Date".

59. Clause (a) of Section 3.13 of the Credit Agreement is hereby amended by (A) deleting the phrase "each of the Cliffstar Acquisition and" and (B) changing each reference therein to the defined term "Effective Date" to a reference to the defined term "Amendment No. 2 Effective Date".

60. Section 3.14 of the Credit Agreement is hereby amended by (A) deleting the reference in the second sentence thereof to the defined term "Effective Date" and replacing it with a reference to the defined term "Amendment No. 2 Effective Date" and (B) inserting the phrase "or successor insurance policies" immediately before the phrase "have been paid" in the second sentence thereof.

61. Section 3.15 of the Credit Agreement is hereby amended by (A) deleting the reference "(a)" and (B) deleting the phrase "after giving effect to the Cliffstar Acquisition, the Transactions and the Restructuring".

62. Section 3.17 of the Credit Agreement is hereby amended by deleting the reference in the first sentence therein to the defined term "Effective Date" and replacing it with a reference to the defined term "Amendment No. 2 Effective Date".

63. Section 3.21 of the Credit Agreement is hereby amended by deleting the reference therein to the defined term "Effective Date" and replacing it with a reference to the defined term "Amendment No. 2 Effective Date".

64. Section 3.22 of the Credit Agreement is hereby amended by (A) deleting each reference therein to the defined term "Effective Date" and replacing it with a reference to the defined term "Amendment No. 2 Effective Date" and (B) adding the phrase ", including the Unrestricted Subsidiaries" immediately before the phrase "listed on Schedule 1.01(c)".

65. Section 3.23 of the Credit Agreement is hereby amended and restated in its entirety as follows:

"Section 3.23. [Reserved.]"

66. Section 3.24 of the Credit Agreement is hereby amended by (A) deleting the reference "(i)" immediately before the phrase "as of July 3, 2010" and (B) deleting the phrase "and (ii) in connection with the Cott Acquisition and the Restructuring outstanding on the Effective Date,".

67. Section 3.25 of the Credit Agreement is hereby amended and restated in its entirety as follows:

"Section 3.25. <u>Fixed Charge Coverage Ratio</u> . The Fixed Charge Coverage Ratio determined as of March 31, 2012 was greater than 1.1 to 1."

68. Clause (e) of Section 5.01 of the Credit Agreement is hereby amended by adding the phrase "to the extent customarily provided with respect to similarly situated companies by such accounting firm," immediately before the phrase "concurrently with any delivery of financial statements under clause (a) above".

69. Clause (g) of Section 5.01 of the Credit Agreement is hereby amended by (A) deleting the phrase "(or, in the case of July 2010, on or before August 31, 2010)" and (B) deleting each reference therein to the number "$40,000,000" and replacing it with a reference to the number "$34,375,000".

70. Clause (h) of Section 5.01 of the Credit Agreement is hereby amended by deleting the phrase "(or, in the case of July 2010, on or before August 31, 2010)".

71. Clause (i) of Section 5.01 of the Credit Agreement is hereby amended by deleting the phrase "(or, in the case of July 2010, on or before August 31, 2010)".

72. Clause (o) of Section 5.01 of the Credit Agreement is hereby amended by deleting the reference to the uniform resource locator "http://www.cott.com/investors/ filings/en.htm" and replacing it with a reference to the uniform resource locator "http://www.cott.com/en/for-investors/overview".

73. Clause (d) of Section 5.02 of the Credit Agreement is hereby amended by adding the phrase “alleging non-payment of rent or other amounts due in excess of one months’ rent to the relevant landlord or warehouseman or any other material default” immediately after the phrase “(which shall be delivered within five Business Days after receipt thereof)”.

74. Section 5.08 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“Section 5.08. Use of Proceeds . The proceeds of the Loans will be used only (i) to pay fees and expenses in connection with the Transactions and (ii) for working capital needs and general corporate purposes. No part of the proceeds of any Loan and no Letter of Credit will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board, including Regulations T, U and X.”

75. Section 5.11 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“Section 5.11. Appraisals and Field Examinations . At any time that the Administrative Agent and/or any Collateral Agent requests, the Loan Parties will provide the Administrative Agent and the Collateral Agents with appraisals or updates thereof of their Inventory, equipment and real property from an appraiser selected and engaged by the Administrative Agent, and prepared on a basis satisfactory to the Administrative Agent and each Collateral Agent, such appraisals and updates to include, without limitation, information required by applicable law and regulations, with all such appraisals and updates being at the Borrowers’ cost and expense except as limited in the following proviso; provided , however , that (A) in the case of appraisals of Inventory, (i) if no Event of Default has occurred and is continuing and Aggregate Availability has at all times during the preceding twelve fiscal months been greater than or equal to the greater of (y) twenty percent (20%) of the aggregate amount of all Commitments at such time and (z) $55,000,000, one such appraisal per calendar year shall be at the sole expense of the Loan Parties, (ii) if no Event of Default has occurred and is continuing and Aggregate Availability has at any time during the preceding twelve fiscal months been less than the greater of (y) twenty percent (20%) of the aggregate amount of all Commitments at such time and (z) $55,000,000, two such appraisals per calendar year shall be at the sole expense of the Loan Parties and (iii) if an Event of Default has occurred and is continuing, each such appraisal shall be at the sole expense of the Loan Parties and (B) in the case of appraisals of equipment and real property, (i) if no Event of Default has occurred and is continuing, one such appraisal in each of calendar year 2015 and every third calendar year thereafter shall be at the sole expense of the Loan Parties, (ii) if an Event of Default has occurred and is continuing, each such appraisal shall be at the sole expense of the Loan Parties and (iii) appraisals of parcels of real property not identified on Schedule 1.01(a) shall not be at the expense of the Loan Parties, except to the extent such appraisals are required by any Requirement of Law. In addition, at any time that the Administrative Agent and/or any Collateral Agent requests, the Loan Parties will provide the Administrative Agent and the Collateral Agents (and any third party retained by any of them) with access to their properties, books, records and employees to conduct field examinations, to ensure the adequacy of Borrowing Base Collateral and related reporting and control systems; provided , however , that (i) if no Event of Default has occurred and is continuing and Aggregate Availability has at all times during the preceding twelve fiscal months been greater than or equal to the greater of (y) twenty percent (20%) of the aggregate amount of all Commitments at such

