

# PRIMO WATER CORP /CN/

## **FORM 8-K** (Current report filing)

Filed 10/28/15 for the Period Ending 10/28/15

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

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

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**FORM 8-K**

**CURRENT REPORT**

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

**Date of Report: October 28, 2015**  
(Date of earliest event reported)

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

**Canada**  
(State or other jurisdiction  
of incorporation)

**001-31410**  
(Commission File  
Number)

**98-0154711**  
(IRS Employer  
Identification Number)

**6525 Viscount Road**  
**Mississauga, Ontario, Canada**

**L4V1H6**

**5519 West Idlewild Ave**  
**Tampa, Florida, United States**  
(Address of principal executive offices)

**33634**  
(Zip Code)

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

**Not Applicable**  
(Former Name or Former Address, if changed since last report)

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

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

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**Item 2.02. Results of Operations and Financial Condition**

On October 28, 2015, Cott Corporation (the "Company") issued a press release reporting financial results for the fiscal quarter ended October 3, 2015. A copy of the press release is furnished herewith under the Securities Exchange Act of 1934, as amended, as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference into this Item 2.02 as if fully set forth herein.

**Item 8.01. Other Events**

On October 28, 2015, the Company announced that the Board of Directors declared a dividend of \$0.06 per common share, payable in cash on December 10, 2015 to shareowners of record at the close of business on December 1, 2015.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits

(d) Exhibits

99.1 [Press Release of Cott Corporation dated October 28, 2015](#)

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**SIGNATURE**

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

Dated: October 28, 2015

**COTT CORPORATION**

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

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**Exhibit Index**

**Exhibit No.**

99.1

**Description**

Press Release of Cott Corporation dated October 28, 2015

## Cott Reports Third Quarter 2015 Results and Declares Dividend

(Unless stated otherwise, all third quarter 2015 comparisons are relative to the third quarter of 2014; all information is in U.S. dollars.)

TORONTO, ON and TAMPA, FL -- (Marketwired - October 28, 2015) - Cott Corporation (NYSE: COT) (TSX: BCB) today announced its results for the third quarter ended October 3, 2015.

### THIRD QUARTER 2015 HIGHLIGHTS

- Revenue increased 41% to \$756 million (\$776 million excluding the impact of foreign exchange) compared to \$535 million.
- Gross profit increased 234% to \$233 million compared to \$70 million, which resulted in gross profit as a percentage of revenue of 30.8% compared to 13.0%.
- Adjusted EBITDA increased 103% to \$95 million (\$98 million excluding the impact of foreign exchange) compared to \$47 million. Reported EBITDA increased 114% to \$86 million compared to \$40 million.
- Reported free cash flow increased 28% to \$64 million, reflecting \$92 million of net cash provided by operating activities less \$28 million of capital expenditures. Adjusted free cash flow increased 29%.
- Cott continued to focus on its strategic priorities designed to build long-term shareowner value with:
  - Over \$2 million of DS Services synergies were realized during the third quarter for a total of \$6 million of synergies realized to date.
  - DS Services completed the acquisitions of two home and office delivery ("HOD") water businesses towards the end of the quarter, which together are expected to generate approximately \$9 million in annual revenues. Three additional Asset Purchase Agreements have been signed for the acquisition of small HOD businesses with expected combined revenues of over \$1 million per year. The acquisitions, which are subject to customary closing conditions, are expected to close in the fourth quarter of 2015 or first quarter of 2016.
  - Volume stabilization within the Cott North America business unit continued as contract manufacturing and sparkling and flavored water grew by approximately 50% and 9%, respectively, offsetting the general market declines in carbonated soft drinks ("CSDs") and private label shelf stable juices ("SSJs"). Gross margins increased 130 basis points from 11.5% to 12.8% as a result of stable volumes.

"I am pleased with the progress made in diversifying our business via our organic growth in contract manufacturing and sparkling and flavored waters alongside the continued growth from DS Services," commented Jerry Fowden, Cott's Chief Executive Officer. "I believe with the platform we now have and the attractive opportunity to undertake value creative acquisitions within the HOD market, we are well positioned to continue our diversification, support higher gross margins and grow both EBITDA and free cash flow," continued Mr. Fowden.

