



**SPELMAN
RESEARCH**
INDEPENDENT INVESTMENT RESEARCH

High/Low 52 Weeks	22/14
Average Daily Volume	97,000
Market Capitalization	540,000
Shares Outstanding	26,900,000

US Soft drink market

July 2003

- Soft drink market
- Soft drink companies

Overview

- The global soft drink market is large at approximately US\$ 410 billion (2002). In volume terms, the market size is estimated at 72 billion cases. US is the largest soft drink market and accounts for approximately 23% of global volumes. In terms of per capita consumption, US is ranked third behind UAE and Mexico.
- The global soft drink market grew 5% in volume terms in 2002. The US soft drink market grew at a much slower pace of 2.7% during this period.
- Carbonated soft drinks is the largest segment in the US soft drink market both in value and volume terms. Carbonates comprised 66% of the soft drink volume in 2002, followed by bottled water at 14%, fruit juices at 13%, functional drinks at 4%. The balance comprised other beverages like concentrates, ready-to-drink (RTD) tea and RTD coffee.
- Coca-Cola and PepsiCo dominate the soft drink market in the US with a combined share of 57.7% (2001). Coca-Cola Classic is the largest soft drink brand in the US followed by Pepsi-Cola, Diet Coke, Mountain Dew and Dr Pepper.

Trends

- Per capita consumption of soft drinks has increased from 1,295 servings (8 oz.) in 1997 to 1,464 servings in 2002.
- The carbonated soft drink segment has lost significant market share to bottled water and functional drinks in the US. Between 1997 and 2002, the share of the segment declined from 72% to 66%. This reflects a shift in consumer taste towards healthier beverages. Apart from health reasons, wider choice in non-carbonated beverages is also driving this trend.
- The bottled water segment is seeing a lot of action. Pepsi and Coca-Cola have gained market share at the expense of the market leader, Nestle. Pepsi's "Aquafina" and Coke's "Dasani" are the top two brands, while Nestle has 5 out of the top 10 bottled water brands.
- Soft drink companies have continued to consolidate their bottling operations. Coca-Cola Enterprises currently accounts for approximately 80% of Coke's US volumes. Similarly, Pepsi Bottling Group (PBG), Pepsi's largest bottler in the US, accounts for approximately 55% of the company's US volumes.

MARKET SEGMENTATION

Segment description

- Based on product type, US soft drink market can be segmented into carbonates, fruit juice, bottled water, functional drinks, concentrates, RTD tea and RTD coffee segments.
- Carbonates, which includes cola and non-cola carbonates, is the largest market segment.
- Fruit juice segment comprises 100% juice, nectars, juice drinks and fruit flavored drinks. Functional drinks include sport, energy or elixir drinks while Concentrates include liquid and powder concentrates in a ready to drink measure.
- In volume terms, RTD coffee is the fastest growing segment, followed by bottled water, functional drinks, RTD tea, fruit juice, carbonates segment. The concentrate market shrunk 3% between 1997 and 2002.

Segment trends

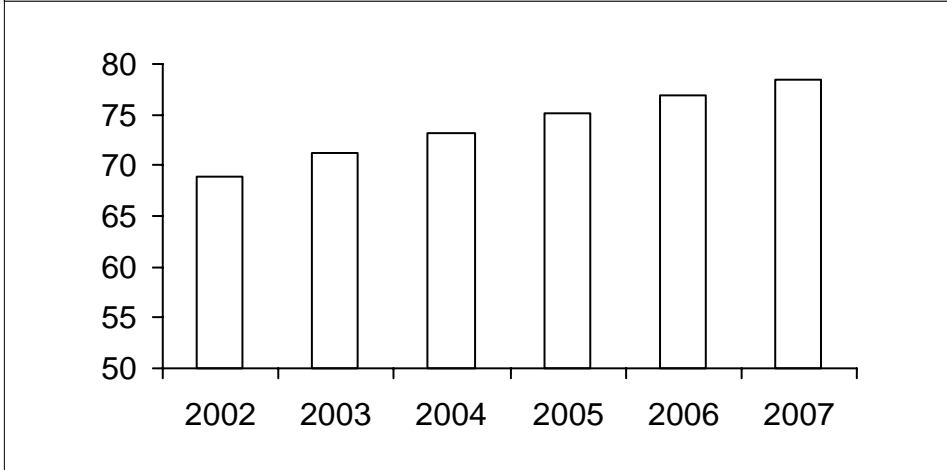
- In the carbonated soft drink segment (CSD), Coca-Cola increased its market share marginally from 43.7% to 44.3%. On the other hand, PepsiCo saw a marginal fall in its market share from 31.6% to 31.4%. In 2002 also, Coke Classic was the largest selling brand with a market share of 19.3% (19.9% in 2001).
- In the fruit juice segment, Minute Maid (Coca-Cola) was the largest brand followed by Tropicana Pure Premium (PepsiCo) and Ocean Spray (Ocean Spray Cranberries).
- In the bottled water segment Aquafina (PepsiCo) and Dasani (Coca Cola) retained their position as #1 and #2 brands in 2002. Dasani was the fastest growing brand in this segment in 2002. Nestle was the largest player in this segment with 5 out of the top 10 bottled water brands.
- In the functional drinks segment, a new category “enhanced water” has emerged. Gatorade dominates the sports drink category with a share of approximately 82% in 2002.

