

**JONES**  
SODA CO.®



# JONES<sup>®</sup>

Annual Shareholder Meeting



# Safe Harbor Language

Certain statements in this presentation are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements that address future operating performance, the economy, events or developments that management expects or anticipates will or may occur in the future, including statements related to distributor channels, volume growth, revenues, profitability, new products, adequacy of funds from operations, cash flows and financing, and our ability to continue as a going concern. Words such as "aim," "believe," "expect," "intend," "anticipate," "estimate," "may," "will," "can," "plan," "predict," "could," "future," variations of such words, and similar expressions identify forward-looking statements, but are not the exclusive means of identifying such statements and their absence does not mean that the statement is not forward-looking. Forward-looking statements are based on the opinions and estimates of management based on current information and are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated in such forward-looking statements as a result of various important factors, including factors described in Jones Soda's current and periodic reports filed with the Securities and Exchange Commission, including its most recent annual report on Form 10-K and quarterly reports on Form 10-Q filed in 2010. You are cautioned not to place undue reliance upon these forward-looking statements, which speak only as to the date of this presentation. Except as required by law, Jones Soda undertakes no obligation to update any forward-looking or other statements in this presentation, whether as a result of new information, future events or otherwise.



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# Recent Successes in the Beverage Category



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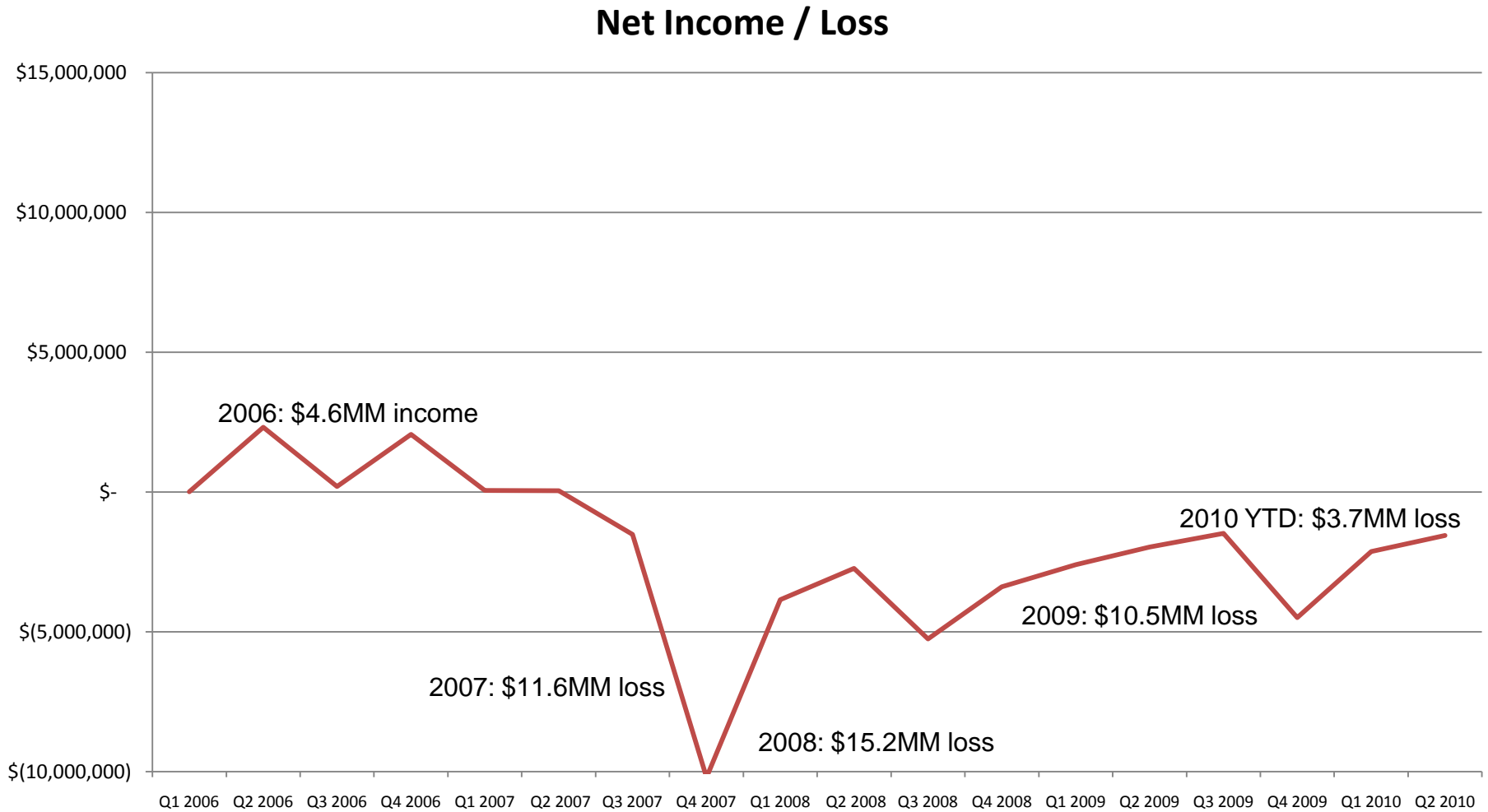
# Jones Soda Co. CFO