### THIRD QUARTER 2015 GLOBAL PERFORMANCE

- Revenue increased 41% to \$756 million (\$776 million excluding the impact of foreign exchange) compared to \$535 million.
- Gross profit increased 234% to \$233 million, with gross margin of 30.8% compared to 13.0%. Excluding DS Services, gross margin increased by 110 basis points to 14.1% from 13.0% driven primarily by stable volumes in our Cott North America business unit, offset in part by the impact of foreign exchange and the competitive environment in our U.K./Europe business unit.
- Selling, general and administrative ("SG&A") expenses were \$196 million compared to \$50 million. The increase in SG&A expenses included \$142 million in expenses associated with the addition of the DS Services business.
- Interest expense increased to \$27 million compared to \$9 million due primarily to the additional debt incurred in connection with the DS Services acquisition.
- Other expense was \$1 million compared to \$5 million (which included \$4 million in costs associated with the redemption of \$79 million of our 8.125% senior notes due in 2018 in a cash tender offer).
- Income tax benefit was \$6 million compared to expense of \$2 million.
- Adjusted net income and adjusted net income per diluted share were \$10 million and \$0.09, respectively, compared to adjusted net income of \$8 million and adjusted net income per diluted share of \$0.08. Reported net income and net income per diluted share were \$5 million and \$0.04, respectively, compared to reported net income and net income per diluted share of \$1 million and \$0.01, respectively.
- Adjusted EBITDA increased 103% to \$95 million (\$98 million excluding the impact of foreign exchange) due primarily to the addition of the DS Services business and stable volumes within our North America business unit, offset in part by the competitive environment in our U.K./Europe business unit.
- Reported free cash flow increased by 28% to \$64 million, reflecting \$92 million of net cash provided by operating activities less \$28 million of capital expenditures. Adjusted free cash flow increased 29%. Through the first nine months of the fiscal year, adjusted free cash flow increased 127% to \$62 million. Reported free cash flow was \$81 million through the first nine months of the fiscal year, reflecting \$166 million of net cash provided by operating activities less \$85 million of capital expenditures.

## THIRD QUARTER 2015 REPORTING SEGMENT PERFORMANCE

- Cott North America volume was broadly flat in actual cases and servings driven by increases in contract manufacturing and other growth areas such as sparkling waters and mixers, offset by a general market decline in CSDs and private label SSJs. Revenue was lower by 4% (lower by 2% excluding the impact of foreign exchange) at \$339 million due primarily to an overall product mix shift into contract manufacturing and across other private label categories.
- DS Services revenue increased 3.2% to \$268 million due primarily to growth in HOD water, single cup coffee delivery, and retail sales, offset in part by a declining energy surcharge as a result of lower diesel fuel prices and reduced sales in traditional brew basket coffee. Revenue on an adjusted basis increased 4%.
- U.K./Europe volume decreased 6% in servings due to poor weather, general market decline, and the competitive environment within the United Kingdom. Revenue decreased 19% (decreased 12% excluding the impact of foreign exchange) to \$140 million due to unfavorable foreign exchange rates, lower volumes and adverse mix.
- All Other revenue excluding the impact of foreign exchange was flat at \$17 million.

## DECLARATION OF DIVIDEND

Our Board of Directors has declared a dividend of \$0.06 per share on common shares, payable in cash on December 10, 2015 to shareowners of record at the close of business on December 1, 2015.

## THIRD QUARTER RESULTS CONFERENCE CALL

Cott Corporation will host a conference call today, October 28, 2015, at 10:00 a.m. ET, to discuss third quarter results, which can be accessed as follows:

North America: (888) 211-9963  
International: (913) 312-0713  
Passcode: 856639

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

## ABOUT COTT CORPORATION

Cott is one of the world's largest producers of beverages on behalf of retailers, brand owners and distributors, and has one of the broadest home and office bottled water and office coffee services distribution networks in the United States, with the ability to service approximately 90 percent of U.S. households, as well as national, regional and local offices.

Cott produces multiple types of beverages in a variety of packaging formats and sizes, including carbonated soft drinks, 100% shelf stable juice and juice-based products, clear, still and sparkling flavored waters, energy drinks and shots, sports drinks, new age beverages, ready-to-drink teas, beverage concentrates, liquid enhancers, freezables and ready-to-drink alcoholic beverages, as well as hot chocolate, coffee, malt drinks, creamers/whiteners and cereals. Cott's large manufacturing footprint, broad distribution network, substantial research and development capability and high-level of quality and customer service enables Cott to offer its customers a strong value-added proposition of low cost, high quality products and services. In addition, Cott is now a national direct-to-consumer provider of bottled water, office coffee and water filtration services offering a comprehensive portfolio of beverage products, equipment and supplies to approximately 1.5 million customer locations through its network of over 180 warehouse, branch and distribution facilities and daily operation of over 2,200 routes.