Segment summary table-US market

	Size 2002 (US\$ billion)	Segment characteristics	Key players
Carbonates	36.1	Carbonates is the largest segment in the US soft drink market. This segment is dominated by Coca-Cola & PepsiCo	Coca-Cola, PepsiCo, Dr Pepper/Seven Up (Cadbury Schweppes), Cott Corporation, National Beverage
Fruit juice	15.7	This segment grew at a CAGR of 6% in volume terms between 1997 and 2002	Coca-Cola, PepsiCo, Ocean Spray Cranberries, Welch's, Florida's Natural Growers
Bottled water	6.3	This segment is showing double digit volume growth (CAGR 12% between 1997 & 2002). Nestle is the largest player with 5 out of the top 10 brands	Nestle, PepsiCo, Coca-Cola, Danone, Crystal Geysers
Functional drinks	6.1	This segment has seen double digit growth rates between 1997 and 2002	PepsiCo, Coca-Cola, Red Bull, Monarch Beverage Company, Cadbury Schweppes
Concentrates	1.4	This segment has lost share to other soft drink types. Between 1997 and 2002 the concentrates market shrunk by approximately 3%	Kraft Foods, Coca-Cola, Cadbury Schweppes, Nestle
RTD Tea	2.5	This segment has shown modest growth (6%) over the last five years	Nestle, Cadbury Schweppes, Ferolito Vultaggio & Sons, PepsiCo, Coca-Cola
RTD Coffee	0.9	While this is the smallest segment in the soft drink market, it is also the fastest growing. Between 1997 & 2002 the segment grew at a CAGR of 23%	The North American Coffee Partnership (NACP), Nestle, Coca-Cola
Total	68.9		

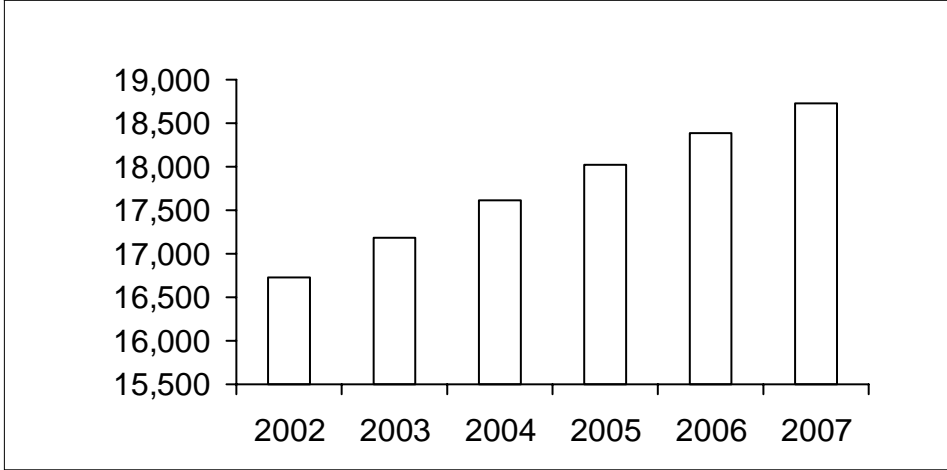
US SOFT DRINK MARKET

US Soft drink market (US\$ billion)



Source: Euromonitor

US Soft drink market (million cases)