time and (z) $55,000,000, one such field examination per calendar year shall be at the sole expense of the Loan Parties, (ii) if no Event of Default has occurred and is continuing and Aggregate Availability has at any time during the preceding twelve fiscal months been less than the greater of (y) twenty percent (20%) of the aggregate amount of all Commitments at such time and (z) $55,000,000, two such field examinations per calendar year shall be at the sole expense of the Loan Parties and (iii) if an Event of Default has occurred and is continuing, each such field examination shall be at the sole expense of the Loan Parties."

76. Section 5.12 of the Credit Agreement is hereby amended and restated in its entirety as follows:

"Section 5.12. Depository Banks . Each Loan Party (other than the members of the Cott Mexican Group) will maintain Chase as its principal depository bank, including for the maintenance of operating, administrative, cash management, collection activity, and other deposit accounts for the conduct of its business, provided that, notwithstanding the foregoing, each Loan Party may maintain deposit accounts at other financial institutions provided such institutions have delivered deposit account control agreements (or similar agreements) satisfactory to the Administrative Collateral Agent or UK Collateral Trustee, as the case may be, to the extent required under the relevant Security Agreement. Following the Amendment No. 2 Effective Date, Cliffstar LLC shall close each Cliffstar Deposit Account within a period of time reasonably acceptable to the Administrative Agent."

77. Clause (c) of Section 5.13 is hereby amended by adding the phrase ", but not limited to," immediately before the phrase "the filing and recording of financing statements".

78. Section 5.15 of the Credit Agreement is hereby amended and restated in its entirety as follows:

"Section 5.15. Mexican Post-Closing Covenants . If Aggregate Availability is, or at any time has been, less than $50,000,000, then, upon the request of the Required Lenders, each Borrower will, and will cause its Restricted Subsidiaries to, execute and deliver the documents and complete the tasks set forth in item 1 and Annexes A, B and C of Schedule 5.15 within 30 days of such request (or within such longer periods as may be agreed to by the Administrative Agent and each Collateral Agent, each in its sole discretion)."

79. Clause (ii) of paragraph (e) of Section 6.01 of the Credit Agreement is hereby amended by (A) inserting the phrase "non-Loan Party" immediately before the first occurrence of the word "Subsidiary" and (B) deleting the phrase "Borrower or to any other" and replacing it with the phrase "non-Loan Party".

80. Section 5.16 of the Credit Agreement is hereby amended by deleting the colon immediately after the phrase "by wire transfer all collected funds in the aggregate held in the deposit accounts of".

81. Clause (g) of Section 6.01 of the Credit Agreement is hereby amended by (A) deleting the reference to the number "90" contained therein and replacing it with the number "180" and (B) deleting the phrase "this clause (e)" therefrom and replacing it with the phrase "this clause (g)".

82. Clause (h) of Section 6.01 of the Credit Agreement is hereby amended by deleting the phrase “be come” from subclause (iii) thereof and replacing it with the word “become”.

83. Clause (k) of Section 6.01 of the Credit Agreement is hereby amended by deleting the phrase “this clause (i)” therefrom and replacing it with the phrase “this clause (k)”.

84. Clause (l) of Section 6.01 of the Credit Agreement is hereby amended by deleting the reference to the number “$5,000,000” contained therein and replacing it with the number “$10,000,000”.

85. Clause (p) of Section 6.01 of the Credit Agreement is hereby amended by deleting the word “and”.

86. Clause (q) of Section 6.01 of the Credit Agreement is hereby amended by deleting the period at the end of such paragraph and replacing it with the phrase “; and”.

87. Section 6.01 of the Credit Agreement is hereby amended by adding a new clause (r) at the end of such Section:

“(r) earnouts (other than the Earnout) constituting Acquisition Consideration in connection with Permitted Acquisitions in an aggregate amount not to exceed $25,000,000 at any time outstanding; provided that, so long as the aggregate amount of all such earnouts outstanding at such time exceeds $10,000,000, a Reserve shall be established by the Collateral Agents in an amount equal to the difference of (y) the aggregate amount of all such earnouts outstanding at such time, as determined by the Administrative Agent in its Permitted Discretion minus (z) $10,000,000.”

88. Clause (d) of Section 6.02 of the Credit Agreement is hereby amended by deleting the reference to the number “90” contained therein and replacing it with the number “180”.

89. Clause (m) of Section 6.02 of the Credit Agreement is hereby amended by deleting the word “and”.

90. Clause (n) of Section 6.02 of the Credit Agreement is hereby amended by deleting the period at the end of such paragraph and replacing it with the phrase “; and”.