With over 9,000 employees, Cott operates approximately 60 manufacturing facilities and 180 distribution facilities in the United States, Canada, the United Kingdom and Mexico. Cott also develops and manufactures beverage concentrates, which it exports to approximately 50 countries around the world.

## Non-GAAP Measures

To supplement its reporting of financial measures determined in accordance with GAAP, Cott utilizes certain non-GAAP financial measures. Cott excludes from GAAP revenue the impact of foreign exchange, the impact of energy surcharges, and, in some cases, the impact of DS Services, to separate the impact of currency exchange rate changes, energy surcharges and recent acquisitions from Cott's results of operations. Cott utilizes adjusted gross margin (on a global, and in some cases, business unit basis), adjusted net income (loss), adjusted net income (loss) per diluted share, EBITDA and adjusted EBITDA (on a global, and in some cases, business unit, basis) to separate the impact of certain items from the underlying business. Because Cott uses these adjusted financial results in the management of its business, management believes this supplemental information is useful to investors for their independent evaluation and understanding of Cott's underlying business performance and the performance of its management. Additionally, Cott supplements its reporting of net cash provided by operating activities determined in accordance with GAAP by excluding capital expenditures to present free cash flow, and by excluding bond redemption cash costs, DSS integration capital expenditures and acquisition/integration cash costs to present adjusted free cash flow, which management believes provides useful information to investors about the amount of cash generated by the business that, after the acquisition of property and equipment, can be used for strategic opportunities, including investing in our business, making strategic acquisitions, paying dividends, and strengthening the balance sheet. The non-GAAP financial measures described above are in addition to, and not meant to be considered superior to, or a substitute for, Cott's financial statements prepared in accordance with GAAP. In addition, the non-GAAP financial measures included in this earnings announcement reflect management's judgment of particular items, and may be different from, and therefore may not be comparable to, similarly titled measures reported by other companies.

## Safe Harbor Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 conveying management's expectations as to the future based on plans, estimates and projections at the time Cott makes the statements.

Forward-looking statements involve inherent risks and uncertainties and Cott cautions you that a number of important factors could cause actual results to differ materially from those contained in any such forward-looking statement. The forward-looking statements contained in this press release include, but are not limited to, statements related to the execution of our strategic priorities (including, but not limited to, statements related to the integration and synergy targets in connection with the DS Services business), the anticipated closing of certain acquisitions in our DS Services business, future financial and operating trends and results and related matters. The forward-looking statements are based on assumptions regarding management's current plans and estimates. Management believes these assumptions to be reasonable but there is no assurance that they will prove to be accurate.

Factors that could cause actual results to differ materially from those described in this press release include, among others: our ability to compete successfully in a 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; a loss of or a reduction in business in our legacy Cott business with key customers, particularly Walmart; consolidation of retail customers; 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; our ability to fully realize the potential benefit of acquisitions or other strategic opportunities that we pursue; our ability to realize the expected benefits of recent acquisitions or other strategic opportunities that we may pursue because of integration difficulties and other challenges; risks associated with the DS Services acquisition agreement; changes resulting from our assessment of the effectiveness of the system of internal control over financial reporting maintained by DS Services; limited financial information on which to evaluate the combined company; the incurrence of substantial indebtedness to finance the DS Services acquisition; our exposure to intangible asset risk; 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 substantial indebtedness and our ability to meet our obligations under our debt agreements, and risks of further increases to our indebtedness; our ability to maintain compliance with the covenants and conditions under our debt agreements; fluctuations in interest rates, which could increase our borrowing costs; 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 maintain access to our water sources; 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; the seasonal nature of our business and the effect of adverse weather conditions; 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; our ability to renew our collective bargaining agreements on satisfactory terms; disruptions in our information systems; or our ability to securely maintain our customers' confidential or credit card information, or other private data relating to our employees or our company.

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

Website: [www.cott.com](http://www.cott.com)

COTT CORPORATION EXHIBIT 1  
CONSOLIDATED STATEMENTS OF OPERATIONS  
RECONCILIATION OF NON-GAAP TO GAAP RESULTS  
(in millions of U.S. dollars, except share and per share amounts)  
Unaudited