Michael O'Brien



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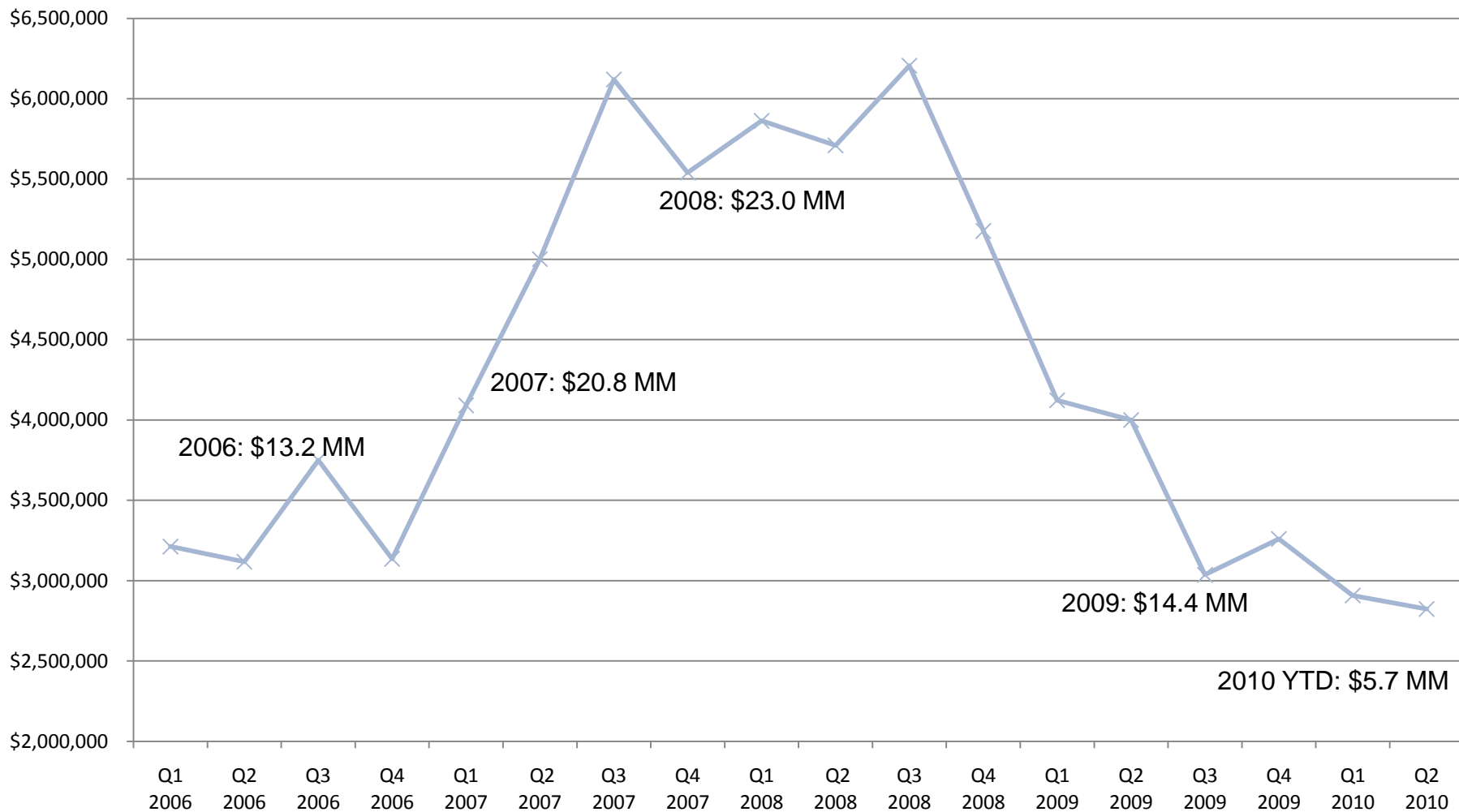
# Net Income/(Loss) by Quarter 2006 – Q2 2010



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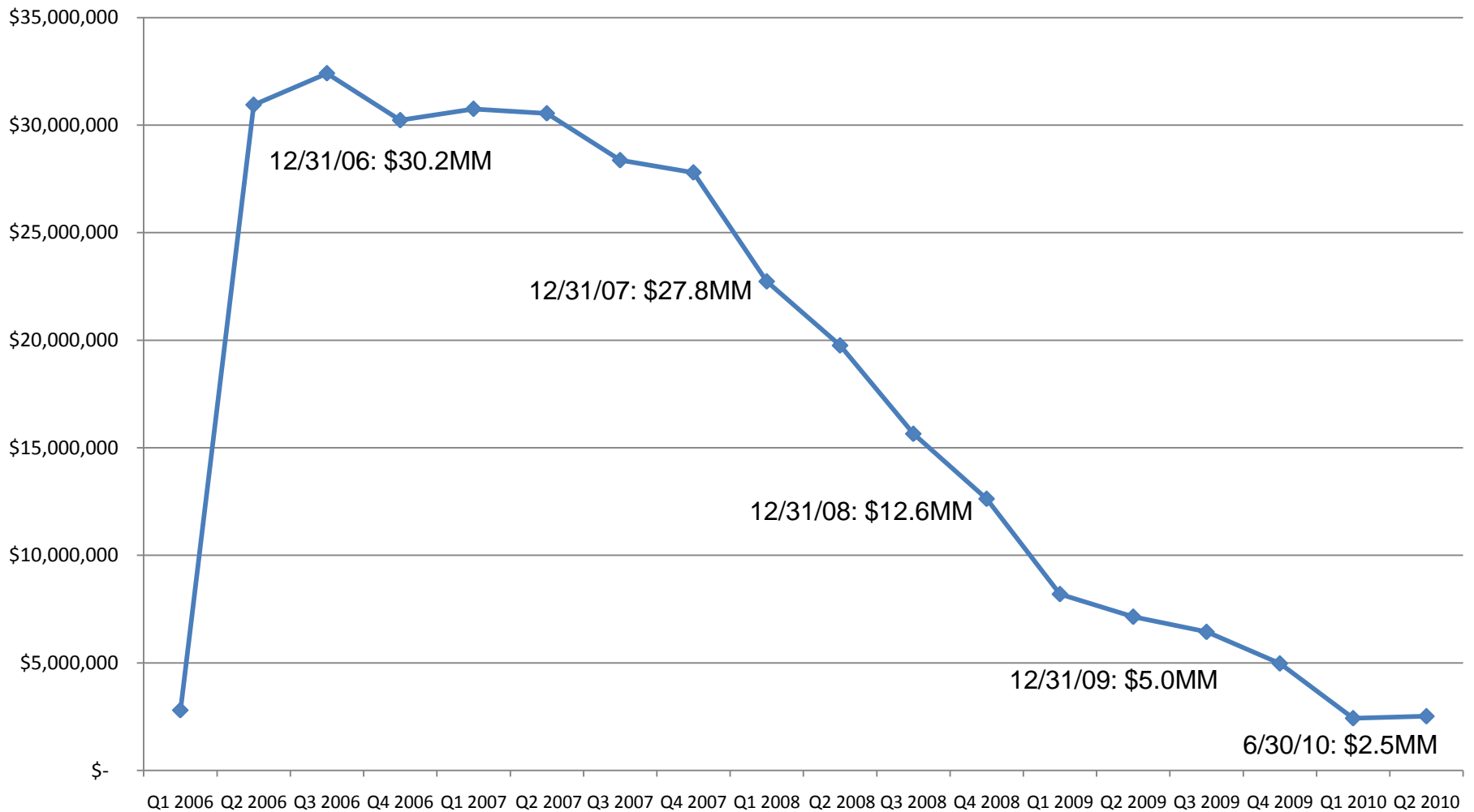
# Operating Expenses by Quarter 2006 – Q2 2010



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# Cash by Quarter 2006 – Q2 2010



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# Equity Financing

- May 6, 2010: S-3 Shelf Registration Filed
- June 11, 2010: \$10 million Equity Line of Credit with Glengrove Small Cap Value
- July 14, 2010: First draw on Equity Line of Credit for \$1.1 million

## Equity Line of Credit - Availability

|           | <b>Shares</b> | <b>Dollars</b> | <b>Share Price</b> |
|-----------|---------------|----------------|--------------------|
| Capacity  | 5,228,893     | \$ 10,000,000  |                    |
| Draw      | 900,164       | \$ 1,100,000   | \$ 1.22            |
| Available | 4,328,729     | \$ 8,900,000   |                    |



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# Keeping up with the Joneses

## 2010:

- August 13<sup>th</sup> Live interview with Bill on Fox Business
- September 23<sup>rd</sup> Annual Shareholders Meeting
- October 5<sup>th</sup>-8<sup>th</sup> Jones at National Association of Convenience Stores show in Atlanta.
- November 11<sup>th</sup> Live earnings call for Q3 2010
- December 6<sup>th</sup>-7<sup>th</sup> Bill to speak at the BevNET Live conference in Los Angeles.

