PRIMO WATER CORP /CN/

FORM 10-Q
(Quarterly Report)

Filed 08/12/03 for the Period Ending 06/28/03

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	12/02

COTT CORP /CN/

FORM 10-Q
(Quarterly Report)

Filed 8/12/2003 For Period Ending 6/28/2003

Address	207 QUEENS QUAY W SUITE 340
	TORONTO ONTARIO CANA, 00000
Telephone	416-203-3898
CIK	0000884713
Industry	Beverages (Non-Alcoholic)
Sector	Consumer/Non-Cyclical
Fiscal Year	12/31

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended	June 28, 2003
Commission File Number	000-19914

COTT CORPORATION

(Exact name of registrant as specified in its charter)

CANADA	None
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

207 Queen's Quay W, Suite 340, Toronto, Ontario M5J 1A7
(Address of principal executive offices) (Postal Code)

(416) 203-3898
(Registrant's telephone number, including area code)

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 [X] No [ ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Exchange Act Rule 12b-2). Yes [X] No [ ]

There were 69,468,755 shares of common stock outstanding as of July 31, 2003.

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

COTT CORPORATION
CONSOLIDATED STATEMENTS OF INCOME

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

	For the three months ended		For the six months ended	
	JUNE 28, 2003	JUNE 29, 2002	JUNE 28, 2003	JUNE 29, 2002
SALES	$ 388.1	$ 329.5	$ 683.4	$ 579.5
Cost of sales	311.2	262.4	550.1	466.3
GROSS PROFIT	76.9	67.1	133.3	113.2
Selling, general and administrative expenses	32.5	28.3	64.1	56.0
Unusual items	(0.8)	--	(0.8)	--
OPERATING INCOME	45.2	38.8	70.0	57.2
Other expense (income), net - note 3	0.9	(0.5)	1.4	13.5
Interest expense, net	6.6	8.0	14.3	17.3
Minority interest	0.7	0.5	1.3	1.0
INCOME BEFORE INCOME TAXES AND EQUITY LOSS	37.0	30.8	53.0	25.4
Income taxes - note 4	(12.4)	(11.4)	(17.8)	(8.0)
Equity loss	--	(0.2)	(0.1)	(0.2)
INCOME FROM CONTINUING OPERATIONS	24.6	19.2	35.1	17.2
Cumulative effect of change in accounting principle - note 5	--	--	--	(44.8)
NET INCOME (LOSS) - note 6	$ 24.6	$ 19.2	$ 35.1	$ (27.6)
PER SHARE DATA - note 7				
INCOME (LOSS) PER COMMON SHARE - BASIC				
Income from continuing operations	$ 0.36	$ 0.31	$ 0.51	$ 0.28
Cumulative effect of change in accounting principle	$ --	$ --	$ --	$ (0.72)
Net income (loss)	$ 0.36	$ 0.31	$ 0.51	$ (0.44)
INCOME (LOSS) PER COMMON SHARE - DILUTED				
Income from continuing operations	$ 0.35	$ 0.27	$ 0.50	$ 0.24
Cumulative effect of change in accounting principle	$ --	$ --	$ --	$ (0.64)
Net income (loss)	$ 0.35	$ 0.27	$ 0.50	$ (0.39)

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

COTT CORPORATION
CONSOLIDATED BALANCE SHEETS

(in millions of U.S. dollars)

	JUNE 28, 2003 Unaudited	DECEMBER 28, 2002 Audited
ASSETS		
CURRENT ASSETS		
Cash	$ 2.3	$ 3.3
Accounts receivable	180.3	136.2
Inventories - note 8	93.1	78.0
Prepaid expenses and other	6.1	7.2
	281.8	224.7
PROPERTY, PLANT AND EQUIPMENT - note 9	294.3	273.0
GOODWILL - note 10	80.6	77.0
INTANGIBLES AND OTHER ASSETS - note 11	204.3	210.7
	$ 861.0	$ 785.4
LIABILITIES		
CURRENT LIABILITIES		
Short-term borrowings	$ 46.4	$ 21.3
Current maturities of long-term debt	8.9	16.5
Accounts payable and accrued liabilities	156.3	127.3
	211.6	165.1
LONG-TERM DEBT	300.3	339.3
OTHER LIABILITIES	42.2	36.2
	554.1	540.6
MINORITY INTEREST	26.2	26.6
SHAREOWNERS' EQUITY		
CAPITAL STOCK		
Common shares - 69,419,255 shares issued	256.7	248.1
RETAINED EARNINGS	41.0	5.9
ACCUMULATED OTHER COMPREHENSIVE LOSS	(17.0)	(35.8)
	280.7	218.2
	$ 861.0	$ 785.4

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

COTT CORPORATION
CONSOLIDATED STATEMENTS OF SHAREOWNERS' EQUITY

(in millions of U.S. dollars)
Unaudited

	NUMBER OF COMMON SHARES (in thousands)	COMMON SHARES	PREFERRED SHARES	RETAINED EARNINGS (DEFICIT)	ACCUMULATED OTHER COMPREHENSIVE LOSS	TOTAL EQUITY
Balance at December 29, 2001	61,320	$199.4	$ 40.0	$ 2.0	$(43.7)	$197.7
Options exercised, including tax benefit of $2.7 million	825	7.7	--	--	--	7.7
Conversion of preferred shares into common shares	6,286	40.0	(40.0)	--	--	--
Comprehensive loss - note 6						
Currency translation adjustment	--	--	--	--	7.9	7.9
Net loss	--	--	--	(27.6)	--	(27.6)
Balance at June 29, 2002	68,431	$247.1	$ --	$(25.6)	$(35.8)	$185.7
Balance at December 28, 2002	68,559	$248.1	$ --	$ 5.9	$(35.8)	$218.2
Options exercised, including tax benefit of $2.9 million	860	8.6	--	--	--	8.6
Comprehensive income - note 6						
Currency translation adjustment	--	--	--	--	18.8	18.8
Net income	--	--	--	35.1	--	35.1
Balance at June 28, 2003	69,419	$256.7	$ --	$ 41.0	$(17.0)	$280.7

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

COTT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions of U.S. dollars)
Unaudited

	For the three months ended		For the six months ended	
	JUNE 28, 2003	JUNE 29, 2002	JUNE 28, 2003	JUNE 29, 2002
OPERATING ACTIVITIES				
Income from continuing operations	$ 24.6	$ 19.2	$ 35.1	$ 17.2
Depreciation and amortization	12.8	10.5	24.9	20.8
Amortization of financing fees	0.4	0.4	1.3	0.9
Deferred income taxes	4.4	3.5	6.5	(0.7)
Minority interest	0.7	0.5	1.3	1.0
Equity loss	--	0.2	0.1	0.2
Gain on disposal of investment	--	(1.3)	--	(1.3)
Other non-cash items	(0.7)	0.1	(0.4)	4.6
Net change in non-cash working capital from continuing operations - note 12	(18.1)	(2.8)	(19.8)	(27.6)
Cash provided by operating activities	24.1	30.3	49.0	15.1
INVESTING ACTIVITIES				
Additions to property, plant and equipment	(17.8)	(7.9)	(27.9)	(18.6)
Acquisitions and equity investments	(0.2)	(29.2)	(0.5)	(31.0)
Other	0.1	2.0	0.1	1.4
Cash used in investing activities	(17.9)	(35.1)	(28.3)	(48.2)
FINANCING ACTIVITIES				
Payments of long-term debt	(15.4)	(0.8)	(53.4)	(278.4)
Issue of long-term debt	3.7	--	3.7	--
Short-term borrowings	2.6	2.4	24.3	16.9
Decrease in cash in trust	--	--	--	297.3
Distributions to subsidiary minority shareowner	(0.5)	(1.4)	(1.7)	(1.7)
Issue of common shares	4.6	0.3	5.7	5.0
Other	(0.2)	--	(0.2)	--
Cash provided by (used in) financing activities	(5.2)	0.5	(21.6)	39.1
Effect of exchange rate changes on cash	(0.1)	0.7	(0.1)	0.6
NET INCREASE (DECREASE) IN CASH	0.9	(3.6)	(1.0)	6.6
CASH, BEGINNING OF PERIOD	1.4	14.1	3.3	3.9
CASH, END OF PERIOD	$ 2.3	$ 10.5	$ 2.3	$ 10.5

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

Unaudited

NOTE 1 - BASIS OF PRESENTATION

The unaudited interim consolidated financial statements have been prepared in accordance with United States ("U.S.") generally accepted accounting principles ("GAAP") for interim financial information. 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, the financial statements reflect all adjustments that are necessary for a fair statement of the results for the interim periods presented. All such adjustments are of a normal recurring nature.