	For the Three Months Ended October 3, 2015				
	GAAP	Acquisition and Integration Expenses	Other Adjustments	Unrealized and other non-cash expenses	Non-GAAP
Revenue, net	\$ 755.6	\$ -	\$ 2.1	\$ -	\$ 757.7
Cost of sales	523.1	-	-	-	523.1
Gross profit	232.5	-	2.1	-	234.6
Selling, general and administrative expenses	196.2	-	0.9	-	197.1
Loss on disposal of property, plant & equipment	1.1	-	-	(1.1)	-
Restructuring Asset impairments	-	-	-	-	-
Acquisition and integration	-	-	-	-	-

expenses	6.6	(6.6)	-	-	-
	-----	-----	-----	-----	-----
Operating income	28.6	6.6	1.2	1.1	37.5
Other expense, net	0.6	-	-	0.5	1.1
Interest expense, net	27.4	-	-	-	27.4
	-----	-----	-----	-----	-----
Income before income taxes - EBT	0.6	6.6	1.2	0.6	9.0
Income tax (benefit) expense	(5.8)	2.5	0.4	0.2	(2.7)
	-----	-----	-----	-----	-----
Net income	\$ 6.4	\$ 4.1	\$ 0.8	\$ 0.4	\$ 11.7
Less: Net income attributable to non-controlling interests	1.6	-	-	-	1.6
Less: Accumulated dividends on convertible preferred shares	-	-	-	-	-
Less: Accumulated dividends on non-convertible preferred shares	-	-	-	-	-
Less: Foreign exchange impact on redemption of preferred shares	-	-	-	-	-
	-----	-----	-----	-----	-----
Net income attributed to Cott Corporation	\$ 4.8	\$ 4.1	\$ 0.8	\$ 0.4	\$ 10.1
	=====	=====	=====	=====	=====
Net income per common share attributed to Cott Corporation					
Basic	\$ 0.04			\$ 0.09	
Diluted	\$ 0.04			\$ 0.09	
Weighted average outstanding shares (millions) attributed to Cott Corporation					
Basic	109.7			109.7	
Diluted	110.4			110.4	
Dividends					

declared per common share	\$	0.06		
EBT	\$	0.6		\$ 9.0
Interest expense, net		27.4		27.4
Depreciation & Amortization		58.1		58.1
		-----		-----
EBITDA	\$	86.1		\$ 94.5
		=====		=====

For the Three Months Ended September 27, 2014

	GAAP	Acquisition and Integration Expenses	Other Adjustments	Unrealized and other non-cash expenses	Non-GAAP
	-----	-----	-----	-----	-----
Revenue, net	\$ 535.0	\$ -	\$ -	\$ -	\$ 535.0
Cost of sales	465.5	-	-	-	465.5
	-----	-----	-----	-----	-----
Gross profit	69.5	-	-	-	69.5
Selling, general and administrative expenses	49.9	-	(0.9)	-	49.0
Loss on disposal of property, plant & equipment	0.4	-	-	(0.4)	-
Restructuring Asset impairments	(0.2)	-	0.2	-	-
Acquisition and integration expenses	0.5	(0.5)	-	-	-
	-----	-----	-----	-----	-----
Operating income	18.8	0.5	0.8	0.4	20.5
Other expense, net	5.4	-	(4.4)	(0.3)	0.7
Interest expense, net	9.0	-	-	-	9.0
	-----	-----	-----	-----	-----
Income before income taxes - EBT	4.4	0.5	5.2	0.7	10.8
Income tax (benefit) expense	1.8	-	-	-	1.8
	-----	-----	-----	-----	-----
Net income	\$ 2.6	\$ 0.5	\$ 5.2	\$ 0.7	\$ 9.0
Less: Net income attributable to non- controlling					

interests	1.3	-	-	-	1.3
Less:					
Accumulated dividends on convertible preferred shares	-	-	-	-	-
Less:					
Accumulated dividends on non-convertible preferred shares	-	-	-	-	-
Less: Foreign exchange impact on redemption of preferred shares	-	-	-	-	-
	-----	-----	-----	-----	-----
Net income attributed to Cott Corporation	\$ 1.3	\$ 0.5	\$ 5.2	\$ 0.7	\$ 7.7
	=====	=====	=====	=====	=====
Net income per common share attributed to Cott Corporation					
Basic	\$ 0.01			\$ 0.08	
Diluted	\$ 0.01			\$ 0.08	
Weighted average outstanding shares (millions) attributed to Cott Corporation					
Basic	93.6			93.6	
Diluted	94.3			94.3	
Dividends declared per common share	\$ 0.06				
EBT	\$ 4.4			\$ 10.8	
Interest expense, net	9.0			9.0	
Depreciation & Amortization	26.8			26.8	
	-----			-----	
EBITDA	\$ 40.2			\$ 46.6	
	=====			=====	