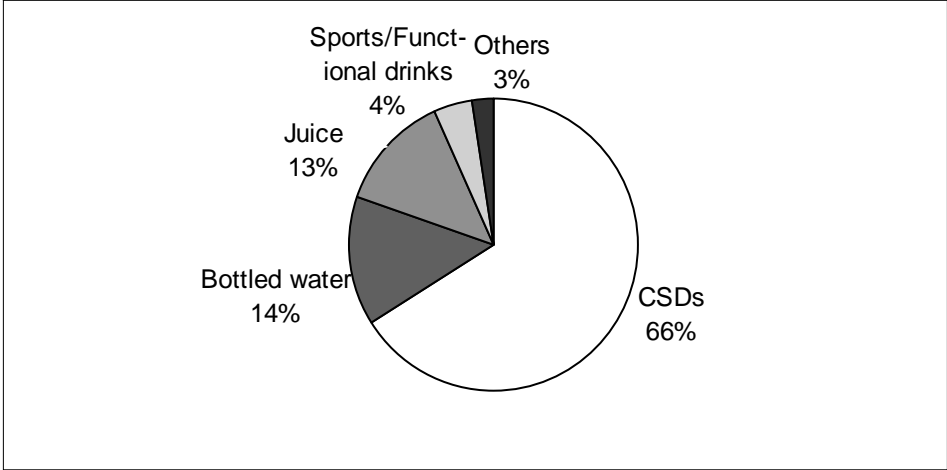


Source: Euromonitor

Key trends

- The US soft drink grew at a CAGR of 5% between 1997 and 2002 to reach US\$ 69 billion. In volume terms, the market grew from 14.4 billion cases in 1997 to 17.2 billion cases in 2002.
- Between 1997 and 2002, carbonates segment saw a steep decline in market share from 72% to 66%. On the other hand, share of bottled water and functional drinks segment increased substantially from 9.4% to 14.3% and 2.7% to 4% respectively.
- Coca-Cola and PepsiCo dominate the US soft drink market with a combined share of 57.7% (2001).
- Going forward, size of the US soft drink market is expected to increase to US\$ 79 billion in 2007. In volume terms, the market is expected to grow to 18.8 billion cases in 2007.

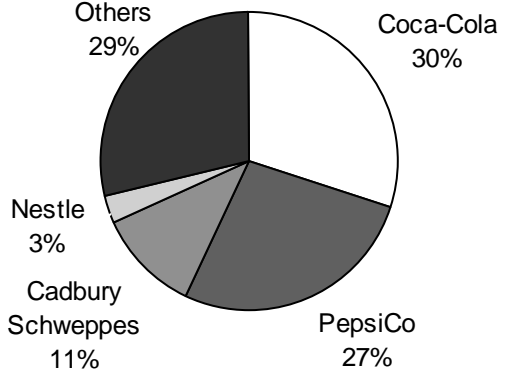
US Soft drink market by segment in volume terms (2002)



Source: Euromonitor

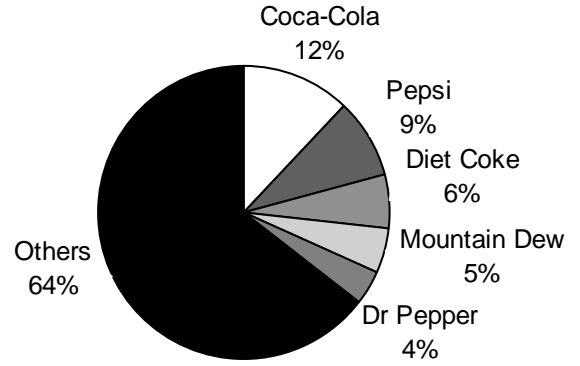
US SOFT DRINK MARKET CONTD..

US Soft drink market share in volume terms (2001)



Source: Euromonitor

US Soft drink market brand share in volume terms (2001)



Source: Euromonitor

MAJOR SOFT DRINK COMPANIES & BRANDS

Company	Segment	Brands
The Coca-Cola Company	Carbonates	Coke Classic, Diet Coke, Sprite, CF Diet Coke
	Fruit Juice	Minute Maid, Fresca, Fruitopia, Hi-C
	Bottled Water	Dasani, Valpre
	Functional Drink	Powerade, KMX energy drink
	RTD Tea	Mad River, Nestea
	RTD coffee	Planet Java
Pepsico	Carbonates	Pepsi Cola, Mt. Dew, Diet Pepsi
	Fruit Juice	Tropicana Pure Premium, Tropicana Season's Best, Tropicana Smoothies
	Bottled Water	Aquafina
	Functional Drink	Gatorade, So Be, AMP
	RTD Tea	Lipton Iced Tea, Lipton Brisk
	RTD coffee	Frappuccino, Starbucks DoubleShot
Cott Corporation	Carbonates	W Cola, Mountain Roar
	Fruit Juice	Wedge
	Bottled Water	EAU DE SOURCE
	RTD Tea	W Iced Tea
National Beverages Corporation	Carbonates	Cola, Diet Cola, Faygo
	Fruit Juice	Ohana, Everfresh
	Bottled Water	Cascadia, LaCROIX
Northland Cranberries	Fruit Juice	Northland, Seneca