91. Section 6.02 of the Credit Agreement is hereby amended by adding a new clause (o) at the end of such Section:

“(o) sales, transfers, dispositions and non-recourse factoring of accounts receivable permitted pursuant to paragraphs (c) and (o) of Section 6.05.”

92. Clause (a) of Section 6.04 of the Credit Agreement is hereby amended by (A) adding the reference “(i)” immediately before the phrase “Permitted Investments” and (B) adding the phrase “and (ii) so long as no Loans are outstanding under this Agreement, securities rated BBB or higher by S&P (or an equivalent rating by another nationally recognized rating agency) in an aggregate amount not to exceed $30,000,000 at any time outstanding” immediately after the words “Permitted Perfection Limitations”.

93. Clause (b) of Section 6.04 of the Credit Agreement is hereby amended by replacing the word "Loans" with the word "loans".

94. Clause (c) of Section 6.04 of the Credit Agreement is hereby amended by deleting the reference to the number "$100,000,000" contained therein and replacing it with a reference to the number "$75,000,000".

95. Clause (d) of Section 6.04 of the Credit Agreement is hereby amended by deleting the reference to the number "$100,000,000" contained therein and replacing it with a reference to the number "$75,000,000".

96. Clause (e) of Section 6.04 of the Credit Agreement is hereby amended by deleting the reference to the number "$100,000,000" contained therein and replacing it with a reference to the number "$75,000,000".

97. Clause (l) of Section 6.04 of the Credit Agreement is hereby amended and restated in its entirety as follows:

"(l) investments by the Company and its Restricted Subsidiaries in the form of Permitted Acquisitions, provided that the Company and its Restricted Subsidiaries may not make any Permitted Acquisition unless (x) both Borrowers' Aggregate Availability on the date of such investment and Borrowers' average Aggregate Availability over the prior thirty day period ending on such date (in each case after giving effect to such Permitted Acquisition) is at least $75,000,000 and (y) the Fixed Charge Coverage Ratio, determined as of the last day of the most recent fiscal quarter for which financial statements have been or should have been delivered pursuant to Section 4.01(b) or Section 5.01(a) or (b), for the period of four consecutive fiscal quarters ending on such last day, is at least 1.15 to 1.0;"

98. Clause (n) of Section 6.04 of the Credit Agreement is hereby amended by (A) adding the phrase ", redemptions or exchanges" immediately after the phrase "investments in the form of purchases" and (B) replacing the phrase "Sections 6.09(b)(ix) through (xii)" with the phrase "Sections 6.09(b)(vii) and (ix)".

99. Clause (o) of Section 6.04 of the Credit Agreement is hereby amended by (A) adding the phrase ", and investments in the form of equipment of," immediately after the phrase "loans, advances and extensions of credit by" and (B) deleting the phrase "Section 6.01(l)" and replacing it the phrase "Section 6.01(n).

100. Clause (p) of Section 6.04 of the Credit Agreement is hereby amended by inserting the phrase "made after the Amendment No. 2 Effective Date" immediately after the first occurrence of the phrase "such loans and advances" in each of subclauses (B), (C) and (D) of such Clause (p).

101. Clause (s) of Section 6.04 of the Credit Agreement is hereby amended and restated in its entirety as follows:

"(s) [reserved;]"

102. Clause (t) of Section 6.04 of the Credit Agreement is hereby amended by deleting the last occurrence of the word "and" contained therein.

103. Clause (u) of Section 6.04 of the Credit Agreement is hereby amended and restated in its entirety as follows:

"(u) investments by the Company in Equity Interests in, and the making of capital contributions to, BCB International or, if BCB International no longer exists, BCB European, provided that (A) contemporaneously with such investment, (i) so long as BCB International and BCB European continue to exist, BCB International makes an investment in the Equity Interests of, or makes a capital contribution to, BCB European or, if BCB European no longer exists, BCB International makes an investment in the Equity Interests of, or makes a capital contribution to, a Loan Party and (ii) if BCB European continues to exist, BCB European makes an investment in the Equity Interests of, or makes a capital contribution to, a Loan Party, in the case of clauses (i) and (ii) in an amount equal to the investment made by the Company in BCB International, (B) any such Equity Interests held by a Loan Party shall be pledged pursuant to the applicable Security Agreement (subject to the limitations applicable to common stock of certain foreign Subsidiaries referred to in Section 5.13 and subject to Permitted Perfection Limitations), and (C) no investments permitted under this clause (u) shall be permitted to be made at any time an Event of Default has occurred and is continuing; provided, further, that no Borrower or Subsidiary may make any investment in Equity Interests of, or makes a capital contribution to, any member of the Cott Mexican Group in reliance on this clause (u);"

104. Section 6.04 of the Credit Agreement is hereby amended by adding the following new clauses at the end of such Section:

"(v) Guarantees by Loan Parties of obligations of other Loan Parties that do not constitute Indebtedness; and

(w) other loans, advances and investments not to exceed an aggregate amount of $5,000,000 at any time outstanding;".

105. The proviso at the end of Section 6.04 of the Credit Agreement is hereby amended by (A) deleting the phrase "clause (p)" and replacing it with the phrase "clauses (p) and (w)" and (B) deleting the phrase "in accordance with Section 5.15" and replacing it with the phrase "as set forth on Schedule 5.15".

106. Clause (b) of Section 6.05 of the Credit Agreement is hereby amended by deleting the phrase "and 6.04".

107. Clause (c) of Section 6.05 of the Credit Agreement is hereby amended by adding the phrase "(other than sales, transfers and dispositions of accounts receivable permitted under paragraph (o) of this Section 6.05)" immediately after the phrase "compromise, settlement or collection thereof".