## 2011:

- January 13<sup>th</sup> Jones to present at the 13<sup>th</sup> Annual ICR Xchange Investor Conference in San Diego.



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# Sale of Patents

July 28<sup>th</sup> Sale of Patents

- Patent Coverage:
  - “The Method and Apparatus for Creating and Ordering Customized Branded Merchandise over a Computer Network” (2001 and 2002)
- Patents sold to a Company that specializes in monetization of Patents
- We share in the compensation generated from the monetization of the Patents
- We retain a perpetual license to use these Patents in our business
- Right to repurchase the Patents if we do not receive a certain minimum amount of payments in any calendar year



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**YOU  
ARE HERE**

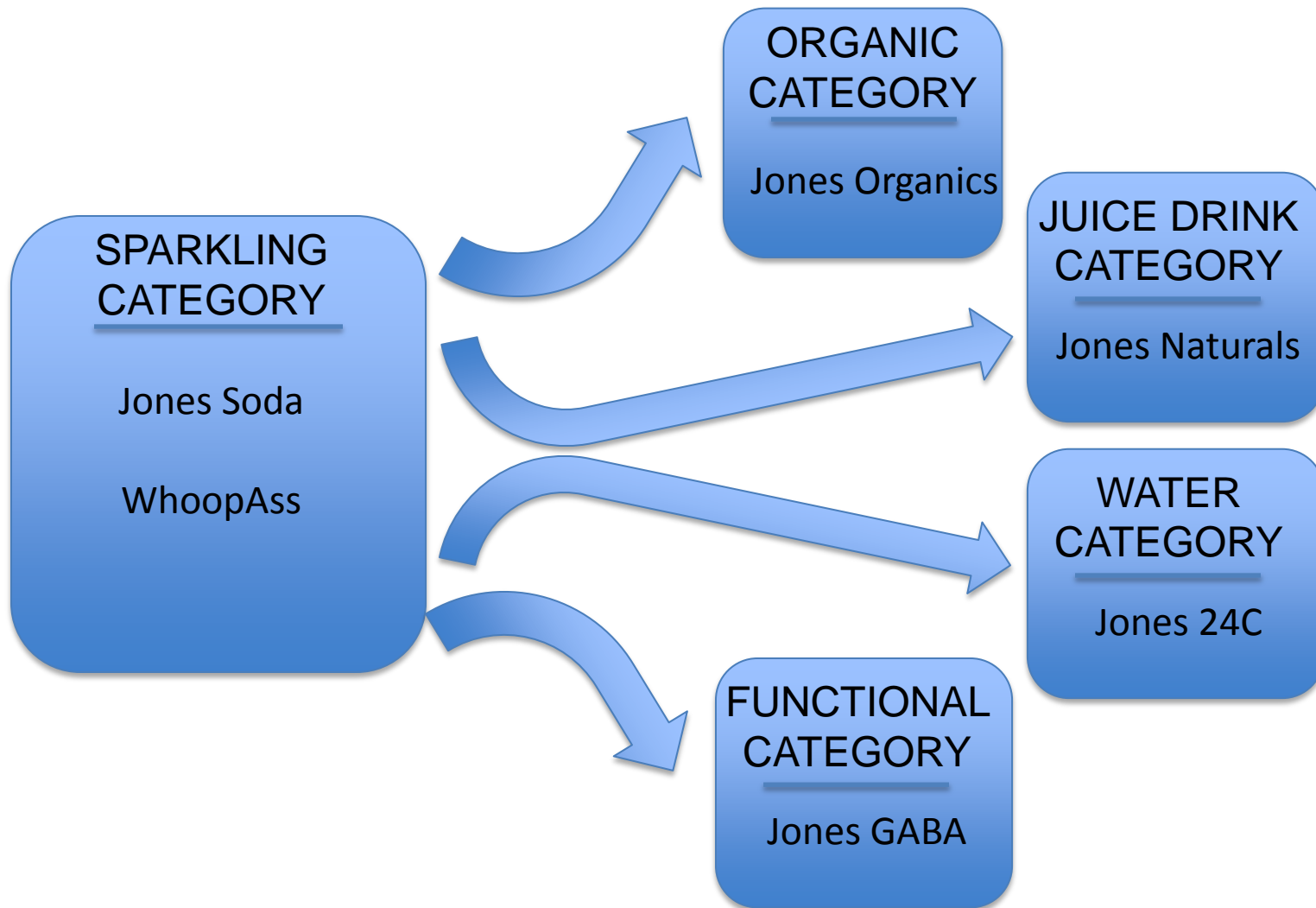


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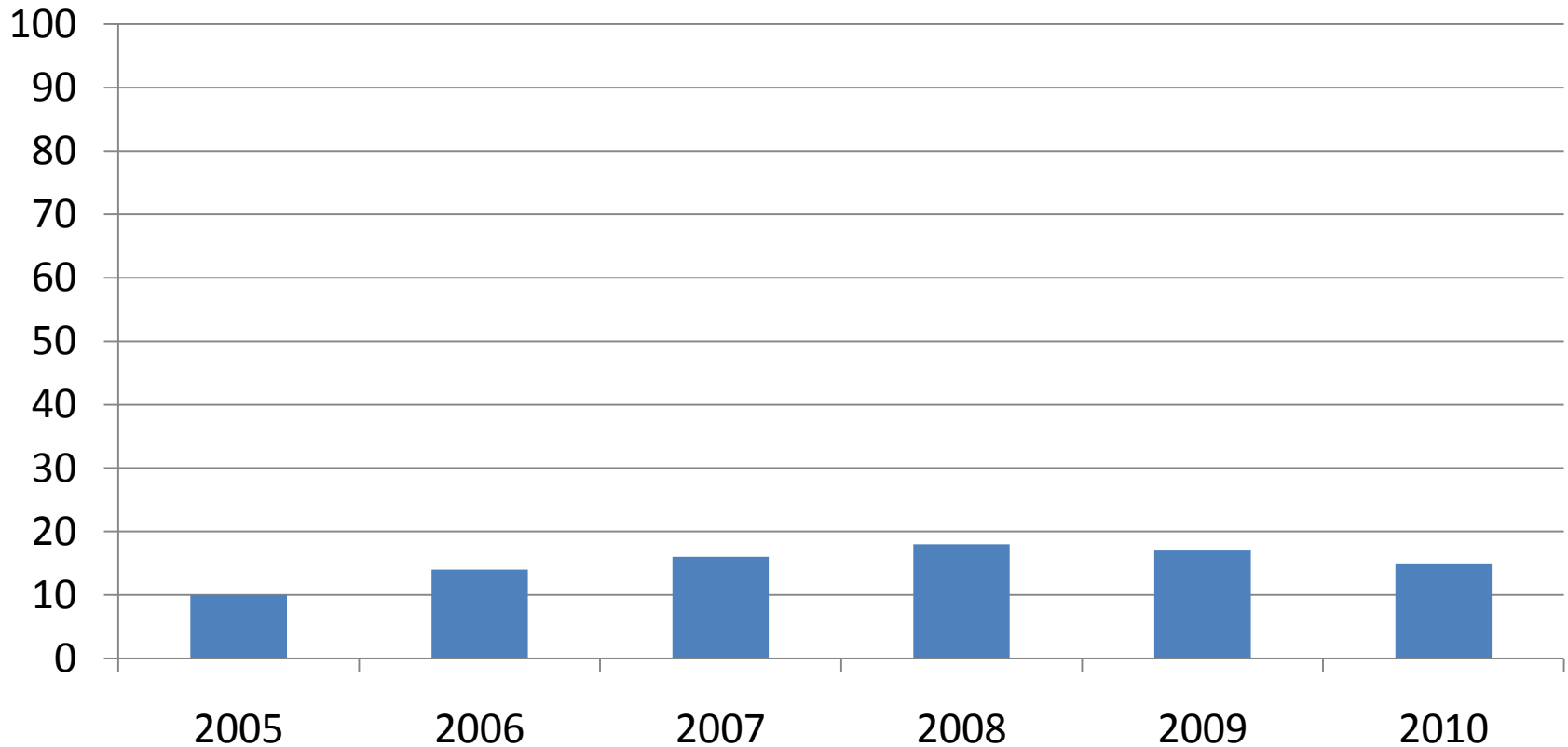
# Early Over-Harvesting of a Great Brand



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# Missed Upside in Our Own Categories

## National ACV (Distribution)



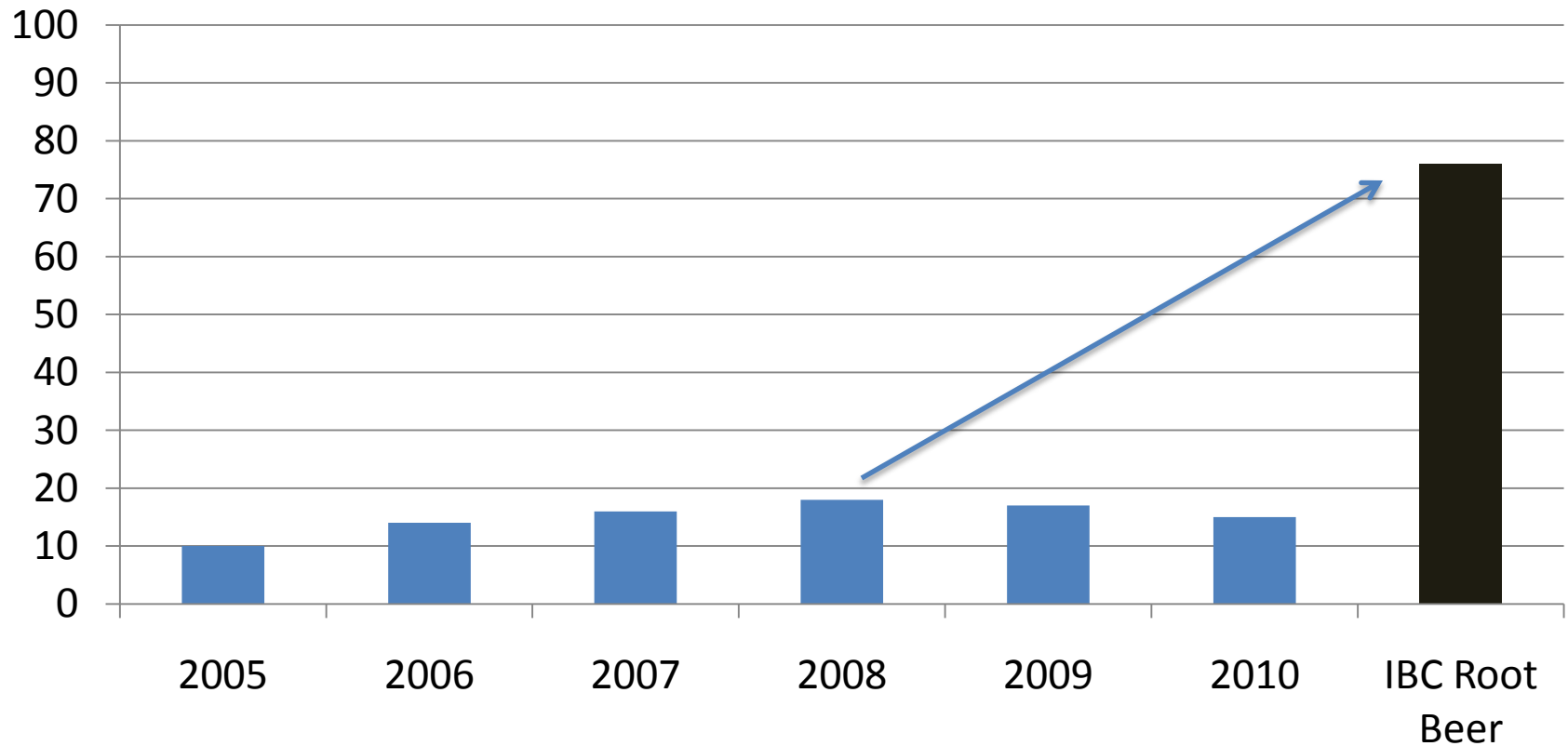
AC Nielsen last 52 weeks August 2010



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# Missed Upside in Our Own Categories