These financial statements should be read in conjunction with the most recent annual consolidated financial statements. The accounting policies used in these interim consolidated financial statements are consistent with those used in the annual consolidated financial statements, except as described in Note 3.

Certain comparative amounts have been restated to conform to the financial statement presentation adopted in the current year.

Consolidated financial statements in accordance with Canadian GAAP, in U.S. dollars, are made available to all shareowners and filed with various Canadian regulatory authorities.

NOTE 2 - BUSINESS SEASONALITY

Cott's results from continuing operations for the three and six month periods ended June 28, 2003 are not necessarily indicative of the results that may be expected for the full year due to business seasonality. Operating results are significantly impacted by business seasonality, which arises from higher sales in the second and third quarters versus the first and fourth quarters of the year in contrast to fixed costs such as depreciation, amortization and interest which are not significantly impacted by seasonal trends.

NOTE 3 - OTHER EXPENSE (INCOME), NET

	For the three months ended		For the six months ended	
	JUNE 28, 2003	JUNE 29, 2002	JUNE 28, 2003	JUNE 29, 2002
	(in millions of U.S. dollars)		(in millions of U.S. dollars)	
Foreign exchange loss	$ 0.9	$ 0.8	$ 1.3	$ 0.7
Costs of extinguishment of debt	--	--	--	14.1
Gain on disposal of investment in Menu Foods Limited	--	(1.3)	--	(1.3)
Other	--	--	0.1	--
	$ 0.9	$ (0.5)	$ 1.4	$ 13.5

Unaudited

NOTE 3 - OTHER EXPENSE (INCOME), NET (CONTINUED)

On January 22, 2002, Cott redeemed the $276.4 million remaining balance of its senior unsecured notes maturing in 2005 and 2007 ("2005 & 2007 Notes") and paid the related accrued interest and early redemption penalties using the funds placed in an irrevocable trust for this purpose. A loss of $14.1 million was recorded on the early extinguishment of the 2005 & 2007 Notes. The loss was comprised of the early redemption penalty and the write off of the unamortized financing fees.

Previously, the $14.1 million loss on early extinguishment of the 2005 & 2007 Notes was recorded net of a deferred tax recovery of $4.5 million and was classified as an extraordinary item. In May 2002, the Financial Accounting Standards Board issued SFAS 145 indicating that certain debt extinguishment activities do not meet the criteria for classification as extraordinary items and should no longer be classified as extraordinary items. Cott adopted the standard retroactively in 2003 and reclassified the extinguishment costs to other expense (income), net and the related tax effect to income taxes. This restatement lowered income from continuing operations for the six months ended June 29, 2002 by $9.6 million, or $0.15 per basic share and $0.14 per diluted share, to $17.2 million or $0.24 per diluted share. The restatement had no impact on any other reported periods.

NOTE 4 - INCOME TAXES

The following table reconciles income taxes calculated at the basic Canadian corporate rates with the income tax provision:

	For the three months ended		For the six months ended	
	JUNE 28, 2003	JUNE 29, 2002	JUNE 28, 2003	JUNE 29, 2002
	(in millions of U.S. dollars)		(in millions of U.S. dollars)	
Income tax provision based on Canadian statutory rates	$ (13.3)	$ (11.8)	$ (19.1)	$ (9.7)
Foreign tax rate differential	0.5	0.2	1.3	(1.1)
Manufacturing and processing deduction	0.1	0.2	0.1	0.3
Adjustment for change in enacted rates	--	0.3	--	0.4
Realization of benefit on carry back of capital loss	--	--	--	1.8
Non-deductible and other items	0.3	(0.3)	(0.1)	0.3
	$ (12.4)	$ (11.4)	$ (17.8)	$ (8.0)

Unaudited

NOTE 5 - CHANGE IN ACCOUNTING PRINCIPLE

Effective December 30, 2001, Cott adopted SFAS No. 142, Goodwill and Other Intangible Assets, for goodwill and other intangibles acquired prior to June 30, 2001. Cott adopted SFAS No. 142 for goodwill and other intangible assets acquired subsequent to June 30, 2001 in 2001. Under this standard, goodwill and intangible assets with indefinite lives are no longer amortized but are subject to an annual impairment test. Other intangible assets continue to be amortized over their estimated useful lives and are also tested for impairment.

Cott completed a goodwill impairment test as of the adoption date for the standard and determined that unamortized goodwill of $44.8 million relating to the United Kingdom reporting unit was impaired under the new rules. The impairment write down has been recorded as a change in accounting principle. No income tax recovery was recorded on the impairment write down.

NOTE 6 - COMPREHENSIVE INCOME (LOSS)

	For the three months ended		For the six months ended	
	JUNE 28, 2003	JUNE 29, 2002	JUNE 28, 2003	JUNE 29, 2002
	(in millions of U.S. dollars)		(in millions of U.S. dollars)	
Net income (loss)	$ 24.6	$ 19.2	$ 35.1	$ (27.6)
Foreign currency translation gain	13.5	9.1	18.8	7.9
	$ 38.1	$ 28.3	$ 53.9	$ (19.7)

Unaudited

NOTE 7 - INCOME (LOSS) PER COMMON SHARE

Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of common shares outstanding during the period. Diluted net income (loss) per share includes the effect of exercising stock options and converting the preferred shares, only if dilutive.

The following table reconciles the basic weighted average number of shares outstanding to the diluted weighted average number of shares outstanding:

	For the three months ended		For the six months ended	
	JUNE 28, 2003	JUNE 29, 2002	JUNE 28, 2003	JUNE 29, 2002
	(in thousands)		(in thousands)	
Weighted average number of shares outstanding - basic	69,189	62,414	68,913	62,047
Dilutive effect of stock options	1,427	2,367	1,674	2,339
Dilutive effect of second preferred shares	--	6,010	--	6,148
Adjusted weighted average number of shares outstanding - diluted	70,616	70,791	70,587	70,534

As of June 28, 2003, Cott had 69,419,255 common shares and 4,087,630 common share options outstanding. Of the common share options outstanding, 1,810,919 options were exercisable as of June 28, 2003.