108. Clause (d) of Section 6.05 of the Credit Agreement is hereby amended by (A) deleting the phrase “and (t)” and replacing it with the phrase “, (t)” and (B) inserting the phrase “and (w)” immediately before the phrase “of Section 6.04”.

109. Clause (e) of Section 6.05 of the Credit Agreement is hereby amended by (A) deleting the reference “(i)” at the beginning of such clause and (B) deleting the phrase “and (ii) sale and leaseback transactions permitted by Section 6.06(ii)”.

110. The proviso to clause (g) of Section 6.05 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“ provided that the aggregate fair market value of all assets sold, transferred or otherwise disposed of in the United States, the United Kingdom or Canada in reliance upon this paragraph (g) (i) other than the assets designated in accordance with clause (ii) of this proviso, shall not exceed (x) $10,000,000 during any fiscal year of the Company and (y) $20,000,000 during the term of this Agreement, commencing on the Amendment No. 2 Effective Date and (ii) solely with respect to fixed assets acquired as part of a Permitted Acquisition and disclosed to the Administrative Agent in accordance with clause (j) of the definition of Permitted Acquisition, shall not exceed $20,000,000 during the term of this Agreement, commencing on the Amendment No. 2 Effective Date;”

111. Clause (k) of Section 6.05 of the Credit Agreement is hereby amended by (A) deleting the phrase “cash and” contained therein and (B) inserting the phrase “and dispositions of investments permitted by Section 6.04(a)(ii)” immediately after the phrase “Permitted Investments”.

112. Clauses (l) and (m) of Section 6.05 of the Credit Agreement are hereby amended and restated in their entirety as follows:

“(l) [reserved;]

(m) [reserved;]”

113. Clause (q) of Section 6.05 of the Credit Agreement is hereby amended by deleting the last occurrence of the word “and” contained therein and replacing it with a semicolon.

114. The proviso at the end of Section 6.05 of the Credit Agreement is hereby amended by (A) deleting the reference to paragraph “(e)(ii)” and replacing it with a reference to the phrase “(d), (e)”; (B) deleting the reference to paragraph “(l)” and (C) deleting the reference to paragraph “(m)”.

115. Section 6.06 of the Credit Agreement is hereby amended by deleting the reference to the number “90” contained therein and replacing it with the number “180”.

116. Paragraph (a) of Section 6.09 of the Credit Agreement is hereby amended by (A) deleting the phrase “in an aggregate amount not exceeding (x) $5,000,000 during any fiscal quarter or (y) $10,000,000 during any fiscal year of the Company as long as, in each case”

from clause (iii) thereof and replacing it with the phrase “as long as”, (B) inserting the words “after giving effect to such payment” immediately after the phrase “the Borrowers shall have both Aggregate Availability on the date of such payment” each time such phrase appears in such paragraph, (C) deleting each reference therein to the number “$100,000,000” and replacing it with a reference to the number “$75,000,000”, (D) deleting each reference therein to the ratio “1.1 to 1.0” and replacing it with a reference to the ratio “1.15 to 1.0”, (E) deleting the phrase “provided that no Event of Default has occurred and is then continuing,” from clause (iv) thereof, (F) deleting the phrase “in an aggregate amount not exceeding $50,000,000 during the term of this Agreement” from clause (iv) thereof and (G) adding the following phrase at the end of the proviso to such Paragraph after the phrase “distributed to its immediate parent”:

“, unless, solely in the case of any Restricted Payment made to any Interim Holdco, the Administrative Agent and the Co-Collateral Agent otherwise consent in writing, in their sole discretion, prior to such Restricted Payment”.

117. Subsection (vi) of clause (b) of Section 6.09 of the Credit Agreement is hereby amended by deleting the phrase “not exceeding $1,000,000 in any calendar year” and replacing it with the phrase “not exceeding (i) $1,000,000 for the period from the Amendment No. 2 Effective Date through December 31, 2012, and (ii) $1,000,000 in any calendar year thereafter”.

118. Subsection (vii) of clause (b) of Section 6.09 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“(vii) the Company or any of its Restricted Subsidiaries may, from time to time, (a) voluntarily purchase 2009 Notes or 2010 Notes from one or more holders thereof, (b) voluntarily redeem some or all of the 2009 Notes or 2010 Notes in accordance with the 2009 Indenture or the 2010 Indenture and/or (c) prepay Indebtedness outstanding in connection with the Sidel Water Capital Lease during the term of this Agreement, in each case as long as (A) no Event of Default has occurred and is continuing or would result after giving effect to such repurchase, redemption or prepayment, (B) the Borrowers shall have both Aggregate Availability *minus* Disqualified Payables of at least $75,000,000, determined both on the date of such repurchase, redemption or prepayment (and after giving effect thereto and, on an average basis for the thirty day period ending on (x) in the case of repurchases and redemptions under clauses (a) and (b) of this subsection (vii), the date the Company or such Restricted Subsidiary initially offers to make such repurchase or redemption or (y) in the case of prepayments under clause (c) of this subsection (vii), the date of such prepayment, in each case assuming that such repurchase, redemption or prepayment, as the case may be, was made on the first day of such period), and (C) the Fixed Charge Coverage Ratio, determined as of the last day of the most recent fiscal quarter for which financial statements have been or should have been delivered pursuant to Section 4.01(b) or Section 5.01(a) or (b), for the period of four consecutive fiscal quarters ending on such last day, is no less than 1.25 to 1.0;”

119. Subsections (ix), (x) and (xi) of clause (b) of Section 6.09 of the Credit Agreement are hereby deleted in their entirety and the succeeding subsections of such clause (b) are hereby renumbered in numerical order beginning with subsection (ix).