## National ACV (Distribution)



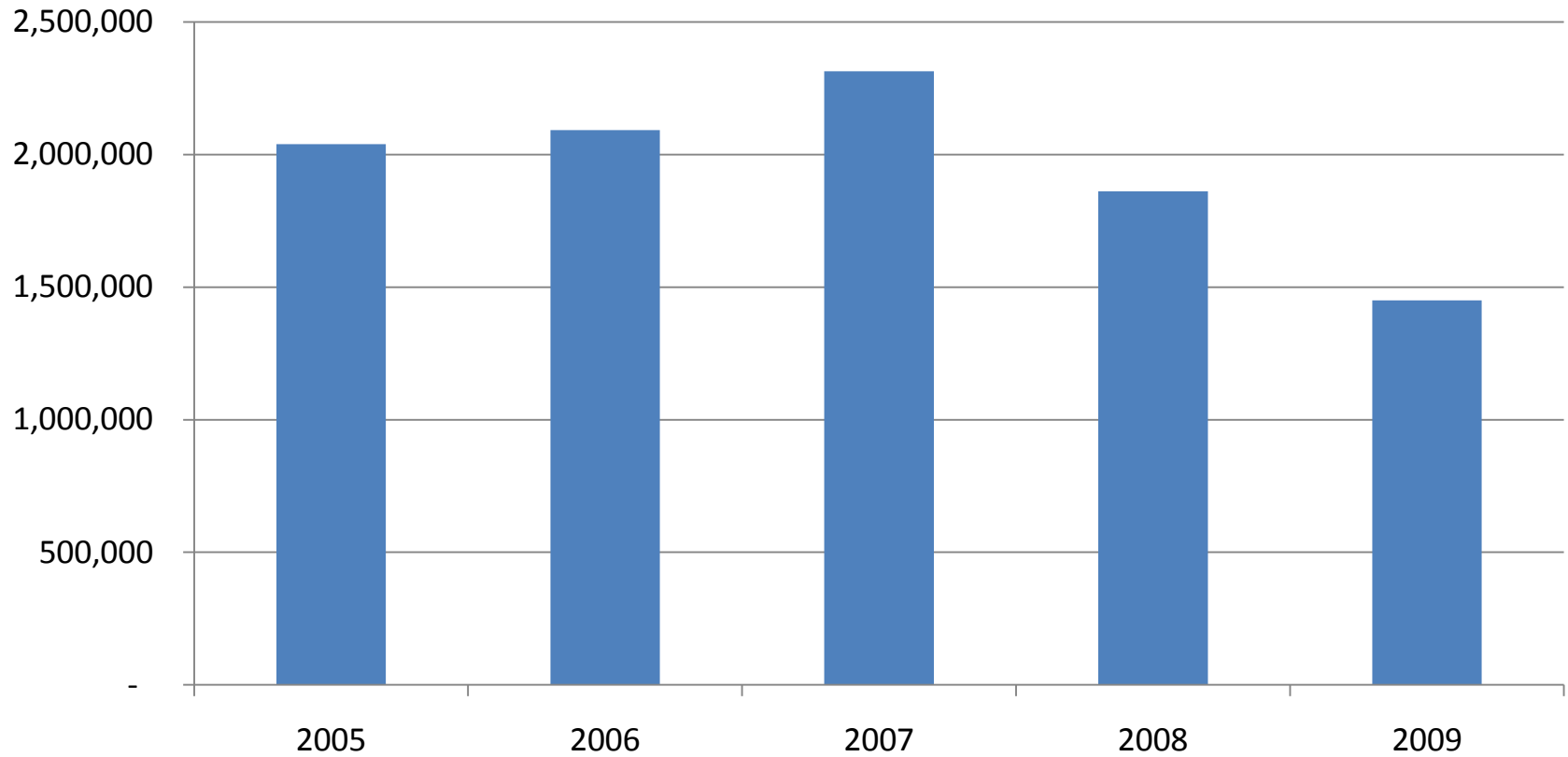
AC Nielsen last 52 weeks August 2010



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# Impact of Lost Focus

## Jones Glass Case Sales

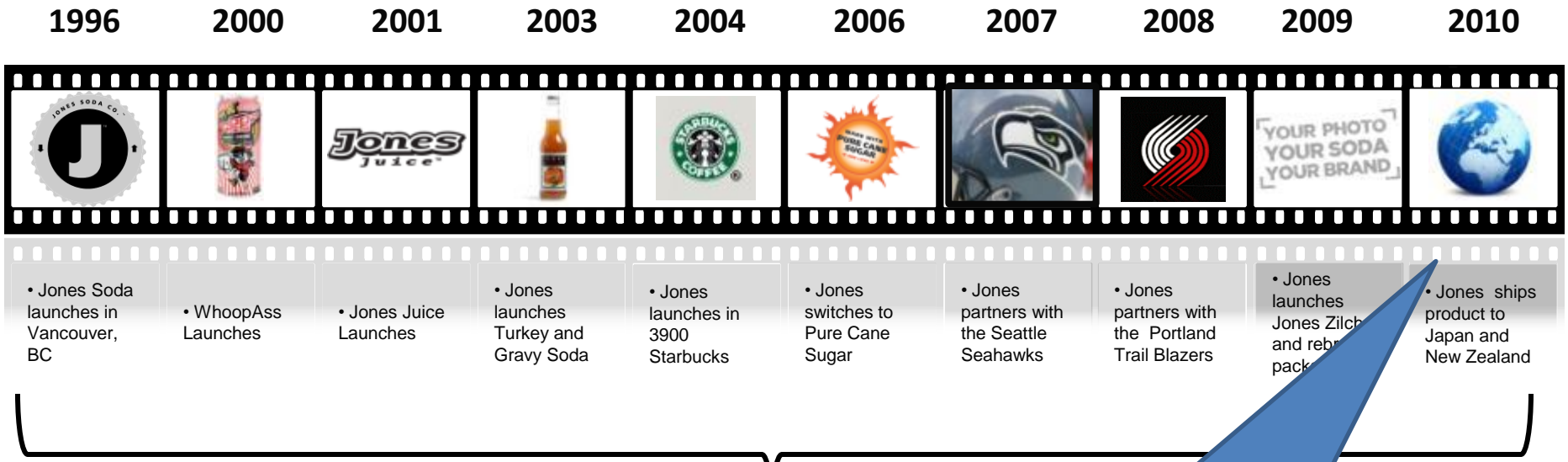


AC Nielsen last 52 weeks August 2010



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# Jones Soda Company – Born 1996



## Great Stuff But....

- Only \$19mm in revenue
- Averted profitability
- Ebb and flow on shareholder value

