



PepsiAmericas Reports First Quarter 2008 Results

- **Reported EPS increased 19% to \$0.19; Adjusted EPS up 12%.**
- **Volume grew 12.7% with constant territory volume up 1.7%.**
- **Operating profits increased 18%; up 16% after adjusting for special charges.**

MINNEAPOLIS, April 22, 2008 -- PepsiAmericas, Inc. (NYSE: PAS) today reported net income of \$24.7 million in the first quarter of 2008, with revenue up 14 percent including acquisitions. Diluted earnings per share (EPS) was \$0.19 in the first quarter of 2008. These results compare to first quarter reported net income in 2007 of \$20.6 million, or EPS of \$0.16, which included a \$0.01 reduction related to special charges.

Chairman and Chief Executive Officer Robert C. Pohlad said, "First quarter was a continuation of those things that drove our success in 2007, with good execution across our diverse portfolio of markets.

"Central and Eastern Europe continued to drive our growth, reflecting the significant opportunities in these developing and emerging beverage markets. Strong execution of our brand and channel initiatives drove European volumes up double digits, reflecting growth across all categories. In the U.S., we were able to partially offset lower volume with good execution on our pricing, innovation and productivity initiatives. "

Mr. Pohlad continued, "The diversity of our markets, and our ability to manage the challenges and maximize our opportunities continue to position us well for growth."

First Quarter Worldwide Financial Highlights

- Revenue increased 14 percent to \$1.1 billion, with acquisitions contributing 8 percentage points along with strong international growth.
- Volume improved by 12.7 percent, with constant territory up 1.7 percent driven by double digit volume growth in Central and Eastern Europe.
- Operating income increased 18 percent to \$70.3 million, including acquisitions. Year over year special charges added 2 percentage points to this increase, while currency added 6 percentage points.
- The company repurchased shares totaling \$81.2 million during the quarter and increased its dividend.

First Quarter U.S. Operations Highlights

Volume declined 1 percent in the quarter compared to prior year, including an estimated 1 percentage point benefit from the Easter holiday shift. Carbonated soft drink (CSD) volume declined 1 percent, an improvement from past trends due to the holiday benefit and growth in flavored CSDs. The non-carbonated category, excluding Aquafina, was up 8 percent reflecting the successful execution and innovation in hydration and energy, partially offset by a slow down in teas as the company cycled through strong volume and innovation of a year ago. Aquafina volume was down 11 percent in the quarter, cycling strong growth from a year ago and reflecting a softer category.

Net sales in the U.S. grew 2 percent to \$780.8 million in the first quarter. Net pricing growth of 3.1 percent primarily reflected rate increases, which covered the higher cost of goods sold. The company's single serve business declined 4 percent, reflecting softness in the convenience and gas and foodservice channels, representative of a challenging economic environment. Take home package case sales were comparable to last year. Domestic cost of goods sold per unit increased 4.1 percent, reflecting increased raw material costs and higher non-carbonated mix related costs, and gross profit increased almost 1 percent to \$318.2 million.

Selling, delivery and administrative expenses increased 2 percent to \$260.3 million. Favorable compensation and benefit expenses and effective cost management partially offset significantly higher fuel costs in the quarter. First quarter operating income was \$57.4 million including special charges of \$0.5 million, compared to \$60.4 million in the prior year quarter which included special charges of \$1.2 million.

First Quarter International Operations Highlights

Central and Eastern European (CEE) volume grew 61.8 percent. Constant territory volume was up 10 percent led by double digit growth in Romania and Poland, reflecting strong brand and channel development. CEE's net sales were \$263 million in

the first quarter, up 84 percent, with nearly 56 percentage points of the increase attributable to acquisitions. The remainder reflected currency benefits, higher volume and pricing improvements.

Average net pricing increased 17.3 percent, reflecting a 16 percentage point benefit from currency with the remainder due to a 3 percentage point underlying rate increase partially offset by acquisition impact. Cost of goods sold per unit increased 24.2 percent with currency adding 12 percentage points, acquisitions adding 9 percentage points, and the remainder driven by higher raw material costs. Gross profit grew 69 percent to \$92.9 million for the quarter, with acquisitions driving 33 percentage points of the increase. Selling, delivery and administrative expenses of \$78 million were up 45 percent, which included 23 percentage points from acquisitions. The remaining increase was driven mainly by currency and continued investments in advertising and marketing.

CEE's operating income increased to \$14.9 million, a \$13.9 million improvement over the prior year driven by acquisitions, currency benefits and improved operational performance.

The Caribbean business reported a volume increase of 4.8 percent driven mainly by Puerto Rico. Net sales were \$54.9 million, up 5 percent with a 1.3 percent improvement in pricing. Cost of goods sold per unit increased 3.2 percent resulting in a decrease in gross profit to \$12.7 million in the quarter. Selling, delivery and administrative costs were flat, resulting in an operating loss of \$2 million for the quarter, consistent with the prior year.

Conference Call

PepsiAmericas will hold its first quarter 2008 earnings conference call at 10:00 AM CDT today, Tuesday, April 22, 2008, through a live webcast over the internet. The live webcast will be available at www.pepsiamericas.com. A replay of the webcast will be archived and available online through the Investor Relations section of our website.

PepsiAmericas is the world's second-largest manufacturer, seller and distributor of PepsiCo beverages with operations in 19 U.S. states; Central and Eastern Europe, including Poland, Hungary, the Czech Republic, Slovakia, Romania and Ukraine; and the Caribbean. For more information on PepsiAmericas, please visit our website.

Cautionary Statement

This release contains certain forward-looking statements of expected future developments, as defined in the Private Securities Litigation Reform Act of 1995. The forward-looking statements in this release refer to our expectations regarding continuing operating improvement and other matters. These forward-looking statements reflect our expectations and are based on currently available data; however, actual results are subject to future risks and uncertainties, which could materially affect actual performance. Risks and uncertainties that could affect such performance include, but are not limited to, the following: competition, including product and pricing pressures; changing trends in consumer tastes; changes in our relationship and/or support programs with PepsiCo and other brand owners; market acceptance of new product and package offerings; weather conditions; cost and availability of raw materials; changing legislation, including tax laws; cost and outcome of environmental claims; availability and cost of capital including changes in our debt ratings; labor and employee benefit costs; unfavorable foreign currency rate fluctuations; cost and outcome of legal proceedings; integration of acquisitions; failure of information technology systems; and general economic, business and political conditions in the countries and territories where we operate. For further information, please see "Risk Factors" in our 2007 Annual Report on Form 10-K.

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