120. Subsection (ix) of clause (b) of Section 6.09 of the Credit Agreement is hereby amended by (A) inserting the phrase “, and after giving effect thereto,” immediately after the phrase “determined both on the date of such redemption, repurchase or prepayment” in subclause (B) of such subsection and (B) deleting the phrase “on a pro forma basis” from subclause (C) of such subsection.

121. The proviso at the end of clause (b) of Section 6.09 of the Credit Agreement is hereby amended by (A) adding the word “, prepayments” immediately after the phrase “in connection with any redemptions, purchases”; (B) deleting the word “Sections” and replacing it with the word “Section” and (C) deleting the phrase “through 6.09(b)(xiii)”.

122. Section 6.10 of the Credit Agreement is hereby amended by (A) deleting the phrase “6.04(c)” therefrom and replacing it with the phrase “6.04(b), (c)” in clause (c) of such Section, (B) deleting the phrase “(p) or (r)” therefrom and replacing it with the phrase “(l), (p), (q), (r), (u) or (v), or, solely to the extent such transactions are with an Affiliate of a Loan Party, Sections 6.04(o) or (t),” in clause (c) of such Section, (C) deleting the phrase “6.01(e), (f) or (k)” and replacing it with the phrase “6.01(a), (b), (c), (e), (f), (k) or (m)” in clause (d) of such Section, (D) inserting the phrase “or payment in respect of Indebtedness” immediately after the phrase “any Restricted Payment” in clause (e) of such Section, (E) inserting the word “and” at the end of clause (g) of such Section and (F) deleting the phrase “and (i) capital contributions contemplated by the Restructuring”.

123. Section 6.13 of the Credit Agreement is hereby amended by (A) deleting the reference to the number “$30,000,000” and replacing it with a reference to the number “$27,500,000”, (B) deleting the phrase “on or after September 30, 2010” and (C) deleting the phrase “after September 30, 2010”.

124. Clause (a) of Section 6.15 of the Credit Agreement is hereby amended by (A) amending and restating clause (i)(A) thereof to read: “(x) in the case of BCB International, the Equity Interests of BCB European or, if BCB European no longer exists, the Equity Interests of a Loan Party and (y) in the case of BCB European, the Equity Interests of Cott Retail Brands Limited,” and (B) amending and restating clause (i)(D) thereof to read: “to the extent (and for the limited period) permitted under Section 6.04(u), capital contributions and proceeds of investments in Equity Interests”.

125. Clause (b) of Section 6.15 of the Credit Agreement is hereby amended by replacing the word “The” at the beginning of such paragraph with the phrase “Without the prior written consent of the Administrative Agent and the Co-Collateral Agent in their sole discretion, the”.

126. Clause (i) of paragraph (a) of Section 9.01 is hereby amended by (A) deleting the name “Michael Zimmerman” and replacing it with the name “Jason Ausher” and (B) deleting the reference to facsimile number “813.881.1923” and replacing it with facsimile number “813.881.1914”.

127. Item 4 of Schedule 5.15 of the Credit Agreement is hereby amended by (A) deleting the phrase “No later than ten days following the Effective Date, the” and replacing it with the word “The”; (B) deleting the phrase “As soon as practicable and in any event no later than thirty days following the Effective Date” and (C) deleting the phrase “No later than sixty days following the Effective Date”.

128. Schedule 5.15 of the Credit Agreement is hereby amended by (A) deleting items 1 through 3 and items 5 and 6 therefrom and (B) renumbering the reference to item "4" as a reference to item "1".

129. Clause (d) of Section 9.02 of the Credit Agreement is hereby amended by deleting the comma immediately after the phrase "then the Borrowers may elect to replace a Non-Consenting Lender as a Lender party to this Agreement" and replacing it with a semi-colon.

130. Section 9.08 of the Credit Agreement is hereby amended by deleting the comma immediately after the phrase "The applicable Lender shall promptly notify the Borrower Representative and the Administrative Agent of such set-off or application" and replacing it with a semi-colon.

131. Section 10.11 of the Credit Agreement is hereby amended by deleting each occurrence of the phrase "the date hereof" and replacing it with the date "August 17, 2010".

II. Conditions Precedent to Effectiveness . This Amendment shall become effective as of the first date (the " Amendment No. 2 Effective Date ") on which each of the following conditions precedent have been satisfied:

1. The Administrative Agent (or its counsel) shall have received (i) from each party hereto either (A) a counterpart of this Amendment signed on behalf of such party or (B) written evidence satisfactory to the Administrative Agent (which may include facsimile or pdf transmission of a signed signature page of this Amendment) that such party has signed a counterpart of this Amendment, and (ii) duly executed copies (or facsimile or pdf copies) of the Reaffirmation Agreements (as defined in the Amended Credit Agreement) and such other certificates, documents, instruments and agreements as the Administrative Agent shall reasonably request in connection with the transactions contemplated by this Amendment.

2. The Administrative Agent shall have received a written opinion of the United States Loan Parties' counsel, addressed to the Administrative Agent, the Disbursement Agent, the Collateral Agents, the Issuing Banks and the Lenders in form and substance acceptable to the Administrative Agent.