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

EXHIBIT 2

For the Nine Months Ended October 3, 2015

-----  
Acquisition  
and

Unrealized  
and other

	GAAP	Integration Expenses	Other Adjustments	non-cash expenses	Non-GAAP
	-----	-----	-----	-----	-----
Revenue, net	\$ 2,245.2	\$ 0.9	\$ 5.5	\$ -	\$ 2,251.6
Cost of sales	1,570.8	(3.3)	-	1.2	1,568.7
	-----	-----	-----	-----	-----
Gross profit	674.4	4.2	5.5	(1.2)	682.9
Selling, general and administrative expenses	574.9	-	3.7	-	578.6
Loss (gain) on disposal of property, plant & equipment	2.7	-	1.0	(3.8)	(0.1)
Restructuring Asset impairments	-	-	-	-	-
Acquisition and integration expenses	15.4	(15.4)	-	-	-
	-----	-----	-----	-----	-----
Operating income	81.4	19.6	0.8	2.6	104.4
Other (income) expense, net	(8.8)	-	-	10.4	1.6
Interest expense, net	83.0	-	-	-	83.0
	-----	-----	-----	-----	-----
Income (loss) before income taxes - EBT	7.2	19.6	0.8	(7.8)	19.8
Income tax (benefit) expense	(16.3)	7.2	0.2	(1.8)	(10.7)
	-----	-----	-----	-----	-----
Net income (loss)	\$ 23.5	\$ 12.4	\$ 0.6	\$ (6.0)	\$ 30.5
Less: Net income attributable to non-controlling interests	4.6	-	-	-	4.6
Less: Accumulated dividends on convertible preferred shares	4.5	-	-	-	4.5
Less: Accumulated dividends on non-convertible preferred shares	1.4	-	-	-	1.4
Less: Foreign exchange impact on redemption of preferred shares	12.0	-	(12.0)	-	-
	-----	-----	-----	-----	-----

Net income					
(loss)					
attributed to					
Cott					
Corporation	\$ 1.0	\$ 12.4	\$ 12.6	\$ (6.0)	\$ 20.0
	=====	=====	=====	=====	=====

Net income (loss) per				
common share attributed				
to Cott Corporation				
Basic	\$ 0.01			\$ 0.20
Diluted	\$ 0.01			\$ 0.20

Weighted average outstanding shares  
(millions) attributed to Cott

Corporation		
Basic	100.8	100.8
Diluted	101.4	101.4

Dividends  
declared per  
common share

\$ 0.18

EBT	\$ 7.2	\$ 19.8
Interest		
expense, net	83.0	83.0
Depreciation &		
Amortization	173.7	173.7
	-----	-----
EBITDA	\$ 263.9	\$ 276.5
	=====	=====

For the Nine Months Ended September 27, 2014

	GAAP	Acquisition and Integration Expenses	Other Adjustments	Unrealized and other non-cash expenses	Non-GAAP
	-----	-----	-----	-----	-----
Revenue, net	\$ 1,559.3	\$ -	\$ -	\$ -	\$ 1,559.3
Cost of sales	1,354.6	(1.2)	-	-	1,353.4
	-----	-----	-----	-----	-----
Gross profit	204.7	1.2	-	-	205.9
Selling, general and administrative expenses	147.5	-	(1.2)	-	146.3
Loss (gain) on disposal of property, plant & equipment	0.4	-	-	(0.5)	(0.1)
Restructuring Asset	2.4	-	(2.4)	-	-
impairments	1.7	-	(1.7)	-	-
Acquisition and integration expenses	3.4	(3.4)	-	-	-
	-----	-----	-----	-----	-----
Operating					

income	49.3	4.6	5.3	0.5	59.7
Other (income) expense, net	22.9	3.5	(24.9)	(1.6)	(0.1)
Interest expense, net	27.2	-	-	-	27.2
	-----	-----	-----	-----	-----
Income (loss) before income taxes - EBT	(0.8)	1.1	30.2	2.1	32.6
Income tax (benefit) expense	3.8	0.7	1.0	0.3	5.8
	-----	-----	-----	-----	-----
Net income (loss)	\$ (4.6)	\$ 0.4	\$ 29.2	\$ 1.8	\$ 26.8
Less: Net income attributable to non-controlling interests	4.1	-	-	-	4.1
Less: Accumulated dividends on convertible preferred shares	-	-	-	-	-
Less: Accumulated dividends on non-convertible preferred shares	-	-	-	-	-
Less: Foreign exchange impact on redemption of preferred shares	-	-	-	-	-
	-----	-----	-----	-----	-----
Net income (loss) attributed to Cott Corporation	\$ (8.7)	\$ 0.4	\$ 29.2	\$ 1.8	\$ 22.7
	=====	=====	=====	=====	=====
Net income (loss) per common share attributed to Cott Corporation					
Basic	\$ (0.09)			\$ 0.24	
Diluted	\$ (0.09)			\$ 0.24	
Weighted average outstanding shares (millions) attributed to Cott Corporation					
Basic	94.1			94.1	
Diluted	94.1			95.1	
Dividends					

declared per common share	\$	0.18		
EBT	\$	(0.8)	\$	32.6
Interest expense, net		27.2		27.2
Depreciation & Amortization		77.7		77.7
		-----		-----
EBITDA	\$	104.1	\$	137.5
		=====		=====