NOTE 8 - INVENTORIES

	JUNE 28, 2003	DECEMBER 28, 2002
	(in millions of U.S. dollars)	
Raw materials	$ 35.4	$ 26.6
Finished goods	48.1	41.8
Other	9.6	9.6
	$ 93.1	$ 78.0

Unaudited

NOTE 9 - PROPERTY, PLANT AND EQUIPMENT

	JUNE 28, 2003	DECEMBER 28, 2002
	(in millions of U.S. dollars)	
Cost	$ 508.3	$ 464.6
Accumulated depreciation	(214.0)	(191.6)
	$ 294.3	$ 273.0

NOTE 10 - GOODWILL

	For the three months ended		For the six months ended	
	JUNE 28, 2003	JUNE 29, 2002	JUNE 28, 2003	JUNE 29, 2002
	(in millions of U.S. dollars)		(in millions of U.S. dollars)	
Balance at beginning of period	$ 78.9	$ 69.0	$ 77.0	$ 114.1
Impairment write down on change in accounting principle	--	--	--	(44.8)
	78.9	69.0	77.0	69.3
Acquisitions	--	8.6	0.7	8.6
Foreign exchange and other	1.7	0.9	2.9	0.6
Balance at end of period	$ 80.6	$ 78.5	$ 80.6	$ 78.5

Unaudited

NOTE 11 - INTANGIBLES AND OTHER ASSETS

	JUNE 28, 2003			DECEMBER 28, 2002		
	COST	ACCUMULATED AMORTIZATION	NET	COST	ACCUMULATED AMORTIZATION	NET
	(in millions of U.S. dollars)			(in millions of U.S. dollars)		
INTANGIBLES						
Not subject to amortization						
Rights	$ 80.4	$ --	$ 80.4	$ 80.4	$ --	$ 80.4
Subject to amortization						
Customer lists	108.3	17.2	91.1	108.3	13.5	94.8
Trademarks	25.8	4.6	21.2	25.7	3.7	22.0
Other	3.3	0.2	3.1	2.9	0.1	2.8
	137.4	22.0	115.4	136.9	17.3	119.6
	217.8	22.0	195.8	217.3	17.3	200.0
OTHER ASSETS						
Financing costs	5.6	3.5	2.1	5.6	2.3	3.3
Other	6.8	0.4	6.4	7.6	0.2	7.4
	12.4	3.9	8.5	13.2	2.5	10.7
	$ 230.2	$ 25.9	$ 204.3	$ 230.5	$ 19.8	$ 210.7

Amortization expense of intangible assets was $5.0 million for the period ended June 28, 2003 ($4.0 million - June 29, 2002). The amortization expense for intangible assets is estimated at about $9 million per year for the next five years.

NOTE 12 - NET CHANGE IN NON-CASH WORKING CAPITAL

The changes in non-cash working capital components, net of effects of unrealized foreign exchange gains and losses, are as follows:

	For the three months ended		For the six months ended	
	JUNE 28, 2003	JUNE 29, 2002	JUNE 28, 2003	JUNE 29, 2002
	(in millions of U.S. dollars)		(in millions of U.S. dollars)	
Decrease (increase) in accounts receivable	$ (36.6)	$ (10.4)	$ (32.3)	$ (18.5)
Decrease (increase) in inventories	(3.4)	5.2	(11.9)	(6.6)
Decrease (increase) in prepaid expenses	2.2	(0.5)	1.8	0.1
Increase (decrease) in accounts payable and accrued liabilities	19.7	2.9	22.6	(2.6)
	$ (18.1)	$ (2.8)	$ (19.8)	$ (27.6)

Unaudited

NOTE 13 - STOCK OPTION PLANS

Pursuant to the SFAS No. 123, Accounting for Stock-Based Compensation, Cott has elected to account for its stock option plan under APB opinion No. 25, Accounting for Stock Issued to Employees. Accordingly, no compensation expense has been recognized for stock options issued under these plans. Had compensation expense for the plans been determined based on the fair value at the grant date consistent with SFAS No. 123, Cott's net income and income per common share would have been as follows:

	JUNE 28, 2003	JUNE 29, 2002
	(in millions of U.S. dollars, except per share amounts)	
NET INCOME (LOSS)		
As reported	$ 35.1	$ (27.6)
Pro forma	32.2	(29.7)
NET INCOME (LOSS) PER SHARE - BASIC		
As reported	0.51	(0.44)
Pro forma	0.47	(0.48)
NET INCOME (LOSS) PER SHARE - DILUTED		
As reported	0.50	(0.39)
Pro forma	0.46	(0.42)

The pro forma compensation expense has been tax adjusted to the extent it relates to stock options granted in jurisdictions where the related benefits are deductible for income tax purposes. Prior periods have been restated to reflect the current year presentation.

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

	JUNE 28, 2003	JUNE 29, 2002
Risk-free interest rate	3.9% - 4.3%	3.8% - 4.7%
Average expected life (years)	4	4
Expected volatility	45.0%	45.0%
Expected dividend yield	--	--

NOTE 14 - CONTINGENCIES

Cott is subject to various claims and legal proceedings with respect to matters such as governmental regulations, income taxes, 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 Cott's financial position or results from operations.

Unaudited

NOTE 15 - SEGMENT REPORTING

Cott produces, packages and distributes retailer brand and branded bottled and canned soft drinks to regional and national grocery, mass-merchandise and wholesale chains in the United States, Canada, the United Kingdom & Europe and International. The International segment includes the Mexican acquisitions of June 2002 and the Royal Crown international business. The concentrate assets and related expenses have been included in the Corporate & Other Segment for the six months ended June 28, 2003. For comparative purposes, the segmented information for prior periods has been restated to conform to the way Cott currently manages its beverage business by geographic segments as described below:

BUSINESS SEGMENTS

FOR THE THREE MONTHS ENDED JUNE 28, 2003	UNITED STATES	CANADA	UNITED KINGDOM & EUROPE	INTERNATIONAL	CORPORATE & OTHER	TOTAL
			(in millions of U.S. dollars)			
External sales	$ 278.0	$ 55.7	$ 43.6	$ 10.5	$ 0.3	$ 388.1
Intersegment sales	--	15.2	--	--	(15.2)	--
Depreciation and amortization	8.2	2.3	1.8	0.1	0.4	12.8
Operating income (loss)	35.7	6.1	3.0	1.9	(1.5)	45.2
Total assets	471.2	142.9	122.5	72.2	52.2	861.0
Additions to property, plant and equipment	6.7	1.6	1.8	5.0	2.7	17.8

FOR THE THREE MONTHS ENDED JUNE 29, 2002	UNITED STATES	CANADA	UNITED KINGDOM & EUROPE	INTERNATIONAL	CORPORATE & OTHER	TOTAL
			(in millions of U.S. dollars)			
External sales	$ 239.7	$ 50.2	$ 34.9	$ 4.7	$ --	$ 329.5
Intersegment sales	0.8	6.5	--	--	(7.3)	--
Depreciation and amortization	7.0	1.5	1.7	--	0.3	10.5
Operating income (loss)	33.0	6.8	0.8	1.2	(3.0)	38.8
Total assets (as of December 28, 2002)	452.8	107.9	101.6	61.7	61.4	785.4
Additions to property, plant and equipment	4.6	1.1	0.4	--	1.8	7.9

Unaudited

NOTE 15 - SEGMENT REPORTING (continued)

FOR THE SIX MONTHS ENDED JUNE 28, 2003	UNITED STATES	CANADA	UNITED KINGDOM & EUROPE	INTERNATIONAL	CORPORATE & OTHER	TOTAL
			(in millions of U.S. dollars)			
External sales	$ 504.6	$ 87.5	$ 73.1	$ 17.7	$ 0.5	$ 683.4
Intersegment sales	--	26.2	--	--	(26.2)	--
Depreciation and amortization	16.4	4.1	3.5	0.2	0.7	24.9
Operating income (loss)	61.2	6.9	2.7	3.2	(4.0)	70.0
Total assets	471.2	142.9	122.5	72.2	52.2	861.0
Additions to property, plant and equipment	9.3	2.2	2.5	9.1	4.8	27.9

FOR THE SIX MONTHS ENDED JUNE 29, 2002	UNITED STATES	CANADA	UNITED KINGDOM & EUROPE	INTERNATIONAL	CORPORATE & OTHER	TOTAL
			(in millions of U.S. dollars)			
External sales	$ 427.2	$ 82.2	$ 62.8	$ 7.3	$ --	$ 579.5
Intersegment sales	0.8	11.1	--	--	(11.9)	--
Depreciation and amortization	13.9	3.1	3.3	--	0.5	20.8
Operating income (loss)	53.3	8.6	(2.6)	1.8	(3.9)	57.2
Total assets (as of December 28, 2002)	452.8	107.9	101.6	61.7	61.4	785.4
Additions to property, plant and equipment	13.6	1.4	0.6	--	3.0	18.6

Intersegment sales and total assets under the Corporate & Other caption include the elimination of intersegment sales, receivables and investments.