3. The Administrative Agent shall have received copies of the most recent financial statements, projections and reports required to be delivered pursuant to Section 5.01 of the Credit Agreement.

4. The Administrative Agent shall have received (i) a certificate of each Loan Party, dated the Amendment No. 2 Effective Date and executed by its Secretary, Assistant Secretary or Director, which shall (A) certify the resolutions of its Board of Directors, members or other body authorizing the execution, delivery and performance of the Loan Documents to which it is a party, (B) identify by name and title and bear the signatures of the Financial Officers and any other officers of such Loan Party authorized to sign the Loan Documents to which it is a party, and (C) contain appropriate attachments, including the certificate or articles

of incorporation or organization of each Loan Party, together with all amendments thereto, certified by the relevant authority of the jurisdiction of organization of such Loan Party and a true and correct copy of its by-laws, memorandum and articles of association or operating, management or partnership agreement (or other equivalent organizational documents), together with all amendments thereto, and (ii) a short form or long form certificate of good standing, status or compliance, as applicable, together with any bring-down certificates or facsimiles, if any, for each Loan Party from its jurisdiction of organization, each dated a recent date on or prior to the Amendment No. 2 Effective Date.

5. The Administrative Agent shall have received a certificate, signed by the chief financial officer or treasurer of each Borrower, on the Amendment No. 2 Effective Date (i) stating that no Default has occurred and is continuing, (ii) stating that the representations and warranties contained in Article III of the Amended Credit Agreement and Section III of this Amendment are true and correct as of such date, and (iii) certifying any other factual matters as may be reasonably requested by the Administrative Agent.

6. The Lenders, the Collateral Agents and the Administrative Agent shall have received all other fees required to be paid, including pursuant to the Fee Letters (as defined in the Amended Credit Agreement) and Section VI hereof, and all expenses for which invoices have been presented (including the reasonable fees and expenses of legal counsel), on or before the Amendment No. 2 Effective Date.

7. The Administrative Agent shall have received a solvency certificate, in form and substance satisfactory to the Administrative Agent, from a Financial Officer.

8. Each Collateral Agent shall have received the most recent Aggregate Borrowing Base Certificate and Borrowing Base Certificates required to be delivered pursuant to Section 5.01 of the Credit Agreement.

9. At the time of and immediately after giving effect to this Amendment, the Borrowers' Aggregate Availability shall not be less than $75,000,000.

10. The Administrative Agent and the Administrative Collateral Agent shall have received updated appraisals of the equipment and real property of the Loan Parties from an appraiser selected and engaged by the Administrative Agent, and prepared on a basis satisfactory to the Administrative Agent and the Administrative Collateral Agent, such appraisals to include, without limitation, information required by applicable law and regulations, with such appraisals being at the sole cost and expense of the Loan Parties.

11. The Administrative Agent shall have received such other documents as the Administrative Agent, the Disbursement Agent, any Issuing Bank, any Lender or their respective counsel may have reasonably requested.

12. The amendments contemplated by this Amendment are permitted pursuant to each of the 2009 Indenture and the 2010 Indenture.

III. Representations and Warranties of the Loan Parties . To induce the other parties hereto to enter into this Amendment, each Loan Party represents and warrants to each Lender and each Agent as of the date hereof as follows:

1. Each Loan Party has the legal power and authority to execute and deliver this Amendment and the officers of each Loan Party executing this Amendment have been duly authorized to execute and deliver the same and bind such Loan Party with respect to the provisions hereof.

2. This Amendment has been duly executed and delivered by each Loan Party that is a party hereto.

3. This Amendment and the Amended Credit Agreement each constitutes the legal, valid and binding obligations of each Loan Party, enforceable against such Loan Party in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

4. The execution and delivery by each Loan Party of this Amendment, the performance by each Loan Party of its obligations under the Amended Credit Agreement and under the other Loan Documents to which it is a party and the consummation of the transactions contemplated by the Amended Credit Agreement and the other Loan Documents: (i) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except such as have been obtained or made and are in full force and effect and except for filings necessary to perfect Liens created pursuant to the Loan Documents, (ii) will not violate any Requirement of Law applicable to any Loan Party or any of its Subsidiaries, (iii) will not violate or result in a default under any indenture or other agreement governing Indebtedness or any other material agreement or other instrument binding upon any Loan Party or any of its Restricted Subsidiaries, or give rise to a right thereunder to require any payment to be made by any Loan Party or any of its Restricted Subsidiaries and (iv) will not result in the creation or imposition of any Lien on any asset of any Loan Party or any of its Restricted Subsidiaries, except Liens created pursuant to the Loan Documents.

5. Each Borrower and each other Loan Party hereby reaffirms all covenants, representations and warranties made by it in the Credit Agreement and the other Loan Documents and agrees and confirms that all such representations and warranties are true and correct in all material respects on and as of the date of this Amendment as though made on and as of such date, except for any representation and warranty made as of an earlier date, which representation and warranty remains true and correct in all material respects as of such earlier date.

6. Each Borrower has caused to be conducted a thorough review of the terms of the Credit Agreement and the other Loan Documents and each Borrower's and its Subsidiaries' operations since the Effective Date and, as of the date hereof and after giving effect to the terms hereof, no Default has occurred and is continuing.

