

## Cott Corporation Announces Lower 2008 Outlook

TORONTO, Aug 26, 2008 (MARKET WIRE via COMTEX News Network) -- Cott Corporation (NYSE: COT) (TSX: BCB), the world's largest retailer brand soft drink provider, announced today a lower full-year 2008 adjusted operating profit target of between 28% below and 5% above its 2007 adjusted operating profit, which was \$36.3 million. The company also withdrew the previously communicated adjusted operating profit target for 2009.

In North America, volume is declining at a higher rate than previously expected, mainly due to heavier than anticipated national brand promotional activity. At the same time, packaging costs are increasing more than previously anticipated, driven by PET resin costs and the impact of the recent rapid strengthening of the U.S. dollar against its Canadian counterpart. Additionally, higher than anticipated start-up costs and shipment delays associated with the North American water project have lowered the expected profit contribution from this project for the balance of 2008.

In the International unit, poor weather in the UK lowered the volume outlook, while in Mexico the worsening impact of softness in the supermarket/mass channel, and the new credit policy had a similar impact on the volume outlook. As in North America, ingredients and packaging costs are trending higher than anticipated driven by PET resin costs and the negative impact of a stronger U.S. dollar.

"Faced with recent disappointing results including steeper than expected volume declines and higher than expected increases in PET resin costs, we initiated a comprehensive financial review of our business," commented Juan Figuereo, Cott's CFO. "It has now become clear that our previously-announced target is out of reach."

"We were encouraged by improving volume and cost trends in the second quarter, including positive feedback received from some of our valued customers. However, the disappointing results we have seen over the past few weeks, at the beginning of our most critical quarter, indicate we will fall substantially short of our expectations for 2008. We are no longer on track to deliver our targets," said David Gibbons, Cott's Interim CEO. "Our focus for the remainder of 2008 is to implement our plans to refocus Cott on its private label business. We believe this remains the best path to improved profitability."

Cott management will host a conference call to discuss the revised 2008 outlook on Wednesday, August 27, at 9:00 a.m.

## 2008 Outlook Conference Call

Cott Corporation will host a conference call on Wednesday, August 27, 2008, at approximately 9:00 a.m. ET to discuss the revised outlook for 2008.

For those who wish to listen to the presentation, there is a listen-only, dial-in telephone line, which can be accessed as follows:

North America: (800) 594-3790

International: (416) 644-3422

## Webcast

To access a live audio stream of the conference call, please visit the Company's website at <http://www.cott.com>. Please log on 15 minutes early to register, download, and install any necessary software. For those who are unable to access the live broadcast, a replay will be available at Cott's website for two weeks following this event.

## About Cott Corporation

Cott Corporation is one of the world's largest non-alcoholic beverage companies and the world's largest retailer brand soft drink company. The Company commercializes its business in over 60 countries worldwide, with its principal markets being the United States, Canada, the United Kingdom and Mexico. Cott markets or supplies over 200 retailer and licensed brands, and Company-owned brands including Cott, RC, Vintage, Vess and So Clear. Its products include carbonated soft drinks, sparkling and flavored waters, energy drinks, sports drinks, juices, juice drinks and smoothies, ready-to-drink teas, and other non-carbonated beverages. The Company's website is [www.cott.com](http://www.cott.com). The brand names and trademarks referenced in this press release are trademarks of Cott Corporation, its affiliated companies, customers, or other third parties.

## Non-GAAP Measures

Cott supplements its reporting of operating income (loss) determined in accordance with GAAP by using adjusted operating profit. Management believes that certain charges are not pertinent to day-to-day operational decision making in the business. Therefore, Cott excludes these items from adjusted operating profit, in determining adjusted operating profit. The term adjusted operating profit excludes forecasted annualized amounts for restructuring, asset impairment, executive severance and transition costs, interim CEO stock related compensation, accelerated amortization associated with trademark write-offs, accelerated amortization associated with customer lists, increased amortization associated with software and accelerated depreciation, machine pick-ups and inventory write-offs associated with Walmart vending operations. Cott excludes these items in order to more clearly focus on the factors it believes are pertinent to the daily management of the Company's operations, and management uses these results to evaluate the impact of operational business decisions.

