



Cott

Non-GAAP to GAAP Reconciliation

November 2014

LTM September 30, 2014 Adjusted EBITDA

Supplementary Information – Non-GAAP – Earnings Before Interest, Taxes, Depreciation & Amortization

(\$ in millions)	LTM 9/30/2014		
	Cott	DSS	Pro Forma
Net Income (Loss)	(\$21.0)	(\$15.4)	(\$36.4)
Interest Expense, Net	39.0	60.2	99.2
Income Tax Expense (Benefit)	3.0	(9.4)	(6.4)
Depreciation & Amortization	105.0	112.6	217.6
Net Income Attributable to Non-Controlling Interest	5.0	–	5.0
Aimia Pro Forma EBITDA	13.0	–	13.0
EBITDA	\$144.0	\$148.0	\$292.0
Restructuring	\$4.0	\$1.7	\$5.7
Bond Redemption and Other Financing Costs	38.0	–	38.0
Foreign Regulatory Adjustment	2.0	–	2.0
Acquisition Costs and Adjustments	2.0	1.3	3.3
Refinance-related Costs		5.6	5.6
Loss on Disposal of Assets		2.1	2.1
Stock-Based Compensation		2.7	2.7
Legal Settlement Costs		2.5	2.5
Monitoring Fees		2.4	2.4
Class Action Legal Costs		1.6	1.6
Strike-related Costs		1.2	1.2
Pro Forma Acquisition Costs		1.0	1.0
IPO Costs		0.3	0.3
Other (Primarily Acquisition Travel)		0.2	0.2
Other Income / Expense		(0.2)	(0.2)
Adjusted EBITDA	\$190.0	\$170.3	\$360.3
Adjusted EBITDA Margin	9.3%	17.6%	12.0%
Adjusted EBIT	\$85.0	\$57.7	\$142.7

DSS Historical Adjusted EBITDA

Supplementary Information – Non-GAAP – Earnings Before Interest, Taxes, Depreciation & Amortization

(\$ in millions)	Year Ended December		
	2011	2012	2013
Net Income (Loss)	\$22.0	(\$1.1)	(\$35.7)
Income Tax Expense (Benefit)	11.9	(0.3)	(20.0)
Interest Expense, Net	20.3	55.2	92.7
Depreciation & Amortization	63.3	71.1	86.7
EBITDA	\$117.4	\$125.0	\$123.7
Other Expense (Income)	(1.9)	1.4	5.4
Stock Option Compensation Expense	1.9	1.6	2.4
Acquisition Costs and Adjustments	4.2	5.9	5.8
Refinance Related Costs	1.8	4.0	19.1
Other Adjustments	5.1	10.3	3.5
Adjusted ESC fee	–	4.5	–
Adjusted Business Exit Costs	–	1.2	0.1
Management Fee to Sponsor	–	–	0.7
Total Adjustments	\$11.1	\$28.9	\$36.9
Adjusted EBITDA	\$128.6	\$153.9	\$160.6
Revenue	\$765.2	\$894.6	\$925.6
<i>Adjusted EBITDA (% Margin)</i>	<i>16.8%</i>	<i>17.2%</i>	<i>17.4%</i>

2018E Pro Forma EBITDA

Supplementary Information – Non-GAAP – Earnings Before Interest, Taxes, Depreciation & Amortization

(\$ in millions)	2018E
Net Income	\$76.9
Net Income Attributable to Non-Controlling Interest	5.0
Income Tax Expense	4.0
Foreign Exchange Adjustment	1.0
Interest Expense, Net	118.2
Depreciation & Amortization	210.5
Pro Forma EBITDA⁽¹⁾	\$415.6

(1) Pro forma EBITDA includes synergies of \$25 million.

2018E Pro Forma Unlevered Free Cash Flow

Supplementary Information – Non-GAAP – Unlevered Free Cash Flow

(\$ in millions)	<u>2018E</u>
Pro Forma EBITDA⁽¹⁾	\$415.6
Capital Expenditures	123.8
Change in Net Working Capital	4.6
Pro Forma Unlevered Free Cash Flow	\$287.2

(1) Pro forma EBITDA includes synergies of \$25 million.

2018E Pro Forma Adjusted Free Cash Flow Per Share

Supplementary Information – Non-GAAP – Free Cash Flow Per Share

(\$ in millions, except for per share amount)

	<u>2018E</u>
Pro Forma EBITDA⁽¹⁾	\$415.6
Interest Expense, Net	(118.2)
Cash Taxes	(4.0)
Change in Net Working Capital	(4.6)
Capital Expenditures	(123.8)
Plus: Amortization of Financing Fees	4.7
Less: M-T-M Amortization of DSS 10% Notes	(5.3)
Less: Net Income Attributable to Non-Controlling Interest	(5.0)
Less: Foreign Exchange Adjustment	(1.0)
Pro Forma Unlevered Free Cash Flow	\$158.4
Pro Forma Shares Outstanding	96.0
Pro Forma Adjusted Free Cash Flow per Share	\$1.65

(1) Pro forma EBITDA includes synergies of \$25 million.

2018E Net Debt / Adjusted EBITDA

Supplementary Information – Non-GAAP – Net Debt / Earnings Before Interest, Taxes, Depreciation & Amortization

(\$ in millions)	<u>2018E</u>
Total Debt	<u>\$1,504.6</u>
Less: Cash	138.1
Net Debt	<u>\$1,366.5</u>
Pro Forma Adjusted EBITDA ⁽¹⁾	<u>\$415.6</u>
Net Debt / Adjusted EBITDA	<u>3.3x</u>

(1) Pro forma EBITDA includes synergies of \$25 million.

Cott 2014E Adjusted Free Cash Flow Per Share

Supplementary Information – Non-GAAP – Adjusted Free Cash Flow Per Share

(\$ in millions, except for per share amount)

	<u>2014E</u>
Adjusted EBITDA ⁽¹⁾	\$182.0
Less: Interest Expense, Net	(36.0)
Less: Cash Taxes	(5.7)
Less: Capital Expenditures	(53.7)
Less: Change in Net Working Capital	(7.0)
2014E Adjusted Free Cash Flow	\$79.6
Common Shares Outstanding	94.5
Adjusted Free Cash Flow per Share	\$0.84

(1) Bloomberg Consensus as of October 2014.

2014E Pro Forma Cash Conversion

Supplementary Information – Non-GAAP – Cash Conversion

(\$ in millions)	<u>2014E</u>
Pro Forma Adjusted EBITDA	\$357.2
Pro Forma Capital Expenditures	131.7
Pro Forma Cash Flow	\$225.5
Cash Conversion	63.1%

Cash Flow Yield

Supplementary Information – Non-GAAP – Cash Flow Yield

(\$ in millions, except for per share amount)

	<u>As of December 28, 2013</u>
Stock Price	\$8.06
Total Shares	94.2
Equity Market Capitalization	\$759.6
	<u>For the Year Ended December 28, 2013</u>
Net Income Attributed to Cott Corporation	\$17.0
Interest Expense, Net	51.6
Income Tax Expense (Benefit)	2.2
Depreciation & Amortization	100.8
Net Income Attributable to Non-Controlling Interest	5.0
EBITDA	\$176.6
Restructuring and Asset Impairments	2.0
Bond Redemption Costs	12.7
Tax Reorganization and Regulatory Costs	1.4
Acquisition and Integration	4.1
Adjusted EBITDA	\$196.8
Less: Capital Expenditures	(55.6)
Total	\$141.2
Divided by: Equity Market Capitalization	759.6
Cash Flow Yield	18.6%