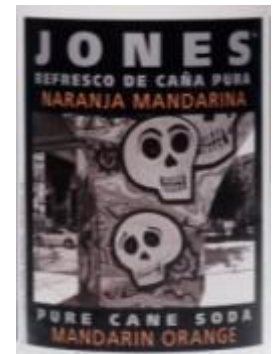


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# Jones Soda Company – Reborn 2010

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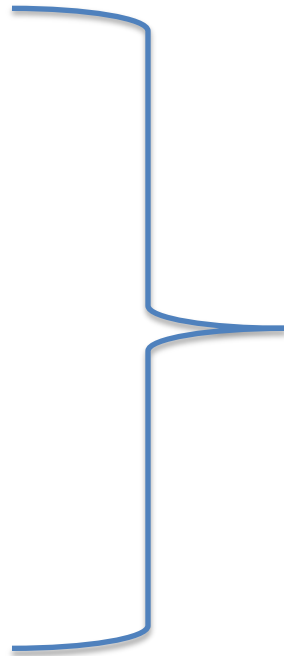
- Strong fundamentals
- ROI focused
- Proven management team
- All the fun and refreshment that's classically JONES!



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# Sparkling Categories

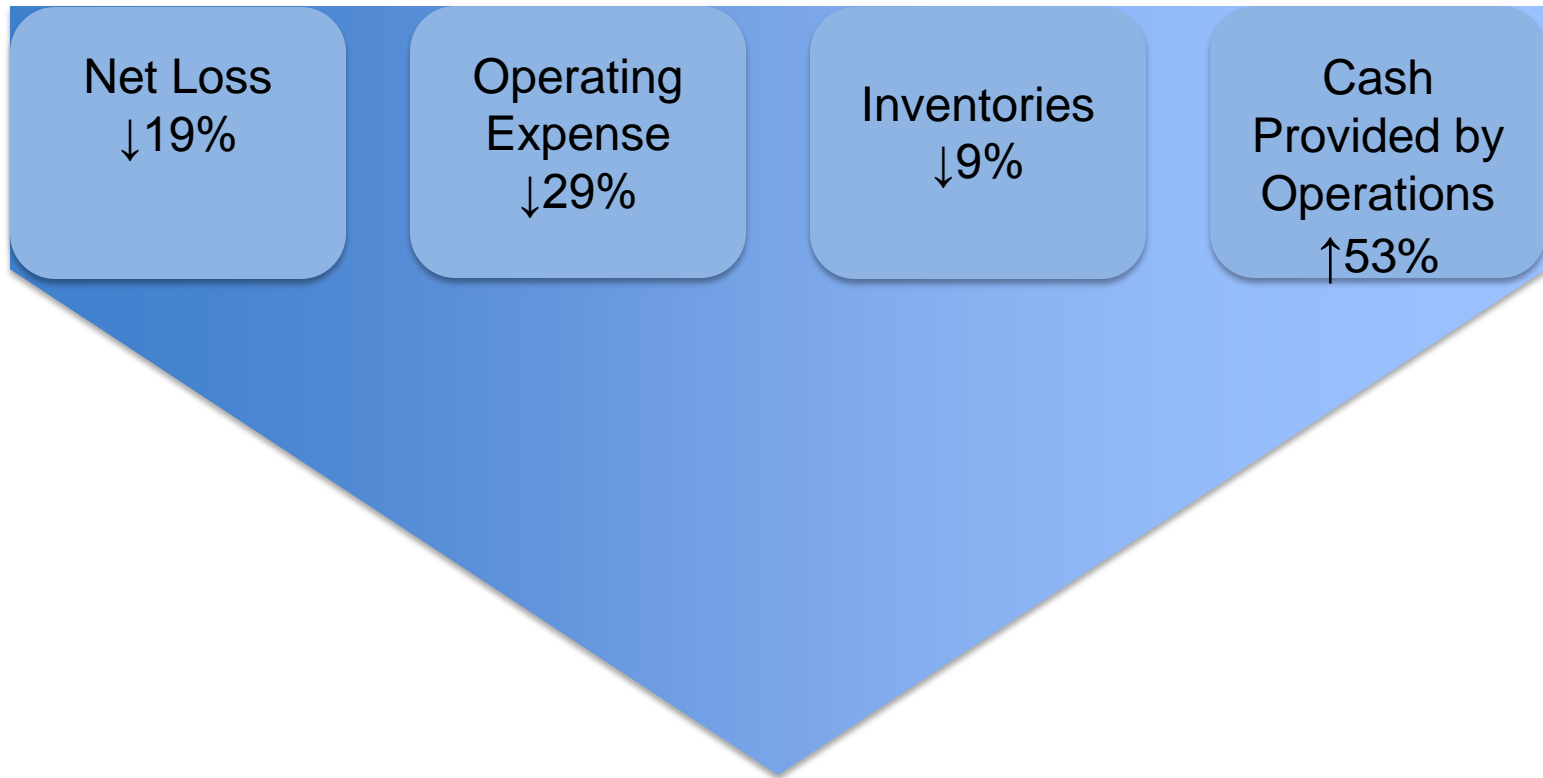


**> \$90 Billion at  
Retail Total US**



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# Improved Metrics – YTD Q2 2010 vs. Q2 2009



The Results of Improved Focus



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# JSDA

Avg. Share Price  
Oct 2009 – Mar 2010

Avg. Share Price  
Apr 2010 – Today



**\$0.66**

**\$1.13**

**↑ 71%**



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# Key Events – Last 6 months

- May 6<sup>th</sup> S-3 Shelf Registration Filed
- May 27<sup>th</sup> Announcement of Wal-Mart retail distribution expansion
- June 11<sup>th</sup> Equity Line of Credit with Glengrove Small Cap Value, Ltd.
- June 14<sup>th</sup> Hiring of Sales Directors for Western and Eastern U.S.
- June 29<sup>th</sup> Non-continuation of Seattle Seahawks sponsorship
- July 14<sup>th</sup> First draw on Equity Line of Credit for \$1.1 million
- July 28<sup>th</sup> Sale of Patents
- August 4<sup>th</sup> Appointment of new Marketing Director
- September 21<sup>st</sup> Announcement regarding WhoopAss relaunch



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# A Simple Formula

Distribution Size      x      Velocity      =      Total Sales

## Sales Team

- Distribution quality
- Distribution foot print
- Retail authorizations
- Displays