Source: Company data

TOP 10 BRANDS (US)-MAJOR CATEGORIES

Carbonates

Rank	Brand	Company
1	Coke Classic	Coca-Cola Company
2	Pepsi-Cola	PepsiCo
3	Diet Coke	Coca-Cola Company
4	Mt. Dew	PepsiCo
5	Sprite	Coca-Cola Company
6	Dr Pepper	Cadbury Schweppes
7	Diet Pepsi	PepsiCo
8	7UP	Cadbury Schweppes
9	CF Diet Coke	Coca-Cola Company
10	Diet Dr Pepper	Cadbury Schweppes

Source: Beverage Digest

Fruit juice

Rank	Brand	Company
1	Minute Maid	Coca-Cola Company
2	Tropicana Pure Premium	PepsiCo
3	Ocean Spray	Ocean Spray
4	Welch's	Welch's National Grape Co-operative Association
5	Minute Maid Single-Serve	Coca-Cola Company
6	Hi-C	Coca-Cola Company
7	Florida's Natural	Florida's Natural Growers
8	Sunny D	Procter & Gamble
9	Hawaiian Punch	Cadbury Schweppes
10	Tropicana/Season's Best	PepsiCo

Source: Beverage Marketing

Bottled water

Rank	Brand	Company
1	Aquafina	PepsiCo
2	Dasani	Coca-Cola Company
3	Poland Spring	Nestle
4	Arrowhead	Nestle
5	Sparkletts	Danone
6	Deer Park	Nestle
7	Crystal Geyser	Crystal Geyser Water Company
8	Ozarka	Nestle
9	Zephyrhills	Nestle
10	Evian	Danone

Source: Beverage Marketing

- Soft drink market

- Soft drink companies

COMPANIES SUMMARY

Company	Ticker	Price	Market cap	Float	Revenue	Operating margin	P/E	EV/ EBITDA	Revenue/ employee	Return 12 months
The Coca-Cola Company	KO	46.23	113,877	94.2%	19,564	27.9%	27	16	0.3	-17.7%
PepsiCo Inc	PEP	44.03	75,648	99.9%	25,112	19.7%	22	12	0.2	-5.3%
Cott Corporation	COT	20.41	1,402	n.a	1,199	6.5%	23	11	0.4	12.8%
National Beverage Corporation	FIZ	14.20	259	20.8%	503	5.3%	16	6	0.3	1.8%
Northland Cranberries Inc	NRCNA	0.82	75	0.2%	101	6.9%	27	18	0.3	-9.9%

Note: All figures in US\$ million except price, which is in US\$

Source: Bloomberg

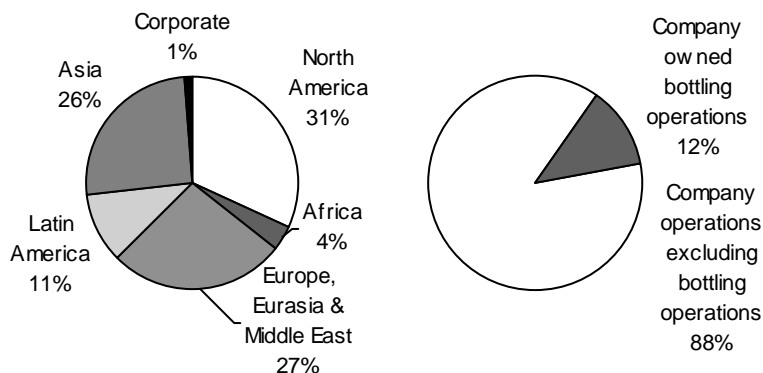
THE COCA-COLA COMPANY (KO)

Company overview

Background

Coca-Cola is the world's largest soft drink company. Coke was invented by John Pemberton in 1886. In 1891, the company was bought by Asa Candler who eventually sold the company to Ernst Woodruff for US\$ 25 million. The company went public in 1919. Coca-Cola bought Minute Maid in 1960. The company launched a series of new brands including Fanta (1960), Sprite (1961), TAB (1963) and diet Coke (1982). In 1981, Roberto Goizueta became chairman of the company. In 1986, the company consolidated its US bottling operations into Coca-Cola Enterprises. In 2001, the company acquired Mad River Traders (tea, juices, soda) and Odwalla (juices and smoothies) to strengthen its non CSD portfolio. In 2002, the company introduced Vanila Coke, touted as the biggest product launch since New Coke (1985). The company has been making significant investments in its global operations. In 2002, capital expenditure by the company was US\$ 851 million. North America accounted for the largest share of capital expenditure (39%) followed by Asia (25%), Europe, Eurasia and Middle East at 19%, and the balance 17% in its other geographical divisions.

