

THE 2005 STATS

Source: Commentary and content provided by Beverage Marketing Corporation

Bottled Water Continues As Number 2 in 2005

Bottled water emerged as the second largest commercial beverage category by volume in the United States in 2003, and, despite its significant stature, it continued to grow at a rapid pace in 2005. The category is growing even more forcefully on a global scale but in the U.S., volume is unparalleled.

In 2005, total U.S. category volume surpassed 7.5 billion gallons, a 10.7% advance over 2004's volume level. That translates into an average of 26.1 gallons per person, which means U.S. residents now drink more bottled water annually than any other beverage, other than carbonated soft drinks (CSDs).

U.S. BOTTLED WATER MARKET Volume and Producer Revenues 2001 – 2006(P)

<u>Year</u>	<u>Millions of Gallons</u>	<u>Annual % Change</u>	<u>Millions of Dollars</u>	<u>Annual % Change</u>
2001	5,185.2	9.7%	\$6,880.6	12.6%
2002	5,795.7	11.8%	\$7,901.4	14.8%
2003	6,269.8	8.2%	\$8,526.4	7.9%
2004	6,806.7	8.6%	\$9,169.4	7.5%
2005	7,537.1	10.7%	\$10,012.5	9.2%
2006 (P)	8267.0	9.7%	\$10,980.0	9.7%

(P)
Preliminary

Source: Beverage Marketing Corporation

While CSDs still have volume and average intake levels more than twice as high as bottled water, the soft drink market has been struggling recently, because of competition bottled water. Per capita consumption of bottled water has been growing by at least one gallon annually, thereby more than doubling in a decade.

U.S. BOTTLED WATER MARKET
Per Capita Consumption
2001 - 2006(P)

<u>Year</u>	<u>Gallons Per Capita</u>	<u>Annual % Change</u>
2001	18.8	8.7%
2002	20.9	10.7%
2003	22.4	7.3%
2004	24.0	7.6%
2005	26.1	9.6%
2006 (P)	28.3	8.6%

(P) Preliminary

Source: Beverage Marketing Corporation

U.S. BOTTLED WATER MARKET
Volume & Growth by Segment
2001 – 2006(P)

<u>Year</u>	<u>Non-Sparkling</u>		<u>Domestic Sparkling</u>		<u>Imports</u>		<u>Total</u>	
	<u>Volume*</u>	<u>Change</u>	<u>Volume*</u>	<u>Change</u>	<u>Volume*</u>	<u>Change</u>	<u>Volume*</u>	<u>Change</u>
2001	4,917.3	10.7%	144.0	-0.1%	123.9	-10.1%	5,185.2	9.7%
2002	5,487.5	11.6%	149.5	3.8%	158.7	28.1%	5,795.7	11.8%
2003	5,923.9	8.0%	152.6	2.1%	193.3	21.8%	6,269.8	8.2%
2004	6,411.3	8.2%	166.8	9.3%	228.6	18.3%	6,806.7	8.6%
2005	7,169.5	11.8%	185.0	10.9%	182.7	-20.1%	7,537.1	10.7%
2006 (P)	7,882.0	9.4%	200.0	8.1	185.0	1.3%	8,267.0	9.7%

* Millions
of gallons

(P) Preliminary

Source: Beverage Marketing Corporation

GLOBAL BOTTLED WATER MARKET
Leading Countries' Consumption and Compound Annual Growth Rates
2000 – 2005

2004	Rank	Countries	Millions of Gallons		CAGR
			2000	2005	2000/05
	1	United States	4,725.1	7,539.8	9.8%
	2	Mexico	3,280.0	4,963.3	8.6%
	3	China	1,582.2	3,395.1	16.5%
	4	Brazil	1,799.6	3,224.3	12.4%
	5	Italy	2,434.5	2,932.9	3.8%
	6	Germany	2,217.7	2,784.6	4.7%
	7	France	1,970.0	2,216.9	2.4%
	8	Indonesia	1,135.3	2,008.6	12.1%
	9	Spain	1,110.8	1,558.6	7.0%
	10	India	<u>567.5</u>	<u>1,625.5</u>	<u>23.4%</u>
		Top 10 Subtotal	20,822.7	32,249.6	9.1%
		All Others	<u>7,734.5</u>	<u>11,047.8</u>	<u>7.4%</u>
		TOTAL	28,557.2	43,297.4	8.7%

Source: Beverage Marketing Corporation

GLOBAL BOTTLED WATER MARKET
Per Capita Consumption by Leading Countries
2000 – 2005

2005	Rank	Countries	Gallons Per Capita	
			2000	2005
	1	Italy	42.2	50.5
	2	United Arab Emirates	30.1	47.7
	3	Mexico	32.7	47.3
	4	Belgium-Luxembourg	31.2	42.4
	5	Spain	27.8	38.7
	6	France	33.2	36.6
	7	Germany	26.8	33.8
	8	Lebanon	20.3	28.2
	9	Switzerland	23.8	27.4
	10	United States	16.2	26.1
	11	Cyprus	19.1	26.0
	12	Saudi Arabia	21.2	24.6
	13	Czech Republic	18.0	23.8
	14	Portugal	18.9	22.0
	15	Slovenia	<u>14.9</u>	<u>21.5</u>
		Global Average	4.7	6.7

Source: Beverage Marketing Corporation