For the six months ended June 28, 2003, sales to a major customer accounted for 42% of Cott's total sales. For the six months ended June 29, 2002, sales to two major customers accounted for 42% and 10% of total sales.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Cott Corporation is the world's largest retailer brand soft drink supplier, with the leading take home carbonated soft drink market shares in this segment in its core markets of the U.S., Canada and the U.K.

RESULTS OF OPERATIONS

Cott reported income from continuing operations of $24.6 million or $0.35 per diluted share for the second quarter ended June 28, 2003, up 28% as compared with $19.2 million, or $0.27 per diluted share, for the second quarter of 2002. For the first half of 2003, income from continuing operations increased 104% to $35.1 million or $0.50 per diluted share, from $17.2 million or $0.24 per diluted share in the same period last year. Income from continuing operations in the first half of 2002, excluding one-time costs of the high yield debt refinancing of $9.6 million net of income taxes, was $26.8 million or $0.38 per diluted share.

In the first quarter of 2002, a charge of $14.1 million before income taxes of $4.5 million was recorded for the costs associated with the early redemption of the 9.375% and 8.5% senior notes maturing in 2005 and 2007 ("2005 & 2007 Notes"). In 2002, this charge was recorded as an extraordinary item. In May 2002 the Financial Accounting Standards Board issued SFAS 145, which no longer allows certain debt extinguishment activities to be recorded as extraordinary items. Cott retroactively adopted this standard in 2003 and, as a result, reclassified this one-time cost to other expense.

Net income for the first half of 2003 was $35.1 million compared with a net loss of $27.6 million or $0.39 per diluted share for the corresponding period in 2002. Cott adopted SFAS 142 in the first quarter of 2002. This change in the method of valuing goodwill resulted in a $44.8 million non-cash write down of the goodwill of the U.K. business in the first quarter of 2002.

SALES - Sales were up 18% to a record $388.1 million in the second quarter of 2003 compared to $329.5 million for the second quarter of 2002. Excluding the acquisition of Premium Beverage Packers, Inc. ("Wyomissing") and the formation of the new Mexican venture Cott Embotelladores de Mexico, S.A. de C.V. ("CEMSA"), both in June 2002, sales of $371.5 million were up 13% from the same period last year. Excluding the impact of foreign exchange rates and acquisitions, sales increased by 10%, led by growth in the U.S. business.

Sales for the first half of 2003 increased to $683.4 million, 18% higher than the same period last year and up 10% when the impact of foreign exchange rates and acquisitions are excluded. Sales volume was up 11% excluding the impact of the 2002 acquisitions.

Sales in the U.S. during the second quarter of 2003 increased to $278.0 million, up 16% from $239.7 million in 2002. The Wyomissing acquisition added $10.8 million to sales for the quarter. Excluding the acquisition, sales increased 12%. In the first half of 2003, sales of $504.6 million grew by 18% compared with the first half of last year. The Wyomissing acquisition added $20.7 million to sales and excluding the acquisition year to date sales increased 13%. The increase in sales for both the quarter and year to date was attributable to additional promotional activity by certain customers and increased sales of purified drinking water.

Sales in Canada were $55.7 million for the quarter, up 11% from $50.2 million in 2002. The $5.5 million improvement is due to the strengthening of the Canadian dollar. For the first half or the year, sales of $87.5 million were 6% higher than $82.2 million for the same period last year, but down 2% when the effect of foreign exchange rates is taken into account. The impact of the strengthening of the Canadian dollar was offset by poor sales in Western Canada.

Sales in the U.K. and Europe of $43.6 million in the second quarter of 2003 increased 25% from $34.9 million in the same period in 2002. Excluding the impact of the strengthened U.K. pound, sales increased 13%. For the first half of 2003, sales of $73.1 million were up 16% from the same period in 2002. Excluding the impact of foreign exchange rates, sales were up 4%. The increase in the second quarter and year to date is primarily due to new business.

The International segment includes CEMSA and the R.C. International business. Sales of this segment were $10.5 million for the second quarter and $17.7 million for the first half of 2003 compared with $4.7 million and $7.3 million during the same periods in 2002. CEMSA accounted for $5.9 million of the increase in the second quarter and $9.2 million of the year to date increase.

GROSS PROFIT - Gross profit for the second quarter of 2003 was $76.9 million, or 19.8% of sales, modestly down from 20.4% of sales in the second quarter of 2002, primarily as a result of increased packaging material and can conversion costs. Adverse foreign exchange rates relating to product imported from Canada to the U.S., was partially offset by favorable foreign exchange rates impact on raw material purchase prices in Canada. Year to date gross profit was $133.3 million, 19.5% of sales, compared to gross profit of $113.2 million, 19.5% of sales, in the first half of 2002. Increases in raw materials costs during the first half of 2003 were offset by improved operating efficiencies.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES ("SG&A") - SG&A was $32.5 million for the second quarter of 2003, an increase of $4.2 million from $28.3 million for the second quarter of 2002. As a percentage of sales SG&A declined to 8.4% during the second quarter of 2003, down from 8.6% for the same period last year. For the first six months of 2003, SG&A of $64.1 million was $8.1 million higher than the same period in 2002. The increase was due primarily to the impact of the Wyomissing and CEMSA acquisitions and the strengthening of the U.K. pound and Canadian dollar as compared with the U.S. dollar. The additional costs associated with increasing the number of employees to meet the needs of Cott's growing business also increased SG&A.

OTHER EXPENSE - Other expense for the quarter was $0.9 million compared with income of $0.5 million in the second quarter of 2002. For the second quarter of 2003, other expense consists primarily of foreign exchange losses. The foreign exchange loss of $0.8 million for the second quarter of 2002 was about the same as it was in the corresponding period this year, however last year a gain on the sale of Cott's remaining interest in Menu Foods Limited more than offset the loss.

INTEREST EXPENSE - Net interest expense was $6.6 million for the second quarter of 2003 compared with $8.0 million in the second quarter of 2002. For the first half of 2003, net interest expense totaled $14.3 million, down $3.0 million from the same period last year. The $1.4 million decrease in net interest expense in the second quarter was primarily due to lower debt as well as lower effective interest rates on both the term debt and revolving credit facility. The year to date decrease of $3.0 million as compared to 2002 is also due to Cott having to pay interest on both the 2011 Notes issued in December 2001 and the 2005 & 2007 Notes that were redeemed on January 22, 2002. This double interest payment resulted in an additional charge of $1.4 million in the first quarter of 2002.

INCOME TAXES - Cott recorded an income tax provision of $12.4 million for the second quarter and $17.8 million for the first half of 2003 as compared with $11.4 million and $8.0 million, respectively for the same periods last year. For the first half of 2003, the overall effective tax rate was 33.6% compared with

31.5% for the same period last year. The prior year's income tax expense was impacted by a $1.8 million tax recovery related to realizing the benefit of a capital loss.

CHANGE IN ACCOUNTING PRINCIPLE - In the first quarter of 2002, Cott adopted SFAS 142. Under this standard, goodwill and intangible assets with indefinite lives are no longer amortized but are subject to annual impairment tests based on fair values rather than net recoverable amount. An impairment test of goodwill was required upon adoption of this standard. Cott completed the impairment test of its reporting units in the first quarter of 2002 under the new rules and as a consequence recorded a non-cash charge of $44.8 million to write down the entire goodwill of its U.K. business.

FINANCIAL CONDITION - Cash provided by operating activities for the first half of 2003 was $21.1 million, after capital expenditures of $27.9 million. Cott used cash from operations along with $24.3 million in additional short-term borrowings to repay $52.9 million of the term loan to take advantage of lower interest rates on its revolving credit facilities.