Segmental revenues



Key company data

	2001	2002	2003F	Growth (2001-02)
Income parameters				
Sales (US\$ million)	17,545	19,564	20,858	12%
Net profit (US\$ million)	3,969	3,050	4,545	-23%
Operating income (US\$ million)	5,352	5,458	6,012	2%
Profitability parameters				
EPS (US\$)	1.6	1.2	1.8	-23%
Operating margin (%)	30.5%	27.9%	28.8%	-9%
Profit margin (%)	22.6%	15.6%	21.8%	-31%
Return on equity (%)	38.4%	26.3%	35.0%	-31%
Market valuation parameters				
Market cap (US\$ million)	117,226	108,328	n.a	-8%
EV (US\$ million)	120,410	111,339	n.a	-8%
PE (x)	30	26	n.a	-11%
PEG (x)	n.a	n.a	2	n.a
Price/EBITDA (x)	19	17	n.a	-9%
Balance sheet parameters				
Total debt (US\$ million)	5,118	5,356	n.a	5%
Debt/Equity (x)	0.5	0.5	n.a	1%
Trading parameters				
Average trading value (US\$ million)	222	267	n.a	20%

Business focus

The Coca-Cola company is the largest manufacturer, distributor and marketer of non-alcoholic beverage concentrates and syrups in the world. The company has stake in a large number of bottling and canning operations worldwide. The company's operating divisions are segmented geographically into North America, Africa, Europe, Eurasia & Middle East, Latin America, Asia and Corporate. North America is the largest business segment comprising approximately 31% of the revenues followed by Europe, Eurasia & Middle East (27%), Asia (26%), Latin America (11%), Africa (4%) and Corporate (1%). In terms of business, company's operations excluding bottling contributed 87.7% of the revenues while the balance 12.3% comprised revenues from bottling operations.

Recent developments

Mergers & Acquisitions

In February 2003, Coca-Cola acquired Just Juice (a juice brand) and Valpre (a water brand) from SABMiller for US\$ 13 million in cash.

In January 2003, the company along with Coca-Cola Enterprises Belgium acquired Chaudfontaine's water business for an undisclosed sum.

In December 2002, the company acquired Pokka USA, a manufacturer of bottled health drinks from Pokka Corporation, for US\$ 53 million.

Other significant news

In April 2003, the company signed a letter of intent with College Sports Television, the first television network dedicated to college sports, to invest US\$ 15 million. The investment includes US\$ 10 million for equity stake and US\$ 5 million for integrated marketing and promotional activities.

In January 2003, the company entered into a 10-year partnership with Universal Parks & Resorts that continues Coke's designation as the Official Soft drink and expands to include Minute Maid as Official Juice.

Outlook

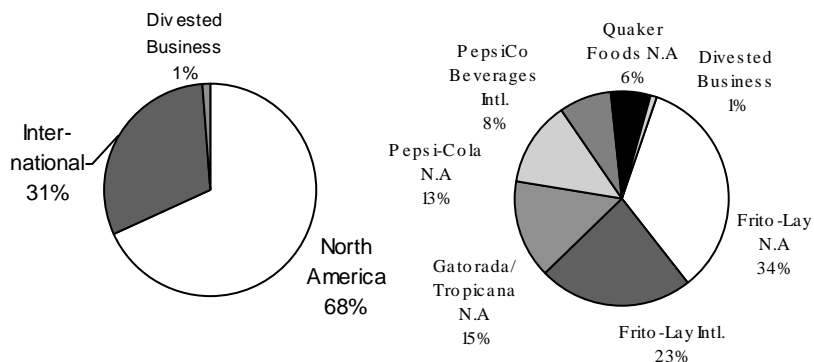
In December 2002 the management expressed confidence in a long-term EPS growth of 11-12% and unit case growth of 5-6% over time.

