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ANNUAL REPORT

TRIARC

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## A B O U T T H E C O M P A N Y

Triarc Companies, Inc. is a holding company and, through its subsidiaries, is the franchisor of Arby's® restaurants. Common shares of Triarc are traded on the New York Stock Exchange under the ticker symbol TRY.

Through Arby's, Triarc participates in the approximately \$110 billion quick service restaurant ("QSR") segment of the domestic restaurant industry. With approximately 3,300 restaurants worldwide, Arby's is the ninth largest QSR chain in the United States, with an approximate 73% market share of the roast beef sandwich market.

In addition to various oven-roasted roast beef sandwiches, Arby's also offers a menu of chicken, turkey and ham sandwiches, side dishes and salads, including its Market Fresh™ sandwiches, designed specifically for consumers whose tastes have grown up and want more than standard fast food fare. Arby's also offers franchisees the opportunity to multi-brand at Arby's locations with T.J. Cinnamons® gourmet cinnamon rolls and coffees.

Triarc currently has over \$650 million in cash and investments, largely generated through the sale of the Snapple Beverage Group and the securitization of Arby's North American franchise royalties and fees in late 2000. The Company is reviewing its options including acquisitions, additional share repurchases and investments, with the goal of further increasing shareholder value.

## SELECTED FINANCIAL HIGHLIGHTS <sup>1</sup>

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(In thousands except per share amounts)		
Revenues, investment income and other income	\$ 119,406	\$ 136,775
EBITDA <sup>2</sup>	(19,310)	14,911
Income (loss) from continuing operations	(10,157)	8,966
Income from discontinued operations	472,078	43,450
Extraordinary charges	(20,680)	—
Net income	441,241	52,416
Diluted income (loss) per share:		
Continuing operations	\$ (.44)	\$ .40
Discontinued operations	20.32	1.91
Extraordinary charges	(.89)	—
Net income	\$ 18.99	\$ 2.31
Cash, cash equivalents and investments <sup>3</sup>	\$ 940,302	\$ 694,387 <sup>4</sup>
Total assets	1,067,424	868,409
Long-term debt	291,718	288,955
Weighted-average common shares outstanding	23,232	21,532

1. Operating results for the 2000 and 2001 periods were affected by significant unusual or non-recurring items. You should refer to Selected Financial Data and the Consolidated Financial Statements and related notes contained elsewhere herein for discussion of those items.
2. Represents earnings before interest, taxes, other non-operating items, depreciation and amortization. Other non-operating items consist of investment income, net; gain on sale of businesses; other income, net; and insurance expense related to long-term debt. You should refer to the Consolidated Income Statements contained elsewhere herein for the amounts of these items.
3. Includes restricted cash equivalents as well as both current and noncurrent investments and is net of both securities sold with an obligation to purchase and investments held in deferred compensation trusts. You should refer to the Consolidated Balance Sheets and Notes 6 and 8 to the Consolidated Financial Statements contained elsewhere herein for the amounts of these items.
4. Decrease principally reflects payment of taxes on the gain resulting from the October 2000 sale of the Company's beverage business, net of a tax-related payment received from the purchaser, and repurchases of the Company's common stock. You should refer to Income Taxes and Treasury Stock Purchases in Management's Discussion and Analysis of Financial Condition and Results of Operations for further discussion.

## DEAR SHAREHOLDERS

**D**uring 2001, our team remained focused on evaluating our options to increase shareholder value. We reviewed a number of potential acquisitions across a broad spectrum of businesses. We also worked to prudently manage the cash generated in 2000 through the sale of the Snapple Beverage Group and the securitization of Arby's® North American franchise royalties and fees.

We strongly believe that our future success depends on being a very disciplined acquirer of businesses. Accordingly, we work to thoroughly assess a possible acquisition's business potential and, as important, its financial rewards to shareholders. While we have yet to complete an acquisition since the sale of Snapple, we are confident that our selection process will yield the right opportunities.

In October 2001, our shareholders approved an amendment to our Certificate of Incorporation, increasing the total number of authorized shares of capital stock from 150 million to 300 million (including an

existing 100 million authorization of Class A common stock) by increasing the total number of authorized shares of preferred stock from 25 million to 100 million and authorizing 100 million shares of new Class B common stock. The amendment also eliminated the authorization of 25 million shares of existing Class B common stock.

We believe that the potential to issue equity securities, together with our significant cash and investments and our ability to leverage, will give us great flexibility to pursue value-additive acquisitions and to finance future growth.

ARBY'S—THE QUICK SERVICE CHOICE  
FOR GROWN-UP TASTES

Despite a weak economy, Arby's posted continued strong results in 2001 and is well positioned for future growth.

Arby's is the ninth largest QSR chain in the United States, with an approximate 73% market share of the roast beef sandwich segment.