INVESTING ACTIVITIES - In January 2002, Cott made two spring water investments totaling $1.8 million to strengthen its position in the spring water segment across Canada. At that time, Cott acquired a 49% interest in Iroquois West Bottling Limited, which operates a spring water bottling facility in Revelstoke, British Columbia and a 30% interest in Iroquois Water Ltd., which produces bottled water in Cornwall, Ontario. On December 29, 2002, Cott acquired the remaining 51% interest in Iroquois West Bottling Limited and changed its name to Cott Revelstoke Ltd.

CAPITAL EXPENDITURES - Capital expenditures for the first six months of 2003 were $27.9 million compared with $18.6 million in the same period last year. Major expenditures to date in 2003 included $9.1 million for improvements to the CEMSA plant in Mexico that was acquired in June 2002 and information technology spending of $5.5 million. Cott expects capital expenditures for 2003 to be held to $50.0 million.

CAPITAL RESOURCES AND LONG-TERM DEBT - Cott's sources of capital include operating cash flows, short term borrowings under current credit facilities, issuance of public and private debt and issuance of equity securities. Management believes Cott has adequate financial resources to meet its ongoing cash requirements for operations and capital expenditures, as well as its other financial obligations based on its operating cash flows and currently available credit.

Cott's current credit facilities provide maximum credit of $99.7 million. At June 28, 2003, approximately $44.0 million of the committed revolving credit facility in the U.S. and Canada and $9.7 million of the demand revolving credit facility in the U.K. were available. The weighted average interest rate on outstanding borrowings under the credit facilities was 3.7% as of June 28, 2003. The U.K. demand facility was replaced effective April 22, 2002 with a demand revolving credit facility providing maximum credit of (pound)15 million ($24.7 million U.S.) and expiring on March 31, 2004. Borrowings under this facility bear interest at the term interbank offered rate plus 0.75% for borrowings in U.K. pounds and Euros and the bank's short term offered rate plus 0.20% for borrowings in US dollars.

As of June 28, 2003, Cott's long-term debt totaled $309.2 million as compared with $355.8 million at the end of 2002. At the end of the second quarter, debt consisted of $268.6 million in 8% senior subordinated notes with a face value of $275 million, $33.7 million on the term loan and $6.9 million of other debt. Cott is exposed to interest rate risk as its term loan, which represents approximately 11% of its long-term debt at June 28, 2003, bears interest at floating rates. The weighted average interest rate on the term loan as of June 28, 2003 was 4.3%.

CANADIAN GAAP - Consolidated financial statements in accordance with Canadian GAAP are made available to all shareowners and are filed with Canadian regulatory authorities. Under Canadian GAAP in the half of 2003, Cott reported net income of $35.0 million and total assets of $862.5 million compared to the net income and total assets under U.S. GAAP of $35.1 million and $861.0 million, respectively. There are no material U.S./Canadian GAAP differences for the first half of 2003. There were two primary U.S./Canadian GAAP differences in the first half of 2002.

Under Canadian GAAP, the 2005 & 2007 Notes were considered discharged on December 21, 2001 when the funds to redeem the notes were transferred to an irrevocable trust. As a result, debt extinguishment costs were recorded in the fourth quarter of 2001 under Canadian GAAP. Under U.S. GAAP, the 2005 & 2007 Notes were considered discharged on January 22, 2002 and the extinguishment costs of $14.1 million, $9.6 million after the deferred income tax recovery, were recorded in the first quarter of 2002.

Under Canadian GAAP, the impairment loss of $44.8 million relating to the change in the method for valuing goodwill is charged to opening retained earnings for the first quarter of 2002. Under U.S. GAAP, the change in accounting principle is recorded as a charge to net income for the quarter ended March 30, 2002.

OUTLOOK - At this point, Cott expects sales revenues to grow between 12% and 15% for 2003 and earnings per diluted share to be between $0.97 and $1.00 for the year. Cott's ongoing focus is to increase sales, market share and profitability for Cott and its customers. Overall the carbonated soft drink industry in Cott's core markets continues to show some growth, especially in the U.S. Facing intense competition from heavily promoted global and regional brands, Cott's major opportunity for growth depends on retailers' continued commitment to their retailer brand soft drink programs. Cott continues to strive to expand the business through growth with key customers, the pursuit of new customers and channels and through new acquisitions and alliances. Additional financing may be required to fund future acquisitions, and there can be no assurance that such financing will be available on favorable terms.

Management believes there are significant opportunities for growth in the U.S. market as retailer brand penetration is not currently as high as in other markets. The Canadian division will focus on innovation and entry into new channels. The U.K. business is stabilizing and continued efforts are expected to further improve earnings performance. Cott believes that significant growth opportunities exist in Mexico as, with a population of approximately 100 million, it is second only to the United States in per-capita consumption of soft drinks. As of the end of the second quarter of 2003, the upgrades at the CEMSA plant were substantially complete and the plant is in full operation.

RISKS AND UNCERTAINTIES - Risks and uncertainties include national brand pricing strategies, commitment of major customers to retailer brand programs, stability of procurement costs for items such as sweetener, packaging materials and other ingredients, the successful integration of new acquisitions, seasonality of sales, the ability to protect intellectual property and fluctuations in interest rates and foreign currencies versus the U.S. dollar.

Sales to Cott's top customer accounted for 42% of Cott's total sales for the first half of 2003 (first half of 2002 - the top two customers accounted for 42% and 10%, respectively). Sales to the top ten customers in the first half of 2003 were about 72% of total sales (first half of 2002 - 73%). The loss of any significant customer, or customers which in the aggregate represent a significant portion of Cott's sales, could have a material adverse effect on the Company's operating results and cash flows.

FORWARD-LOOKING STATEMENTS - In addition to historical information, this report and the reports and documents incorporated by reference in this report contain statements relating to future events and Cott's future results. These statements are "forward-looking" within the meaning of the Private Securities Litigation Reform Act of 1995 and 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 Cott's business strategy, goals and expectations concerning its market position, future operations, margins, profitability, liquidity and capital resources. Generally, words such as "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "should", "will" 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 are made as of the date of this report.

Although management believes 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 be incorrect. Cott's operations involve risks and uncertainties, many of which are outside of its 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.

The following are some of the factors that could affect Cott's 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:

o loss of key customers, particularly Wal-Mart, and the commitment of retailer brand beverage customers to their own retailer brand beverage programs;

o increases in competitor consolidations and other market-place competition, particularly among branded beverage products;

o Cott's ability to identify acquisition and alliance candidates and to integrate into its operations the businesses and product lines that are acquired or allied with;

o fluctuations in the cost and availability of beverage ingredients and packaging supplies, and Cott's ability to maintain favorable arrangements and relationships with its suppliers;

o unseasonably cold or wet weather, which could reduce demand for Cott's beverages;

o Cott's ability to protect the intellectual property inherent in new and existing products;

o adverse rulings, judgments or settlements in Cott's existing litigation, and the possibility that additional litigation will be brought against Cott;

o product recalls or changes in or increased enforcement of the laws and regulations that affect Cott's business;

o currency fluctuations that adversely affect the exchange between the U.S. dollar on one hand and the pound sterling, the Canadian dollar and other currencies on the other hand;

o changes in interest rates;

o changes in tax laws and interpretations of tax laws;

o changes in consumer tastes and preference and market demand for new and existing products;

o changes in general economic and business conditions; and

o increased acts of terrorism or war.

Many of these factors are described in greater detail in Cott's other filings with the U.S. Securities and Exchange Commission. Cott undertakes 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 that Cott may become aware of after the date of this report. Undue reliance should not be placed on forward-looking statements.