Company overview

Background

PepsiCo is world's #2 soft drink company. Caleb Bradham invented Pepsi in 1898. Following Coca-Cola's example Bradham developed a bottling franchise system. After World War I Bradham stock piled sugar as a safeguard against price increase. However, sugar prices plunged forcing him into bankruptcy (1923). Pepsi existed on a brink until Loft Candy took over the company in 1931. Donald Kendall (Pepsi's president in 1963) started targeting young people through the theme "The Pepsi Generation". The company acquired Mountain Dew in 1964 and Frito Lay in 1965. In 1972, the company became the only western company to bottle soft drinks in the USSR. The company became a major force in the fast-food industry when it took over Pizza Hut (1977), Taco Bell (1978) and Kentucky Fried Chicken (1986). In 1985, Pepsi outpaced Coca-Cola for the first time New Coke failed to find traction in the market. In response to Coke's Nestea venture with Nestle, the company tied-up with Lipton and is currently the market leader. In 1997, PepsiCo spun off its fast food division (Tricon Global Restaurants) to get better access for its soft drinks in other restaurants. In January 2000, the company acquired South Beach Beverage Company (makers of fruit juices, sports and energy drinks and tea). In 2001, PepsiCo purchased Quaker Oats (Gatorade, Cap'n Crunch) for more than US\$ 13 billion.

Segmental revenues



Key company data

	2001	2002	2003F	Growth (2001-02)
Income parameters				
Sales (US\$ million)	23,512	25,112	26,272	7%
Net profit (US\$ million)	2,662	3,313	3,839	24%
Operating income (US\$ million)	4,408	4,954	5,454	12%
Profitability parameters				
EPS (US\$)	1.5	1.9	2.2	25%
Operating margin (%)	18.7%	19.7%	20.8%	5%
Profit margin (%)	11.3%	13.2%	14.6%	17%
Return on equity (%)	32.7%	37.0%	35.5%	13%
Market valuation parameters				
Market cap (US\$ million)	86,132	71,756	n.a	-17%
EV (US\$ million)	87,514	72,701	n.a	-17%
PE (x)	29	21	n.a	-27%
PEG (x)	n.a	n.a	2	n.a
Price/EBITDA (x)	16	12	n.a	-23%
Balance sheet parameters				
Total debt (US\$ million)	3,005	2,749	n.a	-9%
Debt/Equity (x)	0.3	0.3	n.a	-14%
Trading parameters				
Average trading value (US\$ million)	217	237	n.a	9%

Business focus

PepsiCo is a leading global snack and beverage company. The company is organized into six divisions viz. Frito-Lay North America, Frito-Lay International, Pepsi-Cola North America, Gatorade/ Tropicana North America, PepsiCo Beverages International and Quaker Foods North America. Geographically, the North American division contributed approximately 68% of the companies revenue, followed by international operations (31%) and the balance 1% comprised divested businesses. The North American divisions operate in US and Canada while the international division includes operations in 175 countries. Mexico and UK are its largest international operations.

Recent developments

PepsiCo along with United Airlines is planning a joint promotion initiative "Pepsi Play for a Billion". The program is set to be aired in September 2003 on the WB Network Television.

The company has entered into a multi-year marketing partnership with NFL's New York Giant according to which Pepsi Cola will be the official sponsor of the team.

Outlook

PepsiCo expects volume and revenue growth for 2003 in the mid-single digit range and EPS growth in the low double-digit range.

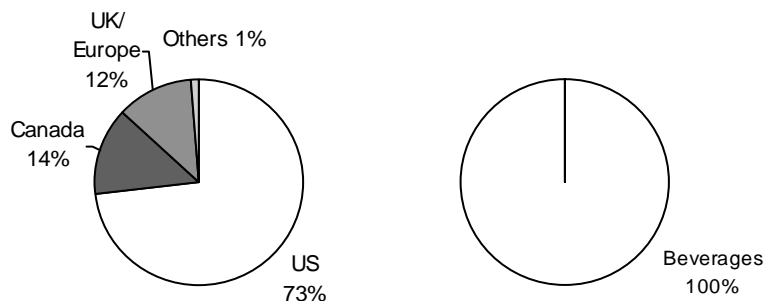
COTT CORPORATION (COT)

Company overview

Background

Cott Corporation, incorporated in 1955, is a leading supplier of "store brand" soft drinks in the US, Canada and UK. The company was founded by Harry Pencer to import bottled and canned carbonated beverages into Quebec from US. Cott struck a 20-year deal with Royal Crown Cola Co to use and customize its beverage concentrates for the private label market in Canada. The company also tied-up with a large number of super markets across Canada to sell its beverages. In the 1990's the company expanded into US and UK. The company acquired Hero Drinks Group (UK) and the assets of Vess Beverages, Vess Speciality Packaging and Texas Beverage Packers in the US. In 1998, the Pencer family sold 30% of its stake to Thomas H. Lee (Leveraged buy-out firm). In 2001, the company acquired Royal Crown's beverage concentrate business for US\$ 94 million. In June 2002, the company formed a Mexican venture Cott Embotelladores de Mexico S.A. de C.V. (CEMSA), with Embotelladora de Puebla.