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*Adult  
Fast Food*



VISION

*Arby's strives to be universally recognized as the quick service restaurant leader by guests who believe we enrich the quality of their day; employees who believe we provide a more challenging, satisfying, and rewarding career; franchisees who believe Arby's is the best source of pride, passion, and profit; and communities which believe they are enhanced by our presence and involvement.*

The Arby's mission is to provide an exceptional dining experience within the fast food paradigm that satisfies our customers' grown-up tastes by being a "cut above" in everything we do. As one of the few full-scale "adult fast food" concepts in the United States, Arby's is well positioned among QSRs to meet the dining experience expectations of baby boomers, the largest population segment in the U.S.

In late 2000, working closely with its franchisees, Arby's launched its new Market Fresh™ premium sandwiches. Market Fresh is a high quality line of sandwiches which fits adults' taste expectations and distinguishes itself from other fast food product offerings currently available.

Layered between thick slices of home-style honey wheat bread, Market Fresh sandwiches are made with oven-roasted turkey, ham, chicken and roast beef and toppings such as swiss cheese, spicy brown mustard and specially blended caesar sauce. These sandwiches have been very well received by Arby's customers and have surpassed franchisees' expectations. As a result, we are planning product expansions in 2002.

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*Made to  
Order  
Premium  
Sandwiches*



MARKET FRESH™

*Arby's consistently delivers high quality, diverse menu choices, that appeal to consumers with sophisticated, grown-up tastes. Solidifying Arby's position as an adult fast-food leader is the Market Fresh sandwich line. Its roast beef and swiss, roast turkey and swiss, roast ham and swiss, and roast chicken caesar deli-style sandwiches have helped boost sales across the board.*

*“Cut Above”  
Brand  
Positioning*



PINNACLE RESTAURANT DESIGN

*In 1996, the Pinnacle restaurant design concept was introduced. Its adult décor has revolutionized the appearance of Arby's and enhanced the customer experience. Aligning the facilities' look with "cut above" brand positioning, the modernized design has distinguished Arby's from the competition while significantly increasing sales revenue.*

In 2001, Arby's also reestablished its national media presence after a 15 year absence, through the development and execution of two flights of national advertising. The campaign focused on the Market Fresh sandwiches with the tag line: "It'll change the way you think about fast food." Consumers responded favorably to the campaign and the franchisee system experienced higher comparative store results both during and after the flights. In 2002, this national advertising campaign will continue with four new flights. Additionally, given the success of the national advertising effort, Arby's management and its franchisees are working closely to develop other marketing tools and efforts to further spark and sustain consumers' interest in the Arby's brand.

Arby's management will also continue to focus on improving operations within the franchisee system. As a testament to the success of these efforts, in 2001, QSR magazine awarded Arby's second place in its national drive-thru survey which measures important consumer criteria such as menu board appearance, speaker clarity, speed and accuracy.

## *Making a Difference*



### ARBY'S CHARITY TOUR

*The Arby's Charity Tour is a series of amateur golf tournaments held throughout the U.S. to raise awareness and funds for the local Big Brothers Big Sisters, Boys & Girls Clubs and the Arby's Foundation. Since its inception in 1996, the Arby's Charity Tour has raised nearly \$6.3 million. Support of these events is a manifestation of the Arby's family of franchisees' commitment to make a difference in the education and development of America's youth.*

131 new Arby's units were opened in 2001, including 64 new units with the "pinnacle" design. While this represents a lower number of new unit openings than in previous years, it speaks well for Arby's given the weak economy and tightened credit standards of many financial institutions. Arby's also has commitments from franchisees to build over 600 new stores.

As management and franchisees look ahead, they will focus on Arby's significant growth potential. In particular, while our positioning is strong, the Arby's brand remains significantly under-penetrated in the U.S. Accordingly, our Arby's team will work closely with both existing and new franchisees on the development of new unit expansion plans.

### LOOKING AHEAD

Overall, we are very pleased with the continued progress at Arby's. The Arby's management team has forged strong and lasting relationships with the franchisees which we believe will continue to produce improved financial performance at Arby's.

We are also proud of our corporate team which has remained focused and disciplined in reviewing our options to further increase shareholder value. They were very important to the success we achieved with the Snapple turnaround and its subsequent sale as well as the Arby's securitization. And, they will play key roles when we make our next acquisition.

In summary, everyone at Triarc is intent on finding the best long-term opportunities for our shareholders. So, while the economic and political environments certainly present challenges, we remain confident in Triarc's future as we re-deploy our significant resources.

We look forward to updating you on our progress.