All future written and oral forward-looking statements attributable to management or other persons acting on Cott's behalf are expressly qualified in their entirety by the foregoing.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Reference is made to Item 7A: Quantitative and Qualitative Disclosures about Market Risk described in Cott's Annual Report on Form 10-K for the fiscal year ended December 28, 2002.

ITEM 4. CONTROLS AND PROCEDURES

Cott's Chief Executive Officer and Chief Financial Officer have concluded that its disclosure controls and procedures are effective, based on their evaluation of these controls and procedures within 90 days of the date of this report. There have been no significant changes in Cott's internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Reference is made to the legal proceedings described in Cott's Form 10-K for the fiscal year ended December 28, 2002 and Cott's Form 10-Q for the quarter ended March 29, 2003.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

(a) The Annual Meeting of the Company's Shareholders was held on April 17, 2003.

(b) The meeting was held to consider and vote on the following matters:

MATTERS SUBMITTED TO A VOTE	FOR	WITHHELD	NOT VOTED
To elect directors for a period of one year:			
Colin J. Adair	44,354,384	1,708,303	--
W. John Bennett	44,355,559	1,707,128	--
C. Hunter Boll	43,817,521	2,245,166	--
Serge Gouin	44,354,541	1,708,146	--
Thomas M. Hagerty	38,320,083	7,742,604	--
Stephen H. Halperin	43,390,900	2,671,787	--
David V. Harkins	38,280,396	7,782,291	--
Philip B. Livingston	44,319,377	1,743,310	--
Christine A. Magee	44,351,507	1,711,180	--
Donald G. Watt	43,592,392	2,470,295	--
Frank E. Weise III	43,847,981	2,214,706	--
To appoint PricewaterhouseCoopers LLP as auditors	45,986,569	76,118	--

ITEM 6. FINANCIAL STATEMENT SCHEDULES, EXHIBITS AND REPORTS ON FORM 8-K

1. Financial Statement Schedules

Schedule III - Consolidating Financial Statements

2. Exhibits

Number	Description
3.1	Articles of Incorporation of Cott (incorporated by reference to Exhibit 3.1 to Cott's Form 10-K dated March 31, 2000).
3.2	By-laws of Cott (incorporated by reference to Exhibit 3.2 to Cott's Form 10-K dated March 8, 2002).
31.1	Certification of the chairman, and chief executive officer pursuant to section 302 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended June 28, 2003.
31.2	Certification of the executive vice-president and chief financial officer pursuant to section 302 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended June 28, 2003.
32.1	Certification of the chairman, and chief executive officer pursuant to section 906 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended June 28, 2003.
32.2	Certification of the executive vice-president and chief financial officer pursuant to section 906 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended June 28, 2003.

In accordance with SEC Release No. 33-8238, Exhibits 32.1 and 32.2 are to be treated as "accompanying" this report rather than "filed" as part of the report.

3. Reports on Form 8-K

1. Cott filed a Current Report on Form 8-K, dated April 16, 2003, furnishing a press release that announced its financial results for the three months ended March 29, 2003.

2. Cott filed a Current Report on Form 8-K, dated July 17, 2003, furnishing a press release that announced its financial results for the three and six months ended June 28, 2003.

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: August 11, 2003	*/s/ Raymond P. Silcock* --------------------------------------- *Raymond P. Silcock* *Executive Vice President &* *Chief Financial Officer* *(On behalf of the Company)*
Date: August 11, 2003	*/s/ Tina Dell'Aquila* --------------------------------------- *Tina Dell'Aquila* *Vice President, Controller and Assistant Secretary* *(Principal accounting officer)*

SCHEDULE III - CONSOLIDATING FINANCIAL STATEMENTS

Cott Beverages Inc., a wholly owned subsidiary of Cott, has entered into financing arrangements that are guaranteed by Cott and certain other wholly owned subsidiaries of Cott (the "Guarantor Subsidiaries"). Such guarantees are full, unconditional and joint and several.

The following supplemental financial information sets forth on an unconsolidated basis, balance sheets, statements of income and cash flows for Cott Corporation, Cott Beverages Inc., Guarantor Subsidiaries and Cott's other subsidiaries (the "Non-guarantor Subsidiaries"). The supplemental financial information reflects the investments of Cott and Cott Beverages Inc. in their respective subsidiaries using the equity method of accounting. Consolidating financial statements for the six month period ended June 28, 2002 have been restated to reflect the application of SFAS 145, which no longer allows early debt redemption costs to be classified as extraordinary items.

COTT CORPORATION
CONSOLIDATING STATEMENTS OF INCOME

(in millions of U.S. dollars, unaudited)

	FOR THE THREE MONTHS ENDED JUNE 28, 2003					
	COTT CORPORATION	COTT BEVERAGES INC.	GUARANTOR SUBSIDIARIES	NON-GUARANTOR SUBSIDIARIES	ELIMINATION ENTRIES	CONSOLIDATED
SALES	$ 70.8	$ 257.8	$ 10.8	$ 66.6	$ (17.9)	$ 388.1
Cost of sales	57.9	205.9	8.7	56.6	(17.9)	311.2
GROSS PROFIT	12.9	51.9	2.1	10.0	--	76.9
Selling, general and administrative expenses	6.9	18.4	1.6	5.6	--	32.5
Unusual items	--	(0.2)	--	(0.6)	--	(0.8)
OPERATING INCOME	6.0	33.7	0.5	5.0	--	45.2
Other expense, net	0.4	--	--	0.5	--	0.9
Interest expense (income), net	--	8.0	(1.1)	(0.3)	--	6.6
Minority interest	--	--	--	0.7	--	0.7
INCOME BEFORE INCOME TAXES AND EQUITY INCOME	5.6	25.7	1.6	4.1	--	37.0
Income taxes	(1.6)	(9.8)	--	(1.0)	--	(12.4)
Equity income	20.6	1.3	16.7	--	(38.6)	--
NET INCOME	$ 24.6	$ 17.2	$ 18.3	$ 3.1	$ (38.6)	$ 24.6

COTT CORPORATION
CONSOLIDATING STATEMENTS OF INCOME

(in millions of U.S. dollars, unaudited)

	FOR THE SIX MONTHS ENDED JUNE 28, 2003					
	COTT CORPORATION	COTT BEVERAGES INC.	GUARANTOR SUBSIDIARIES	NON-GUARANTOR SUBSIDIARIES	ELIMINATION ENTRIES	CONSOLIDATED
SALES	$ 113.6	$ 466.5	$ 20.7	$ 113.1	$ (30.5)	$ 683.4
Cost of sales	95.1	370.5	17.7	97.3	(30.5)	550.1
GROSS PROFIT	18.5	96.0	3.0	15.8	--	133.3
Selling, general and administrative expenses	11.9	38.4	2.7	11.1	--	64.1
Unusual items	--	(0.2)	--	(0.6)	--	(0.8)
OPERATING INCOME	6.6	57.8	0.3	5.3	--	70.0
Other expense, net	0.9	0.1	--	0.4	--	1.4
Interest expense (income), net	--	16.8	(2.2)	(0.3)	--	14.3
Minority interest	--	--	--	1.3	--	1.3
INCOME BEFORE INCOME TAXES AND EQUITY INCOME	5.7	40.9	2.5	3.9	--	53.0
Income taxes	(1.7)	(15.1)	--	(1.0)	--	(17.8)
Equity income (loss)	31.1	1.7	27.2	--	(60.1)	(0.1)
NET INCOME	$ 35.1	$ 27.5	$ 29.7	$ 2.9	$ (60.1)	$ 35.1

COTT CORPORATION
CONSOLIDATING BALANCE SHEETS

(in millions of U.S. dollars, unaudited)