Segmental revenues



Key company data

	2001	2002	2003F	Growth (2002-03)
Income parameters				
Sales (US\$ million)	1,091	1,199	1,319	10%
Net profit (US\$ million)	30	4	72	-87%
Operating income (US\$ million)	93	123	141	32%
Profitability parameters				
EPS (US\$)	0.5	0.1	1.0	-88%
Operating margin (%)	5.3%	6.5%	10.7%	22%
Profit margin (%)	1.7%	0.2%	5.5%	-88%
Return on equity (%)	14.1%	1.4%	27.0%	-90%
Market valuation parameters				
Market cap (US\$ million)	975	1,222	n.a	25%
EV (US\$ million)	1,370	1,597	n.a	17%
PE (x)	32	313	n.a	872%
PEG (x)	n.a	n.a	n.a	n.a
Price/EBITDA (x)	8	7	n.a	-3%
Balance sheet parameters				
Total debt (US\$ million)	399	378	n.a	-5%
Debt/Equity (x)	1.7	1.1	n.a	-35%
Trading parameters				
Average trading value (US\$ million)	3	3	n.a	15%

Business focus

The company's product portfolio includes carbonated soft drinks, flavored beverages, juices and juice based products, bottled water, energy drinks and iced teas. Geographically, US is the largest market followed by Canada and UK. In 2002, US accounted for 73% of the company's revenues, while Canada accounted for 14%, UK/Europe accounted for 12% and balance 1% comprised other countries.

Recent developments

Mergers & Acquisitions/ Divestures

In June 2002, Cott acquired a 90% stake in a new Mexican soft drink bottling venture CEMSA. It also acquired a 35% stake in a Mexican distribution company with a view to establish manufacturing and marketing capabilities in Mexico. The aggregate purchase cost of these stakes was US\$ 28.8 million.

In May 2002, the company disposed off its remaining 7.6% holding in Menu Foods Limited for a consideration of US\$ 2.8 million.

In January 2002, Cott made investments in two spring water companies totaling US\$ 1.8 million to strengthen its position in the spring water segment across Canada.

Outlook

In 2003, the company expects sales to grow by 9-11%. Sales growth is expected to be primarily driven by existing businesses. The company sees significant opportunities in the US market as it believes that retailer brand penetration is not high in this market. The company expects diluted EPS to rise to US\$ 0.9 to US\$ 0.92 and EBITDA to top US\$ 185 million.

NATIONAL BEVERAGE CORPORATION (FIZ)

Company overview

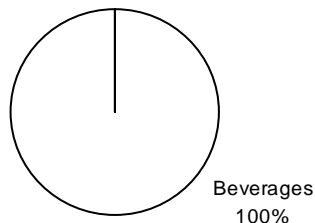
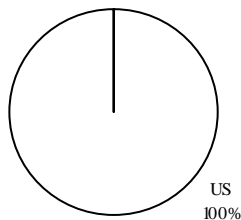
Background

National Beverage Corporation is a holding company for various subsidiaries that develop, manufacture, market and distribute a portfolio of beverage products in the US. The company was initially formed to stave off a takeover bid on Burnup & Sims (telecommunications firm) from Victor Posner. In 1985, National Beverage bought Sara Lee's Shasta Beverages. In 1987, the company bought Faygo Beverages. The company went public in 1991. The company introduced seasonal soft drinks St Nick's (1994), Creepy Coolers (1995) and Ohana- non carbonate beverage (1996).

Business focus

The company is a leading player in the US soft drink market. The companies brands include flagship brands Shasta, Flaygo in the Cola soft drink market, Other brands of the company include Everfresh, Home Juice, Mr. Pure (juice and juice products segment); LaCROIX, Mt Shasta, Crystal Bay, Clear Fruit (flavored and spring water segment), VooDoo Rain, Ohana and St. Nick's. The company operates in a single operating segment for presenting financial information and evaluating performance.