COTT CORPORATION EXHIBIT 3  
CONSOLIDATED BALANCE SHEETS  
(in millions of U.S. dollars, except share amounts, U.S. GAAP)  
Unaudited

	-----	-----
	October 3, 2015	January 3, 2015
	-----	-----
ASSETS		
Current assets		
Cash & cash equivalents	\$ 63.7	\$ 86.2
Accounts receivable, net of allowance	324.4	305.7
Income taxes recoverable	1.1	1.6
Inventories	253.9	262.4
Prepaid expenses and other current assets	37.5	59.3
	-----	-----
Total current assets	680.6	715.2
Property, plant & equipment, net	803.2	864.5
Goodwill	751.1	743.6
Intangibles and other assets, net	736.6	781.7
Deferred income taxes	2.9	2.5
Other tax receivable	0.9	0.2
	-----	-----
Total assets	\$ 2,975.3	\$ 3,107.7
	=====	=====
LIABILITIES, PREFERRED SHARES AND EQUITY		
Current liabilities		
Short-term borrowings	\$ 152.0	\$ 229.0
Current maturities of long-term debt	3.7	4.0
Accounts payable and accrued liabilities	436.2	420.3
	-----	-----
Total current liabilities	591.9	653.3
Long-term debt	1,547.9	1,565.0
Deferred income taxes	95.3	119.9
Other long-term liabilities	77.4	71.8
	-----	-----
Total liabilities	2,312.5	2,410.0
Convertible preferred shares, \$1,000 stated value, no shares issued (January 3, 2015 - 116,054 shares issued)	-	116.1
Non-convertible preferred shares, \$1,000 stated value, no shares issued (January 3, 2015 - 32,711 shares issued)	-	32.7
Equity		
Capital stock, no par - 109,689,642 shares issued (January 3, 2015 - 93,072,850 shares		

issued)	532.6	388.3
Additional paid-in-capital	53.0	46.6
Retained earnings	140.5	158.1
Accumulated other comprehensive loss	(68.3)	(51.0)
	-----	-----
Total Cott Corporation equity	657.8	542.0
Non-controlling interests	5.0	6.9
	-----	-----
Total equity	662.8	548.9
	-----	-----
Total liabilities, preferred shares and equity \$	2,975.3	\$ 3,107.7
	=====	=====

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

EXHIBIT 4

	For the Three Months Ended		For the Nine Months Ended	
	October 3, 2015	September 27, 2014	October 3, 2015	September 27, 2014
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Operating Activities				
Net income (loss) \$	6.4	\$ 2.6	\$ 23.5	\$ (4.6)
Depreciation & amortization	58.1	26.8	173.7	77.7
Amortization of financing fees	1.2	0.7	3.6	1.9
Amortization of senior notes premium	(1.3)	-	(4.2)	-
Share-based compensation expense	2.3	1.5	8.4	4.9
(Decrease) increase in deferred income taxes	(4.7)	2.2	(21.6)	4.1
Write-off of financing fees and discount	-	0.8	-	4.1
Loss on disposal of property, plant & equipment	1.1	0.4	2.7	0.4
Asset impairments	-	(0.2)	-	1.7
Other non-cash items	4.7	-	(11.8)	(0.7)
Change in operating assets and liabilities, net of acquisitions:				
Accounts receivable	37.8	27.0	(22.9)	(39.3)
Inventories	10.5	17.4	5.6	9.8
Prepaid expenses and other current assets	2.9	(0.5)	28.7	(1.5)
Other assets	(3.8)	-	(7.5)	(0.2)
Accounts payable and accrued liabilities, and other liabilities	(24.3)	(17.5)	(14.3)	(19.7)
Income taxes recoverable	0.9	(0.7)	2.5	(1.1)
	-----	-----	-----	-----