IV. Post-Closing Covenants.

1. No later than 30 days following the Amendment No. 2 Effective Date (or such longer period as may be agreed to by the Administrative Agent and each Collateral Agent, each in its sole discretion), to the extent not previously provided to the Administrative Collateral Agent or the UK Security Trustee, as applicable, such Agent shall have received (i) updated stock powers or stock transfer forms, as applicable, for each certificate representing the shares of Equity Interests pledged pursuant to the Security Agreements, in each case executed in blank by a duly authorized officer of the pledgor thereof and (ii) updated allonges or transfer forms, as applicable, for each promissory note pledged to the Administrative Collateral Agent or the UK Security Trustee, as applicable, in each case executed in blank by a duly authorized officer of the pledgor thereof. For purposes of this paragraph, an officer is duly authorized to execute such stock power, allonge or transfer form if he or she is serving in the capacity set forth on such power or transfer form at the time such power or transfer form is delivered to the Administrative Collateral Agent.

V. Reference to and Effect on the Credit Agreement.

1. Upon the effectiveness of this Amendment pursuant to Section II above, on and after the date hereof, each reference in the Credit Agreement to "this Agreement," "hereunder," "hereof," "herein" or words of like import shall mean and be a reference to the Credit Agreement as modified hereby.

2. Except as specifically amended or modified by this Amendment and the Reaffirmation Agreements (as defined in the Amended Credit Agreement), the Credit Agreement and all other documents, instruments and agreements executed and/or delivered in connection therewith, shall remain in full force and effect, and are hereby ratified and confirmed.

3. The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Administrative Agent, any other Agent or the Lenders, nor constitute a waiver of any provision of the Credit Agreement or any other documents, instruments and agreements executed and/or delivered in connection therewith.

VI. Costs and Expenses. Each Borrower agrees to pay all reasonable out-of-pocket expenses, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent and the Co-Collateral Agent, incurred by any Agent and any of its Affiliates in connection with the preparation, arrangement, execution and enforcement of this Amendment and all other instruments, agreements and other documents executed in connection herewith. All costs and expenses in connection with this Amendment are due on or prior to the effective date of this Amendment.

VII. Miscellaneous.

1. Governing Law. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, AND ANY DISPUTE BETWEEN ANY BORROWER AND ANY OTHER PARTY HERETO ARISING OUT OF, CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH, THIS AMENDMENT, THE CREDIT

AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS, AND WHETHER ARISING IN CONTRACT, TORT, EQUITY, OR OTHERWISE, SHALL BE RESOLVED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING 5-1401 OF THE GENERAL OBLIGATION LAW OF THE STATE OF NEW YORK BUT OTHERWISE WITHOUT REGARD TO THE CONFLICTS OF LAWS PROVISIONS).

2. Waiver . To induce the Administrative Agent and Lenders to enter into this Amendment, each Loan Party further acknowledges that it has no actual or potential defense, offset, claim, counterclaim or cause of action against the Administrative Agent or any Secured Party for any actions or events occurring on or before the date hereof, and each Loan Party hereby waives and releases any right to assert same.

3. Headings . Section headings in this Amendment are included herein for convenience of reference only, are not part of this Amendment and shall not affect the construction of, or be taken into consideration in interpreting, this Amendment.

4. Terms Generally . References in this Amendment, the Credit Agreement and the Amended Credit Agreement to the words "clause" and "paragraph" shall be construed to have the same meaning.

5. Counterparts . This Amendment may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute this Amendment by signing any such counterpart. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or by other electronic image scan transmission (including via e-mail) shall be effective as delivery of a manually executed counterpart of this Amendment. The Administrative Agent may also require that any such documents and signatures delivered by facsimile or by other electronic image scan transmission be confirmed by a manually signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any document or signature delivered by facsimile or other electronic image scan transmission.

6. No Strict Construction . The parties hereto have participated jointly in the negotiation and drafting of this Amendment, the Credit Agreement and the other Loan Documents. In the event an ambiguity or question of intent or interpretation arises, this Amendment, the Credit Agreement and the other Loan Documents shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Amendment, the Credit Agreement or any of the other Loan Documents.

7. Amendment Constitutes Loan Document . This Amendment shall constitute a "Loan Document" for purposes of the Credit Agreement and the other Loan Documents.

8. Amendments to Security Agreements . Each Lender party hereto hereby consents to the amendments contained in, and directs the Administrative Agent and the Collateral Agent to enter into, the Canadian Reaffirmation Agreement and the U.S. Reaffirmation Agreement, each as defined in the Amended Credit Agreement.

[The remainder of this page is intentionally blank.]

IN WITNESS WHEREOF, this Amendment has been duly executed as of the day and year first above written.

BORROWERS:

COTT CORPORATION CORPORATION COTT

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT BEVERAGES INC.

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

CLIFFSTAR LLC

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT BEVERAGES LIMITED

By /s/ Gregory Leiter
Name: Gregory Leiter
Title: Director

OTHER LOAN PARTIES:

156775 CANADA INC.

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

967979 ONTARIO LIMITED

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

804340 ONTARIO LIMITED

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

2011438 ONTARIO LIMITED

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT RETAIL BRANDS LIMITED

By /s/ Gregory Leiter
Name: Gregory Leiter
Title: Director

COTT LIMITED

By /s/ Gregory Leiter
Name: Gregory Leiter
Title: Director

COTT EUROPE TRADING LIMITED

By /s/ Gregory Leiter
Name: Gregory Leiter
Title: Director

COTT PRIVATE LABEL LIMITED

By /s/ Gregory Leiter
Name: Gregory Leiter
Title: Director

COTT NELSON (HOLDINGS) LIMITED

By /s/ Gregory Leiter
Name: Gregory Leiter
Title: Director

COTT (NELSON) LIMITED

By /s/ Gregory Leiter
Name: Gregory Leiter
Title: Director

COTT USA FINANCE LLC

By /s/ Jerry Hoyle
Name: Jerry Hoyle
Title: Authorized Representatives

COTT HOLDINGS INC.