## Marketing Team

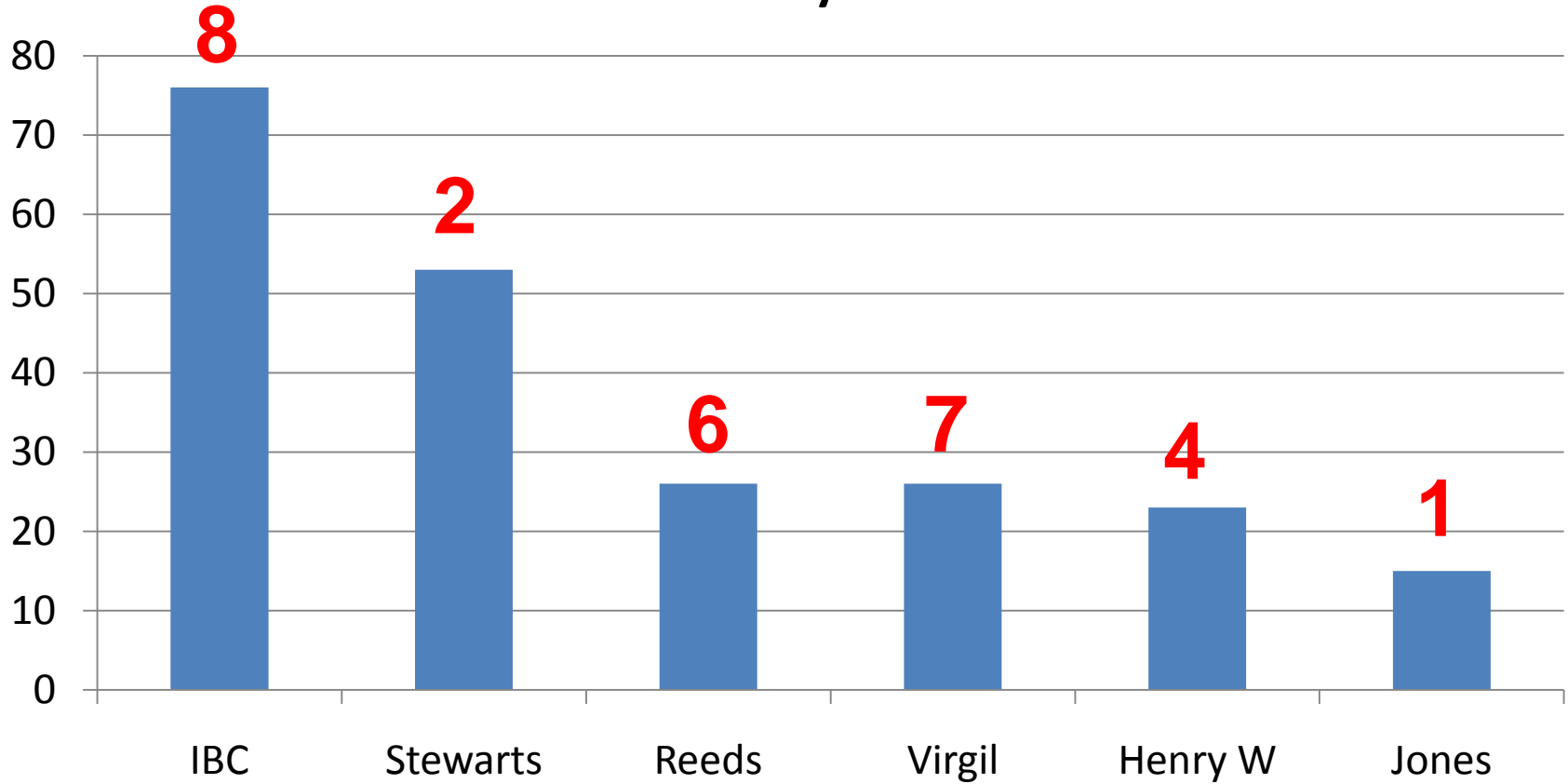
- Awareness
- Interest
- Affinity
- Buzz
- Sampling / Trial



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# Competitive Distribution

## National Grocery Distribution



**# =Sales Velocity Ranking**

Source AC Nielsen last 52 weeks ending August



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# Traditional Retail Energy Category Size

| Brand               | DOLLAR SALES    | MARKET SHARE |
|---------------------|-----------------|--------------|
| RED BULL            | \$2,067,890,000 | 38.3         |
| MONSTER ENERGY      | \$1,004,906,000 | 18.6         |
| ROCKSTAR            | \$392,901,500   | 7.3          |
| NOS                 | \$197,114,000   | 3.7          |
| JAVA MONSTER        | \$170,929,600   | 3.3          |
| DOUBLESHOT          | \$159,704,500   | 3.0          |
| AMP                 | \$141,450,000   | 2.6          |
| MONSTER MEGA ENERGY | \$129,862,100   | 2.4          |
| FULL THROTTLE       | \$114,402,800   | 2.1          |
| MONSTER ENERGY XXL  | \$104,051,100   | 1.9          |
| CATEGORY TOTAL*     | \$5,400,065,000 | 100          |

Source: SymphonyIRI Group, Chicago. Total U.S. supermarkets, drug stores, gas/convenience stores and mass merchandise outlets (excluding Wal-Mart) for the 52 weeks ending June 13, 2010