	AS OF JUNE 28, 2003					
	COTT CORPORATION	COTT BEVERAGES INC.	GUARANTOR SUBSIDIARIES	NON-GUARANTOR SUBSIDIARIES	ELIMINATION ENTRIES	CONSOLIDATED
ASSETS						
Current assets						
Cash	$ 0.8	$ (0.3)	$ 0.2	$ 1.6 $	$ --	$ 2.3
Accounts receivable	46.2	101.8	5.3	43.6	(16.6)	180.3
Inventories	20.2	48.2	5.6	19.1	--	93.1
Prepaid expenses	1.3	2.1	0.6	2.1	--	6.1
	68.5	151.8	11.7	66.4	(16.6)	281.8
Property, plant and equipment	58.9	137.5	21.8	76.1	--	294.3
Goodwill	20.3	46.0	13.5	0.8	--	80.6
Intangibles and other assets	6.2	132.0	12.6	53.5	--	204.3
Due from affiliates	46.2	5.1	70.3	274.1	(395.7)	--
Investments in subsidiaries	187.4	76.2	(14.4)	--	(249.2)	--
	$ 387.5	$ 548.6	$ 115.5	$ 470.9	$ (661.5)	$ 861.0
LIABILITIES						
CURRENT LIABILITIES						
Short-term borrowings	$ --	$ 31.6	$ 0.6	$ 14.2	$ --	$ 46.4
Current maturities of long-term debt	--	8.2	--	0.7	--	8.9
Accounts payable and accrued liabilities	42.8	73.1	7.2	49.8	(16.6)	156.3
	42.8	112.9	7.8	64.7	(16.6)	211.6
Long-term debt	--	298.4	--	1.9	--	300.3
Due to affiliates	51.6	75.1	223.7	45.3	(395.7)	--
Other liabilities	12.4	25.0	2.5	2.3	--	42.2
	106.8	511.4	234.0	114.2	(412.3)	554.1
Minority interest	--	--	--	26.2	--	26.2
SHAREOWNERS' EQUITY						
Capital stock						
Common shares	256.7	275.8	122.7	451.4	(849.9)	256.7
Retained earnings (deficit)	41.0	(238.6)	(241.2)	(96.3)	576.1	41.0
Accumulated other comprehensive loss	(17.0)	--	--	(24.6)	24.6	(17.0)
	280.7	37.2	(118.5)	330.5	(249.2)	280.7
	$ 387.5	$ 548.6	$ 115.5	$ 470.9	$ (661.5)	$ 861.0

COTT CORPORATION
CONSOLIDATING STATEMENTS OF CASH FLOWS

(in millions of U.S. dollars, unaudited)

	FOR THE SIX MONTHS ENDED JUNE 28, 2003					
	COTT CORPORATION	COTT BEVERAGES INC.	GUARANTOR SUBSIDIARIES	NON-GUARANTOR SUBSIDIARIES	ELIMINATION ENTRIES	CONSOLIDATED
OPERATING ACTIVITIES						
Net income (loss)	$ 35.1	$ 27.5	$ 29.7	$ 2.9	$ (60.1)	$ 35.1
Depreciation and amortization	4.0	12.2	3.0	5.7	--	24.9
Amortization of financing fees	--	1.3	--	--	--	1.3
Deferred income taxes	1.6	4.0	--	0.9	--	6.5
Minority interest	--	--	--	1.3	--	1.3
Equity income (loss), net of distributions	(31.1)	0.1	(27.2)	--	58.3	0.1
Other non-cash items	0.6	(0.7)	--	(0.3)	--	(0.4)
Net change in non-cash working capital from continuing operations	(5.8)	(9.2)	(2.8)	(2.0)	--	(19.8)
Cash provided by operating activities	4.4	35.2	2.7	8.5	(1.8)	49.0
INVESTING ACTIVITIES						
Additions to property, plant and equipment	(5.9)	(9.3)	(0.8)	(11.9)	--	(27.9)
Acquisitions and equity investments	--	--	--	(0.5)	--	(0.5)
Advances to affiliates	2.3	(0.4)	(2.2)	(5.0)	5.3	--
Investment in subsidiary	(3.0)	--	--	--	3.0	--
Other	0.1	--	--	--	--	0.1
Cash provided by (used in) investing activities	(6.5)	(9.7)	(3.0)	(17.4)	8.3	(28.3)
FINANCING ACTIVITIES						
Payments of long-term debt	--	(53.1)	--	(0.3)	--	(53.4)
Issue of long-term debt	--	3.7	--	--	--	3.7
Short-term borrowings	(2.6)	15.1	0.6	11.2	--	24.3
Advances from affiliates	--	8.5	--	(3.2)	(5.3)	--
Distributions to subsidiary minority shareowner	--	--	--	(1.7)	--	(1.7)
Issue of common shares	5.7	--	--	3.0	(3.0)	5.7
Dividends paid	--	--	--	(1.8)	1.8	--
Other	--	--	(0.2)	--	--	(0.2)
Cash provided by (used in) financing activities	3.1	(25.8)	0.4	7.2	(6.5)	(21.6)
Effect of exchange rate changes on cash	(0.2)	--	--	0.1	--	(0.1)
NET INCREASE (DECREASE) IN CASH	0.8	(0.3)	0.1	(1.6)	--	(1.0)
CASH, BEGINNING OF PERIOD	--	--	0.1	3.2	--	3.3
CASH, END OF PERIOD	$ 0.8	$ (0.3)	$ 0.2	$ 1.6	$ --	$ 2.3

COTT CORPORATION
CONSOLIDATING STATEMENTS OF INCOME

(in millions of U.S. dollars, unaudited)

	FOR THE THREE MONTHS ENDED JUNE 29, 2002					
	COTT CORPORATION	COTT BEVERAGES INC.	GUARANTOR SUBSIDIARIES	NON-GUARANTOR SUBSIDIARIES	ELIMINATION ENTRIES	CONSOLIDATED
SALES	$ 56.7	$ 229.7	$ --	$ 50.7	$ (7.6)	$ 329.5
Cost of sales	44.2	181.4	--	44.5	(7.7)	262.4
GROSS PROFIT	12.5	48.3	--	6.2	0.1	67.1
Selling, general and administrative expenses	8.7	14.8	0.5	4.3	--	28.3
OPERATING INCOME (LOSS)	3.8	33.5	(0.5)	1.9	0.1	38.8
Other expense (income), net	0.6	--	--	(1.1)	--	(0.5)
Interest expense (income), net	(2.9)	7.9	2.8	0.2	--	8.0
Minority interest	--	--	--	0.5	--	0.5
INCOME (LOSS) BEFORE INCOME TAXES AND EQUITY INCOME	6.1	25.6	(3.3)	2.3	0.1	30.8
Income taxes	(2.0)	(9.1)	--	(0.3)	--	(11.4)
Equity income (loss)	15.1	1.0	16.9	--	(33.2)	(0.2)
NET INCOME	$ 19.2	$ 17.5	$ 13.6	$ 2.0	$ (33.1)	$ 19.2

COTT CORPORATION
CONSOLIDATING STATEMENTS OF INCOME

(in millions of U.S. dollars)

	FOR THE SIX MONTHS ENDED JUNE 29, 2002					
	COTT CORPORATION	COTT BEVERAGES INC.	GUARANTOR SUBSIDIARIES	NON-GUARANTOR SUBSIDIARIES	ELIMINATION ENTRIES	CONSOLIDATED
SALES	$ 93.3	$ 407.4	$ --	$ 91.7	$ (12.9)	$ 579.5
Cost of sales	74.8	322.4	--	82.1	(13.0)	466.3
GROSS PROFIT	18.5	85.0	--	9.6	0.1	113.2
Selling, general and administrative expenses	13.6	31.3	1.0	10.1	--	56.0
OPERATING INCOME (LOSS)	4.9	53.7	(1.0)	(0.5)	0.1	57.2
Other expense (income), net	14.7	--	--	(1.2)	--	13.5
Interest expense (income), net	(5.0)	15.8	6.1	0.4	--	17.3
Minority interest	--	--	--	1.0	--	1.0
INCOME (LOSS) BEFORE INCOME TAXES AND EQUITY INCOME	(4.8)	37.9	(7.1)	(0.7)	0.1	25.4
Income taxes	4.0	(12.6)	--	0.6	--	(8.0)
Equity income (loss)	18.0	1.0	26.3	--	(45.5)	(0.2)
INCOME (LOSS) FROM CONTINUING OPERATIONS	17.2	26.3	19.2	(0.1)	(45.4)	17.2
Cumulative effect of change in accounting principle	--	--	--	(44.8)	--	(44.8)
Equity loss on cumulative effect of change in accounting principle	(44.8)	--	--	--	44.8	--
NET INCOME (LOSS)	$ (27.6)	$ 26.3	$ 19.2	$ (44.9)	$ (0.6)	$ (27.6)