Net cash provided by operating activities	91.8	60.5	166.4	37.5
Investing Activities				
Acquisitions, net of cash received	(22.0)	-	(22.5)	(80.8)
Additions to property, plant & equipment	(28.3)	(10.8)	(85.5)	(31.4)
Additions to intangibles and other assets	(0.5)	(1.5)	(2.7)	(4.3)
Proceeds from sale of property, plant & equipment and sale-leaseback	0.4	1.6	40.9	1.6
Net cash used in investing activities	(50.4)	(10.7)	(69.8)	(114.9)
Financing Activities				
Payments of long-term debt	(1.0)	(80.1)	(2.9)	(392.6)
Issuance of long-term debt	-	-	-	525.0
Borrowings under ABL	52.4	191.1	801.3	474.3
Payments under ABL	(97.3)	(156.0)	(874.5)	(455.4)
Distributions to non-controlling interests	(3.2)	(2.4)	(6.8)	(7.2)
Issuance of common shares	0.5	-	143.1	-
Financing fees	(0.1)	(1.2)	(0.3)	(9.1)
Preferred shares repurchased and cancelled	-	-	(148.8)	-
Common shares repurchased and cancelled	(0.1)	(4.6)	(0.8)	(7.7)
Dividends to common and preferred shareholders	(6.5)	(5.6)	(24.5)	(16.4)
Payment of deferred consideration for acquisitions	-	(32.4)	(2.5)	(32.4)
Net cash (used in) provided by financing activities	(55.3)	(91.2)	(116.7)	78.5
Effect of exchange rate changes on cash	(1.4)	(2.1)	(2.4)	(0.9)
Net (decrease) increase in cash & cash equivalents	(15.3)	(43.5)	(22.5)	0.2
Cash & cash equivalents, beginning of period	79.0	90.9	86.2	47.2
Cash & cash equivalents, end of period	\$ 63.7	\$ 47.4	\$ 63.7	\$ 47.4

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COTT CORPORATION  
 SEGMENT INFORMATION - NON-GAAP  
 (in millions of U.S. dollars)  
 Unaudited

EXHIBIT 5

For the Three Months Ended October 3, 2015

(in millions of U.S. dollars)	North America	DSS	U.K.	All Other	Corporate	Elimination	Total
Revenue							
Private label retail	\$ 270.4	\$ 17.0	\$ 65.4	\$ 0.9	\$ -	\$ (0.4)	\$ 353.3
Branded retail	30.0	22.9	42.0	0.9	-	(0.3)	95.5
Contract packaging	31.1	-	30.3	5.7	-	(2.4)	64.7
Home and office bottled water delivery	-	173.3	-	-	-	-	173.3
Office coffee services	-	28.1	-	-	-	-	28.1
Other	7.0	26.8	2.2	7.9	-	(3.2)	40.7
<b>Total</b>	<b>\$ 338.5</b>	<b>\$ 268.1</b>	<b>\$ 139.9</b>	<b>\$ 15.4</b>	<b>\$ -</b>	<b>\$ (6.3)</b>	<b>\$ 755.6</b>
Operating income (loss)	\$ 8.3	\$ 14.0	\$ 7.0	\$ 3.1	\$ (3.8)	\$ -	\$ 28.6

For the Three Months Ended September 27, 2014

(in millions of U.S. dollars)	North America	DSS	U.K.	All Other	Corporate	Elimination	Total
Revenue							
Private label retail	\$ 291.7	\$ -	\$ 84.0	\$ 1.8	\$ -	\$ (0.4)	\$ 377.1
Branded retail	28.9	-	47.9	1.3	-	(0.4)	77.7
Contract packaging	23.0	-	37.7	6.1	-	(1.2)	65.6
Home and office bottled water delivery	-	-	-	-	-	-	-
Office coffee services	-	-	-	-	-	-	-
Other	8.1	-	2.4	7.6	-	(3.5)	14.6
<b>Total</b>	<b>\$ 351.7</b>	<b>\$ -</b>	<b>\$ 172.0</b>	<b>\$ 16.8</b>	<b>\$ -</b>	<b>\$ (5.5)</b>	<b>\$ 535.0</b>