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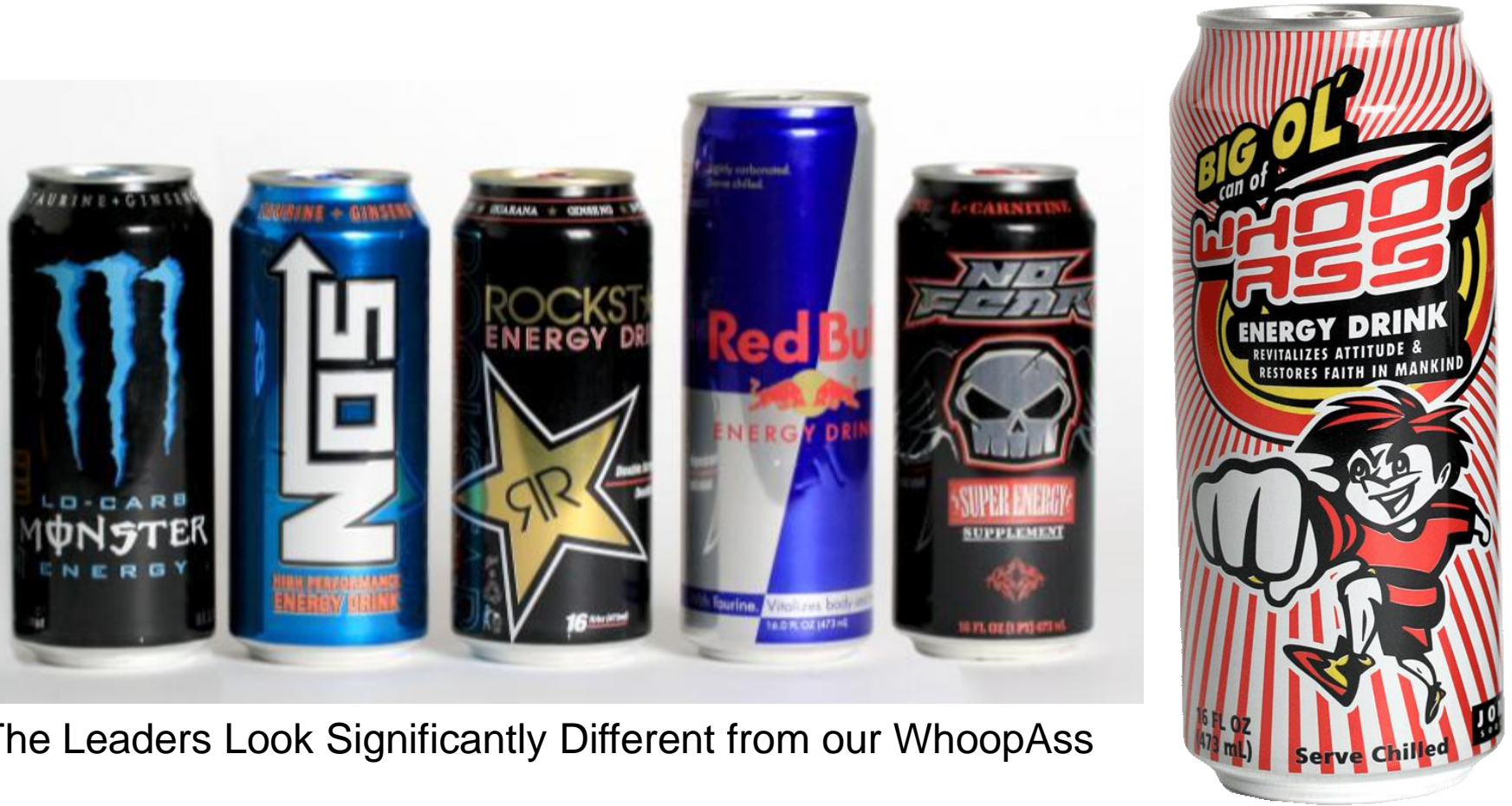
# Current Situation - WhoopAss

- Liquid has strong vitamin notes
  - Efficacy not linked to a function
- Hokey graphics
  - Little/Superhero guy
  - Cartoonish styled typography
  - Red & White striped background



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# Current Situation - WhoopAss



The Leaders Look Significantly Different from our WhoopAss



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# What to Keep

The Name

Everything else goes



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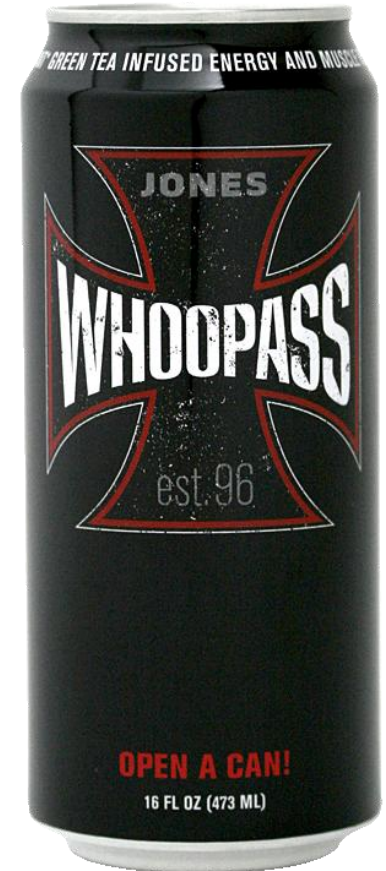
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# WhoopAss by Jones est. 1996

Distressed adds authenticity  
and translates heritage

New WhoopAss typography  
custom font developed in-  
house

Endorsed by Jones



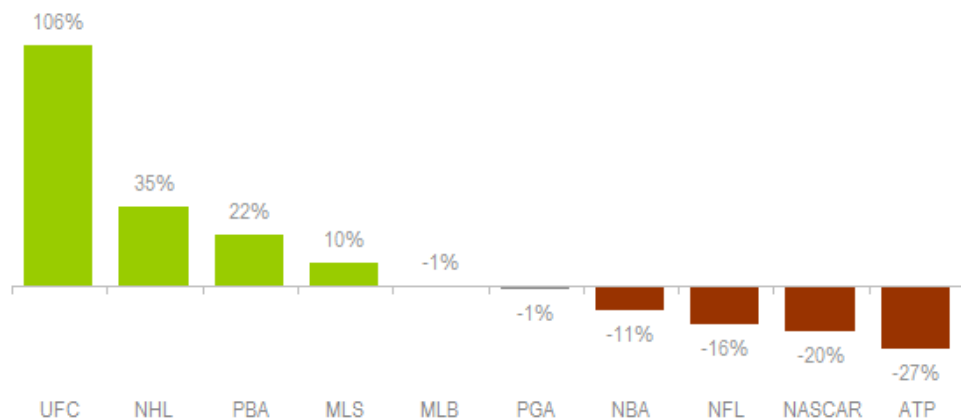
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# WhoopAss 2.0: UFC Fighter Endorsement

- UFC is the fastest growing sports organization in history
- What we expect: TV, Print, Live Events, POS, Autograph signing, etc.

## Growth in Professional Sports Interest

(Year over year change in visitors to league websites, March 2007)



# WhoopAss 2.0: UFC Fighter Endorsement

## Ryan “Darth” Bader:

- One of the UFC’s Top Up and Coming Light Heavyweights
- In 2008, Bader broke onto the MMA scene by winning Season 8 of The Ultimate Fighter on Spike TV
- Appeared in the *UFC Undisputed* Video Game in 2009
- Currently holds an undefeated record of 12-0
- His most impressive win to date came in February of 2010 when he knocked out UFC star Keith Jardine with a flying knee to the chest and a vicious left hook at 2:10 of the third round
- Currently trains at The Lions Den MMA Academy in Scottsdale, AZ
- Next fight is a co-main event against Antonio Rogerio Nogueira on September 25th
- Also is sponsored by Tapout and had a signature T-Shirt series



# 12 ounce Glass WhoopAss Natural Low Cal



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# Forbes

APRIL 11, 2005 | WWW.FORBES.COM



HARD LESSONS

## Soda Jerk

# Checking the Boxes

- Analyze Situation
- Reorg and get team on board
- Get in front of Wholesalers and Retailers with brand performance
- Gain traction
- Communicate



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