Since Cott uses these financial results in the management of its business, the Company believes this supplemental information is useful to investors for their independent evaluation and understanding of the performance of the Company's management and its core business performance. Cott's adjusted operating profit should be considered in addition to, and not as a substitute for, operating income (loss), net income (loss) or any other amount determined in accordance with GAAP. Cott's adjusted operating profit reflects management's judgment of particular items, and may not be comparable to similarly titled measures reported by other companies.

## Safe Harbor Statements

This press release contains or refers to forward-looking statements that are subject to the safe harbor provisions created by the Private Securities Litigation Reform Act of 1995 and are subject to risks and uncertainties that could cause actual results to differ materially from those expected or projected in the forward-looking statements reflecting management's current expectations regarding future results of operations, economic performance, financial condition and achievements of the Company. The forward-looking statements are based on assumptions that volume and revenues will be consistent with recent trends, that interest rates will remain constant and, in certain cases, on 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.

These risks and uncertainties are detailed from time to time in the Company's filings with the appropriate securities commissions, and include, without limitation, the stability of procurement costs of raw packaged materials, the changing nature of the North American business; our ability to successfully implement our cost reduction program, restore plant

efficiencies and lower logistics and other costs; our ability to grow our business outside of North America, including new geographic areas; our ability to expand our business to new channels and products; our ability to recruit, retain, and integrate new management and a new management structure; loss of or reduction in sales to key customers, particularly Walmart, and the commitment of our customers to their own Cott-supplied beverage programs; increases in competitor consolidations and other marketplace competition, particularly among manufacturers of branded beverage products; our ability to identify acquisition and alliance candidates and to integrate into our operations the businesses and product lines that we acquire or become allied with; our ability to secure additional production capacity either through acquisitions, or third party manufacturing arrangements; increase in interest rates; fluctuations in the cost and availability of beverage ingredients and packaging supplies, and our ability to maintain favorable arrangements and relationships with our suppliers; our ability to pass on increased costs to our customers and the impact those increased prices could have on our volumes; unseasonably cold or wet weather, which could reduce demand for our beverages; our ability to protect the intellectual property inherent in new and existing products; failure to remediate material weaknesses in our internal controls; adverse rulings, judgments or settlements in our existing litigation and regulatory reviews, and the possibility that additional litigation or regulatory reviews will be brought against us; product recalls or changes in or increased enforcement of the laws and regulations that affect our business; currency fluctuations that adversely affect the exchange between the U.S. dollar on the one hand and the pound sterling, the Canadian dollar, the Mexican peso and other currencies on the other hand; changes in tax laws and interpretations of tax laws; changes in consumer tastes and preferences and market demand for new and existing products and our ability to develop new products that appeal to changing consumer tastes; interruption in transportation systems, labor strikes, work stoppages and other interruptions or difficulties in the employment of labor or transportation in our markets; changes in general economic and business conditions; and our ability to execute and achieve expected returns on special projects, such as the North America water project.

The foregoing list of factors is not exhaustive. The Company undertakes no obligation to publicly update or revise any forward-looking statements. Readers are urged to carefully review and consider the various disclosures, including but not limited to risk factors, contained in the Company's Annual Report on Form 10-K for the year ended December 29, 2007 and its quarterly reports on Form 10-Q, as well as other periodic reports filed with the securities commissions.

Cott Corporation  
Supplemental Information - Non-GAAP Operating Profit  
(in millions of U.S. dollars)  
Unaudited

For the twelve months ended

December 29, 2007

Operating loss	\$ (54.5)
Restructuring and Other Charges	24.3
Goodwill Impairments	55.8
Asset Impairments	10.7
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Adjusted Operating Profit	\$ 36.3
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Note: The 2008 adjusted operating profit target includes other items as described in the non-GAAP definition herein. With respect to 2008, the company is unable to quantify adjustments to operating profit (loss) on a forward-looking basis.

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