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

EXHIBIT 6

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

For the Three Months Ended October 3, 2015

	North America	DSS	U.K.	All Other	Elimination	Total
Change in revenue	\$ (13.2)	\$ 268.1	\$ (32.1)	\$ (1.4)	\$ (0.8)	\$ 220.6
Impact of foreign exchange(1)	6.9	-	11.3	1.7	-	19.9
Change excluding foreign exchange	\$ (6.3)	\$ 268.1	\$ (20.8)	\$ 0.3	\$ (0.8)	\$ 240.5
Percentage change in revenue	-3.8%	-	-18.7%	-8.3%	14.5%	41.2%
Percentage change in revenue excluding foreign exchange	-1.8%	-	-12.1%	1.8%	14.5%	45.0%
Impact of DSS Acquisition	\$ (2.3)	\$ (268.1)	\$ -	\$ -	\$ 2.3	\$ (268.1)
Change excluding foreign exchange and DSS Acquisition	\$ (8.6)	\$ -	\$ (20.8)	\$ 0.3	\$ 1.5	\$ (27.6)
Percentage change in revenue excluding foreign exchange and DSS Acquisition	-2.4%	-	-12.1%	1.8%	-27.3%	-5.2%

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

For the Nine Months Ended October 3, 2015

	North America	DSS	U.K.	All Other	Elimination	Total
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Change in revenue	\$ (55.6)	\$ 765.4	\$ (19.4)	\$ (5.1)	\$ 0.6	\$ 685.9
Impact of foreign exchange(1)	15.5	-	38.3	3.7	-	57.5
Change excluding foreign exchange	\$ (40.1)	\$ 765.4	\$ 18.9	\$ (1.4)	\$ 0.6	\$ 743.4
Percentage change in revenue	-5.1%	-	-4.4%	-10.2%	-3.4%	44.0%
Percentage change in revenue excluding foreign exchange	-3.7%	-	4.2%	-2.8%	-3.4%	47.7%
Impact of DSS Acquisition	\$ (3.9)	\$ (765.4)	\$ -	\$ -	\$ 3.9	\$ (765.4)
Change excluding foreign exchange and DSS Acquisition	\$ (44.0)	\$ -	\$ 18.9	\$ (1.4)	\$ 4.5	\$ (22.0)
Percentage change in revenue excluding foreign exchange and DSS Acquisition	-4.1%	-	4.2%	-2.8%	-25.4%	-1.4%

(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.

COTT CORPORATION EXHIBIT 7  
SUPPLEMENTARY INFORMATION - NON-GAAP - FREE CASH FLOW AND ADJUSTED FREE CASH FLOW  
(in millions of U.S. dollars)  
Unaudited

	For the Three Months Ended	
	October 3, 2015	September 27, 2014
Net cash provided by operating activities	\$ 91.8	\$ 60.5
Less: Capital expenditures	(28.3)	(10.8)
Free Cash Flow	\$ 63.5	\$ 49.7
Plus:		
Bond redemption cash costs	-	3.8
DSS integration capital expenditures	1.8	-
Acquisition and integration cash costs	4.3	0.6
Adjusted Free Cash Flow	\$ 69.6	\$ 54.1

	For the Nine Months Ended	
	October 3, 2015	September 27, 2014
Net cash provided by operating activities	\$ 166.4	\$ 37.5
Less: Capital expenditures	(85.5)	(31.4)
Free Cash Flow	\$ 80.9	\$ 6.1
Plus:		
Bond redemption cash costs	-	20.8
DSS integration capital expenditures	1.8	-
Acquisition and integration cash costs	8.7	0.4
Less:		
Cash collateral (1)	(29.4)	-
Adjusted Free Cash Flow	\$ 62.0	\$ 27.3

(1) In connection with the DSS Acquisition, \$29.4 million of cash was required to collateralize certain DSS self-insurance programs. The \$29.4 million was funded with borrowings against our ABL facility, and the cash collateral was included within prepaid and other current assets on our Consolidated Balance Sheet at January 3, 2015. Subsequent to January 3, 2015 additional letters of credit were issued from our available ABL facility capacity, and the cash collateral was returned to the Company and used to repay a portion of our outstanding ABL facility.

DS SERVICES EXHIBIT 8  
SUPPLEMENTARY INFORMATION - NON-GAAP - ADJUSTED REVENUES  
(in millions of U.S. dollars, except number of ESC  
charges and average ESC rate)  
Unaudited

	Proforma	
	For the Three Months Ended October 3, 2015	For the Three Months Ended September 26, 2014
Revenue, net	\$ 268.1	\$ 259.8
Energy Surcharge (ESC)		
Number of ESC charges (in millions)	2.9	3.0
Average ESC rate	\$ 2.39	\$ 3.10
ESC Dollars	\$ 7.0	\$ 9.2
2015 Adjusted ESC dollars (1)	\$ 9.1	
Adjusted Revenue, net	\$ 270.2	\$ 259.8
Adjusted Revenue, net growth vs. Proforma	4.0%	

(1) 2015 ESC charges at 2014 proforma average ESC rate

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