COTT CORPORATION
CONSOLIDATING BALANCE SHEETS

(in millions of U.S. dollars)

	AS OF DECEMBER 28, 2002					
	COTT CORPORATION	COTT BEVERAGES INC.	GUARANTOR SUBSIDIARIES	NON-GUARANTOR SUBSIDIARIES	ELIMINATION ENTRIES	CONSOLIDATED
ASSETS						
Current assets						
Cash	$ --	$ --	$ 0.1	$ 3.2	$ --	$ 3.3
Accounts receivable	36.7	84.3	4.4	32.7	(21.9)	136.2
Inventories	15.1	43.9	5.7	13.3	--	78.0
Prepaid expenses	1.4	1.3	0.7	3.8	--	7.2
	53.2	129.5	10.9	53.0	(21.9)	224.7
Property, plant and equipment	49.7	138.3	23.7	61.3	--	273.0
Goodwill	17.5	46.0	13.5	--	--	77.0
Intangibles and other assets	7.4	134.8	13.0	55.5	--	210.7
Due from affiliates	46.1	0.5	68.2	268.1	(382.9)	--
Investments in subsidiaries	148.4	79.2	(41.6)	--	(186.0)	--
	$ 322.3	$ 528.3	$ 87.7	$ 437.9	$ (590.8)	$ 785.4
LIABILITIES						
CURRENT LIABILITIES						
Short-term borrowings	$ 2.3	$ 16.5	$ --	$ 2.5	$ --	$ 21.3
Current maturities of long-term debt	--	16.5	--	--	--	16.5
Accounts payable and accrued liabilities	40.0	63.0	9.4	36.8	(21.9)	127.3
	42.3	96.0	9.4	39.3	(21.9)	165.1
Long-term debt	--	339.3	--	--	--	339.3
Due to affiliates	50.6	66.6	219.6	46.1	(382.9)	--
Other liabilities	11.2	16.7	6.9	1.4	--	36.2
	104.1	518.6	235.9	86.8	(404.8)	540.6
Minority interest	--	--	--	26.6	--	26.6
SHAREOWNERS' EQUITY						
Capital stock						
Common shares	248.1	275.8	122.7	448.4	(846.9)	248.1
Retained earnings (deficit)	5.9	(266.1)	(270.9)	(97.4)	634.4	5.9
Accumulated other comprehensive loss	(35.8)	--	--	(26.5)	26.5	(35.8)
	218.2	9.7	(148.2)	324.5	(186.0)	218.2
	$ 322.3	$ 528.3	$ 87.7	$ 437.9	$ (590.8)	$ 785.4

COTT CORPORATION
CONSOLIDATING STATEMENTS OF CASH FLOWS

(in millions of U.S. dollars, unaudited)

	FOR THE SIX MONTHS ENDED JUNE 29, 2002					
	COTT CORPORATION	COTT BEVERAGES INC.	GUARANTOR SUBSIDIARIES	NON-GUARANTOR SUBSIDIARIES	ELIMINATION ENTRIES	CONSOLIDATED
OPERATING ACTIVITIES						
Income (loss) from continuing operations	$ 17.2	$ 26.3	$ 19.2	$ (0.1)	$ (45.4)	$ 17.2
Depreciation and amortization	3.3	10.7	1.7	5.1	--	20.8
Amortization of financing fees	0.1	0.8	--	--	--	0.9
Deferred income taxes	(4.1)	4.2	--	(0.8)	--	(0.7)
Minority interest	--	--	--	1.0	--	1.0
Equity income, net of distributions	(18.0)	0.8	(20.4)	--	37.8	0.2
Gain on disposal of investment	(1.3)	--	--	--	--	(1.3)
Other non-cash items	5.4	(0.6)	--	(0.2)	--	4.6
Net change in non-cash working capital from continuing operations	(11.3)	(19.4)	0.7	2.5	(0.1)	(27.6)
Cash provided by (used in) operating activities	(8.7)	22.8	1.2	7.5	(7.7)	15.1
INVESTING ACTIVITIES						
Additions to property, plant and equipment	(4.2)	(13.1)	(0.6)	(0.7)	--	(18.6)
Acquisitions	(1.8)	--	(27.7)	(1.5)	--	(31.0)
Advances to affiliates	--	(0.5)	--	--	0.5	--
Investment in subsidiary	(15.0)	(27.0)	(10.0)	--	52.0	--
Other	2.8	(1.6)	0.2	--	--	1.4
Cash used in investing activities	(18.2)	(42.2)	(38.1)	(2.2)	52.5	(48.2)
FINANCING ACTIVITIES						
Payments of long-term debt	(276.4)	(2.0)	--	--	--	(278.4)
Short-term borrowings	0.3	16.6	--	--	--	16.9
Decrease in cash in trust	297.3	--	--	--	--	297.3
Advances from affiliates	0.5	--	--	--	(0.5)	--
Distributions to subsidiary minority shareowner	--	--	--	(1.7)	--	(1.7)
Issue of common shares	5.0	10.0	37.0	5.0	(52.0)	5.0
Dividends paid	--	(5.9)	--	(1.8)	7.7	--
Cash provided by (used in) financing activities	26.7	18.7	37.0	1.5	(44.8)	39.1
Effect of exchange rate changes on cash and cash equivalents	0.3	--	--	0.3	--	0.6
NET INCREASE IN CASH AND CASH EQUIVALENTS	0.1	(0.7)	0.1	7.1	--	6.6
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	--	0.7	--	3.2	--	3.9
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 0.1	$ --	$ 0.1	$ 10.3	$ --	$ 10.5

EXHIBIT 31.1

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

I, Frank E. Weise III, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cott Corporation;

2. Based on my knowledge, this quarterly 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects, the financial condition, results of operations and cash flows of Cott Corporation as of, and for, the periods presented in this quarterly 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)) for Cott Corporation and we 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 quarterly report is being prepared;

(b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly 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

(c) disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's second fiscal quarter 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 function):

(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.

August 11, 2003

/s/ Frank E. Weise III

Frank E. Weise III
Chairman and Chief Executive Officer

EXHIBIT 31.2

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

I, Raymond P. Silcock, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cott Corporation;

2. Based on my knowledge, this quarterly 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects, the financial condition, results of operations and cash flows of Cott Corporation as of, and for, the periods presented in this quarterly 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)) for Cott Corporation and we 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 quarterly report is being prepared;

(b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly 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

(c) disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's second fiscal quarter 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 function):

(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.

August 11, 2003 *Raymond P. Silcock*

Raymond P. Silcock
Executive Vice-President and 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, Frank E. Weise III, Chairman and 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 June 28, 2003 (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 11th day of August, 2003.

/s/ Frank E. Weise III

Frank E. Weise III
Chairman and Chief Executive Officer
August 11, 2003

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, Raymond P. Silcock, Executive Vice-President and 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 June 28, 2003 (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 11th day of August, 2003.

/s/ Raymond P. Silcock
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Raymond P. Silcock
Executive Vice-President and Chief Financial Officer
August 11, 2003