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

INTERIM BCB, LLC

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT VENDING INC.

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT INVESTMENT, L.L.C.

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT USA CORP.

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT U.S. HOLDINGS LLC

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT U.S. ACQUISITION LLC

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT ACQUISITION LLC

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

STAR REAL PROPERTY LLC

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

CAROLINE LLC

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT UK ACQUISITION LIMITED

By: /s/ Jerry Hoyle
Name: Jerry Hoyle
Title: Director

COTT ACQUISITION LIMITED

By: /s/ Jerry Hoyle
Name: Jerry Hoyle
Title: Director

COTT LUXEMBOURG S.A.R.L.

By: /s/ Jerry Hoyle
Name: Jerry Hoyle
Title: Class A Manager

By: /s/ Luc Sunnen
Name: Luc Sunnen
Title: Class B Manager

JPMORGAN CHASE BANK, N.A., individually, as an Issuing Bank, as a Swingline Lender and as a Lender

By /s/ David J. Waugh
Name: David J. Waugh
Title: Senior Vice President

JPMORGAN CHASE BANK, N.A., as Administrative Agent and as Administrative Collateral Agent

By /s/ David J. Waugh
Name: David J. Waugh
Title: Senior Vice President

JPMORGAN CHASE BANK, N.A., TORONTO BRANCH, as an Issuing Bank, as a Swingline Lender and as a Lender

By /s/ Agostino A. Marchetti
Name: Agostino A. Marchetti
Title: Senior Vice President

JPMORGAN CHASE BANK, N.A., LONDON BRANCH, as an Issuing Bank, as a Swingline Lender and as a Lender

By /s/ Timothy I. Jacob
Name: Timothy I. Jacob
Title: Senior Vice President

JPMORGAN CHASE BANK, N.A., LONDON BRANCH, as UK Security Trustee

By /s/ Timothy I. Jacob
Name: Timothy I. Jacob
Title: Senior Vice President

BANK OF AMERICA, N.A.,
as Documentation Agent and as a Lender

By /s/ Andrew A. Doherty
Name: Andrew A. Doherty
Title: Senior Vice President

BANK OF AMERICA, N.A., CANADA BRANCH,
as a Lender

By /s/ Medina Sales de Andrade
Name: Medina Sales de Andrade
Title: Vice President

Signature page to Amendment No. 2 to
Credit Agreement

GENERAL ELECTRIC CAPITAL CORPORATION,
as Co-Collateral Agent and as a Lender

By /s/ Philip F. Carfora
Name: Philip F. Carfora
Title: Duly Authorized Signatory

DEUTSCHE BANK AG NEW YORK BRANCH,
as a Lender

By /s/ Carin Keegan
Name: Carin Keegan
Title: Director

By /s/ Evelyn Thierry
Name: Evelyn Thierry
Title: Director

DEUTSCHE BANK AG, CANADA BRANCH,
as a Lender

By /s/ Paul M. Jurist
Name: Paul M. Jurist
Title: Managing Director and Principal Officer

By /s/ Marcellus Leung
Name: Marcellus Leung
Title: Assistant Vice President

WELLS FARGO CAPITAL FINANCE, LLC,
as a Lender

By /s/ David Hill
Name: David Hill
Title: Vice President

WELLS FARGO CAPITAL FINANCE
CORPORATION CANADA,
as a Lender

By /s/ Lawrence Clement
Name: Lawrence Clement
Title: Senior Vice President

WELLS FARGO BANK, N.A.
(LONDON BRANCH), as a Lender

By /s/ David Hill
Name: David Hill
Title: Vice President

PNC BANK, NATIONAL ASSOCIATION,
as a Lender

By /s/ Todd W. Milenius
Name: Todd W. Milenius
Title: Vice President

PNC BANK, CANADA BRANCH,
as a Lender

By /s/ Mike Danby
Name: Mike Danby
Title: Assistant Vice President

Exhibit 31.1

CERTIFICATIONS PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002.

I, Jerry Fowden, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cott Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 1, 2012

/s/ Jerry Fowden
Jerry Fowden
Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002.

I, Jay Wells, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cott Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

November 1, 2012

/s/ Jay Wells

Jay Wells

Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, Jerry Fowden, Chief Executive Officer of Cott Corporation (the "Company"), has executed this certification in connection with the filing with the Securities and Exchange Commission of the Company's Quarterly Report on Form 10-Q for the quarter ended September 29, 2012 (the "Report").

The undersigned hereby certifies that to the best of his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

IN WITNESS WHEREOF, the undersigned has executed this certification as of the 1st day of November, 2012.

/s/ Jerry Fowden
Jerry Fowden
Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, Jay Wells, Chief Financial Officer of Cott Corporation (the “Company”), has executed this certification in connection with the filing with the Securities and Exchange Commission of the Company’s Quarterly Report on Form 10-Q for the quarter ended September 29, 2012 (the “Report”).

The undersigned hereby certifies that to the best of his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

IN WITNESS WHEREOF, the undersigned has executed this certification as of the 1 st day of November, 2012.

/s/ Jay Wells
Jay Wells
Chief Financial Officer