Segmental revenues



Key company data

	2001	2002	2003F	Growth (2001-02)
Income parameters				
Sales (US\$ million)	480	503	n.a	5%
Net profit (US\$ million)	15	17	n.a	10%
Operating income (US\$ million)	25	27	n.a	8%
Profitability parameters				
EPS (US\$)	0.8	0.9	n.a	11%
Operating margin (%)	5.2%	5.3%	n.a	3%
Profit margin (%)	3.1%	3.3%	n.a	6%
Return on equity (%)	14.8%	14.2%	n.a	-5%
Market valuation parameters				
Market cap (US\$ million)	215	279	n.a	29%
EV (US\$ million)	200	247	n.a	24%
PE (x)	14	17	n.a	20%
PEG (x)	n.a	n.a	n.a	n.a
Price/EBITDA (x)	6	7	n.a	28%
Balance sheet parameters				
Total debt (US\$ million)	24	11	n.a	-55%
Debt/Equity (x)	0.2	0.1	n.a	-61%
Trading parameters				
Average trading value (US\$ million)	0.1	0.1	n.a	16%

Recent developments

Mergers & Acquisitions

In September 2000, the company acquired some of the operations and assets of Beverage Canners International, a Miami-based producer and distributor of carbonated soft drinks and sparkling waters. The assets acquired included a leased manufacturing facility and the Ritz and Crystal Bay brands.

In May 1999, the Company acquired the operations and assets of Home Juice, a Chicago-based producer and distributor of premium juice and juice products. The assets acquired included a manufacturing facility and the Mr. Pure and Home Juice brands.

NORTHLAND CRANBERRIES INC (NRCNA)

Company overview

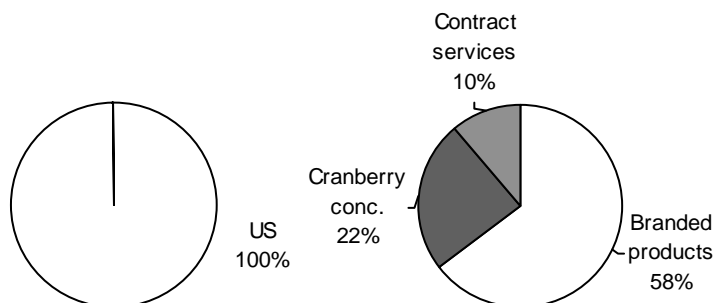
Background

Northland Cranberries, incorporated in 1987, started as a cranberry grower and member of the Ocean Spray Cranberries (marketing cooperative). In 1993, the company left Ocean Spray and introduced Northland brand fresh cranberries. In October 1995, the company introduced Northland 100% juice cranberry blends. In July 1998 the company acquired the private label juice business from Minot Food Packers. In 1999, the company acquired the juice division of Seneca Foods Corporation, including TreeSweet and Awake brands. In 2000, the company sold its private label juice business, which it had acquired from Minot Food Packers, to Cliffstar Corporation. In June 2001, the company sold its bottling and packaging facility in North Carolina and its private label and food service cranberry sauce business to Clement Pappas.

Business focus

The company derives 100% of its revenues from the US market. Business wise, branded beverage products is the largest segment accounting for approximately 58% of the sales followed by Cranberry concentrates at 22% and contract services at 10%.

Segmental revenues



Key company data

	2001	2002	2003F	Growth (2001-02)
Income parameters				
Sales (US\$ million)	126	101	n.a	-19%
Net profit (US\$ million)	-75	54	n.a	n.a
Operating income (US\$ million)	-15	7	n.a	n.a
Profitability parameters				
EPS (US\$)	-14.7	0.8	n.a	n.a
Operating margin (%)	-12.1%	6.9%	n.a	n.a
Profit margin (%)	-59.2%	53.0%	n.a	n.a
Return on equity (%)	n.a	n.a	n.a	n.a
Market valuation parameters				
Market cap (US\$ million)	3	82	n.a	3144%
EV (US\$ million)	99	153	n.a	54%
PE (x)	n.a	30	n.a	n.a
PEG (x)	n.a	n.a	n.a	n.a
Price/EBITDA (x)	n.a	10	n.a	n.a
Balance sheet parameters				
Total debt (US\$ million)	98	71	n.a	-28%
Debt/Equity (x)	n.a	1.8	n.a	n.a
Trading parameters				
Average trading value (US\$ million)	0.04	0.01	n.a	-85%

Recent developments

Ocean Spray Cranberries has rejected a US\$ 800 million acquisition offer from Northland Cranberries. Ocean Spray Cranberries is a agricultural co-operative owned by more than 800 Cranberry growers and 126 grape fruit growers in US and Canada. The company is a leading producer of canned and bottled juices and juice drinks. In fiscal 2002, the company had sales of US\$ 1.1 billion.

The company has renewed its contract with Equitable Life Assurance Society to manage the Cranberry Marsh, which expired in December 2002. According to the agreement the company will purchase the harvest at a price equivalent to what it pays to its independent growers.

Outlook

For 2003, the company expects to improve its cash position through a balanced marketing approach and focus on profits.