

## Cott Corporation Announces Lower 2007 Outlook

**TORONTO , Sept 20, 2007** -- Cott Corporation (NYSE:COT; TSX:BCB), the world's largest retailer brand soft drink provider, announced today lower 2007 earnings expectations.

The Company is lowering its earnings expectations for 2007 as a result of higher than expected industry volume declines in key markets, increased promotional activity by national brands, and the continuing impact of commodity costs not sufficiently offset in the short-term by growth and cost-cutting initiatives. The carbonated soft drink market in the U.S. and Canada experienced steeper declines than anticipated in the four weeks ending August 11, 2007, down 7% on a volume basis, while abnormally cool and wet summer weather in the U.K. adversely impacted category volume in that market. Additionally, start-up issues with the new aseptic line in the U.K. resulted in additional costs, a voluntary product withdrawal and significant line downtime which impacted sales of existing and new products.

“Passing through commodity cost increases and dealing with higher than anticipated CSD industry declines are proving to be too significant to absorb this year. Although we have closed manufacturing facilities and cut significant other costs, begun expansion of new products, new channels, and new markets, and taken significant pricing, these actions have not been sufficient to offset the negative environment impacts and some of our own internal execution and new product start-up challenges. As a result, we no longer feel we can meet the previously announced targets for 2007 and we expect year over year revenue growth to be flat and operating income \*to be substantially lower than 2006. We underestimated how much time and effort it was going to take to fully implement our strategy and to capture the return on that strategy,” said Brent Willis, Cott's CEO. “Our focus for the remainder of 2007 and into 2008 will be to continue to take aggressive actions to turn the business around and drive profitability in line with our long-term business model.”

“2007 has been one of the most challenging years in Cott's history. While the actions the Company has taken to drive the turnaround are on strategy and progressing, the short term results have been undermined by significant declines in the CSD category in North America, unprecedented cost increases and executional challenges. The Board remains confident the right steps are being taken to confront the key challenges and position the Company for future growth in sales and profits,” added Frank Weise, Cott's Chairman.

### **\*Non-GAAP Measures**

Management believes that certain charges are not pertinent to day-to-day operational decision making in the business. Therefore, Cott management excludes these items from its definition of operating income. The term operating income for this purpose excludes restructuring, asset impairment and other charges, certain charges relating to plant closures (product and customer rationalization activities and accelerated depreciation and amortization and inventory reserves), proceeds from litigation settlement, U.K. supplier receivership, share-based

compensation expense, and executive transition costs. 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 management's definition of operating income should be considered in addition to, and not as a substitute for, operating income or any other amount determined in accordance with GAAP. Cott management's definition of operating income reflect management's judgment of particular items, and may not be comparable to similarly titled measures reported by other companies.

## **Conference Call**

Cott Corporation will host a conference on Friday, September 21 from 8:30-9:00 AM ET to discuss the announcement.

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 : (866) 250-4665

International: (416) 644-3430

## **Webcast**

To access Cott's conference call with analysts over the Internet, please visit the Company's website at <http://www.cott.com>. Please log on 15 minutes early to register, download, and install any necessary audio/video software. For those who are unable to access the live broadcast, a replay will be available at Cott's website following these events until September 28, 2007.

## **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, our customers, or other third parties.

## **Safe Harbor Statements**

This press release contains or refers to 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 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. Forward-looking statements, specifically those concerning future performance such as those relating to the success of the Company's measures to increase volume and revenue, expand business, obtain capacity increases, introduce new products and meet targeted financial objectives are subject to certain risks and uncertainties, and actual results may differ materially. These risks and uncertainties are detailed from time to time in the Company's filings with the appropriate securities commissions, and include, without limitation, stability of procurement costs for raw and packaging materials, the Company's ability to restore plant efficiencies and reduce logistics and other costs, adverse weather conditions, competitive activities by other brand beverage manufacturers, the Company's ability to develop new products that appeal to consumer tastes, the Company's ability to identify acquisition candidates, successfully consummate acquisitions and integrate acquired businesses into its operations, fluctuations in currency versus the U.S. dollar, the uncertainties of litigation and regulatory review, loss of key customers and retailers' continued commitment to their Company-supplied beverage programs. The foregoing list of factors is not exhaustive. The Company undertakes no obligation to publicly update or revise any forward-looking statements.

## **COTT CONTACTS:**

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