Sincerely,



NELSON PELTZ  
Chairman and Chief Executive Officer



PETER W. MAY  
President and Chief Operating Officer

April 5, 2002

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*Quick  
Service  
Restaurant  
Pioneer*



#### INDUSTRY LEADERSHIP

*Arby's roast beef sandwich is the cornerstone of the Arby's menu. With more than three and a half decades of experience and approximately 3,300 restaurants worldwide, Arby's is also a company of many firsts: the first QSR to offer drive-thru service, the first QSR to offer curly fries, the first to require a national "smoke-free" environment, the first to offer Sidekickers® appetizers and the first QSR to offer deli-style sandwiches. We are proud of Arby's contributions to the industry.*

## NOTE CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements in this Annual Report constitute “forward-looking statements” under the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on our current expectations, speak only as of the date of this Annual Report and are susceptible to a number of risks, uncertainties and other factors. Our actual results, performance and achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. For those statements, the Company claims the protection of the safe harbor for forward-looking statements contained in the Act. See “Special Note Regarding Forward-Looking Statements and Projections” and Item 1, “Business-Risk Factors,” appearing in Triarc’s Annual Report on Form 10-K for the fiscal year ended December 30, 2001, included herein.

## NOTE CONCERNING INTELLECTUAL PROPERTY

Arby’s®, T.J. Cinnamons®, Sidekickers®, Arby’s Market Fresh™ and Satisfy Your Grown-Up Tastes™ and related logos are registered or pending trademarks of Arby’s, Inc. or its subsidiaries. We also have other registered marks, service marks, trademarks and tradenames, trademark applications, and other phrases related to our brands’ products, services and concepts that are used in this Annual Report.

## BOARD OF DIRECTORS

Hugh L. Carey<sup>3,4,5</sup>

Former Governor of the State of New York and member of Congress and currently Of Counsel to Winston & Strawn

Clive Chajet<sup>2,4,6</sup>

Chairman, Chajet Consultancy, LLC

Joseph A. Levato<sup>1,2,3,5</sup>

Former Executive Vice President and Chief Financial Officer of the Company

Peter W. May<sup>4</sup>

President and Chief Operating Officer

Nelson Peltz<sup>4</sup>

Chairman and Chief Executive Officer

David E. Schwab II<sup>1,2,5,6</sup>

Senior Counsel  
Cowan, Liebowitz & Latman, P.C.

Jeffrey S. Silverman<sup>1,2,6</sup>

Chairman and Chief Executive Officer,  
Brand Partners Group, Inc.

Raymond S. Toubh<sup>1</sup>

Financial Consultant and Director of various public companies

Gerald Tsai, Jr.<sup>3,5</sup>

Private Investor

1. *Member of Audit Committee*
2. *Member of Compensation Committee*
3. *Member of ERISA Committee*
4. *Member of Executive Committee*
5. *Member of Nominating Committee*
6. *Member of Performance Compensation Subcommittee*

## SENIOR OFFICERS

Nelson Peltz

Chairman and Chief Executive Officer

Peter W. May

President and Chief Operating Officer

Brian L. Schorr

Executive Vice President and General Counsel

Jonathan P. May

Senior Vice President

Francis T. McCarron

Senior Vice President and Chief Financial Officer

Jarrett B. Posner

Senior Vice President, Corporate Finance

Stuart I. Rosen

Senior Vice President and  
Associate General Counsel, and Secretary

Fred H. Schaefer

Senior Vice President and  
Chief Accounting Officer

Anne A. Tarbell

Senior Vice President, Corporate  
Communications and Investor Relations

Robert J. Crowe

Vice President, Taxes

Greg Essner

Vice President, Treasury Services and  
Financial Planning

Alexander L. Lemond

Vice President, Corporate Development

Andrew L. Peltz

Vice President, Investment Services

## TRIARC RESTAURANT GROUP

1000 Corporate Drive  
Ft. Lauderdale, FL 33334  
(954) 351-5100

Jonathan P. May

Chairman

Michael C. Howe

President and Chief Executive Officer

Curtis S. Gimson

Senior Vice President and General Counsel

Stanley S. Jeska

Senior Vice President, Business Development

Kenneth A. Thomas

Senior Vice President and Chief Financial Officer

Michael T. Welch

Senior Vice President, Operations

## STOCKHOLDER INFORMATION

Transfer Agent and Registrar

If you require assistance with your account, such as change of address, changes in registration or lost stock certificates, please contact:

American Stock Transfer & Trust Company

40 Wall Street  
New York, NY 10005  
(888) 311-2439

Auditors

Deloitte & Touche LLP  
2 World Financial Center  
New York, NY 10281

Corporate Counsel

Paul, Weiss, Rifkind, Wharton & Garrison  
1285 Avenue of the Americas  
New York, NY 10019-6064

Common Stock Listing

New York Stock Exchange (Symbol-TRY)

Investor Inquiries

Securities analysts, investment managers and others seeking information about the Company should contact:

Triarc Companies, Inc.

Attn: Investor Relations  
280 Park Avenue  
New York, NY 10017  
(212) 451-3000

[www.triarc.com](http://www.triarc.com)

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