TRIARC

1998

ANNUAL REPORT

Snapple®

Mistic®

RC®

diet RITE

Stewart's

Arby's®

GOURMET
T.J. CINNAMONS®
BAKED GOODS

Pasta Connection

Dear Stockholders

In 1998, we continued to focus on increasing the value of our beverage and restaurant franchising businesses. Our principal goals were to:

- Return Snapple® to sustainable growth;
- Build our other beverage brands through creative marketing and new products;
- Continue to enhance distributor and bottler relationships;
- Increase our restaurant franchisees' annual unit volumes through extensive brand support and co-branding; and
- Expand the number of our restaurant franchisee units.

The disposition of the last of Triarc's non-core businesses also crystallized recently, with the announcement that Triarc had entered into a definitive agreement to sell the company's 43% stake in National Propane Partners, L.P. (NYSE: NPL) to a subsidiary of Columbia Energy Group, (NYSE: CG). The sale, which is expected to be completed during the second half of 1999, will finalize our transformation into a consumer products company with leading brands.

At Triarc, we are committed to maximizing the free cash flow of our consumer products businesses and enhancing growth through strategic acquisitions and investments. In the last four years, we have seen our consumer products' EBITDA more than triple, while we have reduced consolidated net debt by nearly 40% and capital expenditures by over 85%.

The Snapple Turnaround

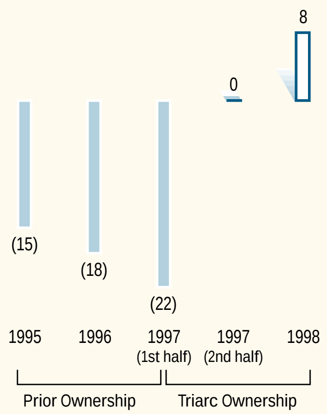
In 1998, our team at Triarc Beverage Group put the "snap" back into Snapple, the leading premium beverage brand which we acquired in 1997. Following several years of double-digit volume declines under its previous owner, Snapple's volume rebounded over 8% in 1998, with the last three quarters posting a cumulative double-digit increase.

The Snapple turnaround was the result of concentrating on several basic operating principles. We rebuilt relationships with the distributors. We quickly introduced new innovative products consistent with the Snapple brand tradition. We reconnected with the consumer by rehiring spokesperson Wendy Kaufman, "The Snapple Lady." We focused on the critical "up and down the street" cold bottle segment (e.g. delis, pizzerias, convenience stores, etc.). We managed the international business for profitability. And, we approached the business as fast moving entrepreneurs.

At the heart of Snapple's 1998 turnaround were our lemon, peach and diet teas. These core lines are stable and growing.

Growth of Snapple Case Sales

in percent



Indeed, Snapple's top ten best selling products, all in 16 ounce glass bottles, have represented 55% of Snapple's total volume for the past three years and we expect this trend to continue.

We also pride ourselves on innovation. Perhaps our best example of innovation in 1998 was WhipperSnapple®, a shelf stable fruit smoothie made from fruit juices and dairy ingredients and packaged in a proprietary wrapped bottle. The product was launched in April 1998 with six exciting flavors, and achieved sales of nearly three million cases during its first eight months. WhipperSnapple was named *Convenience Store News*' New Beverage Product of the Year and won the American Marketing Association's Edison Award for Best New Beverage in 1998. Two new WhipperSnapple flavors were introduced in the fourth quarter of 1998 and we believe the product will continue to have strong momentum in 1999.

We also recently launched three new Snapple flavors:

- Lemonade Iced Tea, which combines the number one premium iced tea with the number one premium lemonade for a taste that is tart and sweet;
- Sweet Tea, specially formulated for southern tastes; and
- Diet Ruby Red, aimed at capturing a piece of the fast-growing Ruby Red grapefruit taste market.

Because of our in-house product development and packaging capabilities, we can bring these products to market quickly and with minimal investment.

In mid-April, we will introduce Snapple Elements™, a line of all natural juice drinks and teas enhanced with herbal ingredients, packaged in a stunning 20 ounce glass bottle. With intriguing names like Sun, Fire and Lightning, this new Snapple line has already captured rave reviews from our distributors. We will be launching another major new Snapple product line later this spring and we believe it, too, has tremendous potential.

As we go forward, we are committed to achieving continued growth at Snapple through focus on four basic strategies:

- New product and package development, such as a new proprietary, hot fill plastic bottle;
- Use of innovative advertising and promotions, to continue to enhance our trademarks' value;
- Expansion of distribution in our existing markets and the continued strengthening of our distributor relationships; and
- An increase in cold equipment placement where we sell our products.

Mistic®–Exciting New Products in 1999

Our second largest premium brand is Mistic, a leader in the fruit drink segment of the premium beverage category. We believe Mistic is an excellent complement to the Snapple lines. In general, Mistic appeals to an urban consumer and is a sweeter product with stronger fruit flavors than Snapple.

We acquired Mistic from its founder in 1995. And, like Snapple when we acquired it, Mistic at that time was in a downtrend. We were able to use the same techniques – new packaging, new products and creative advertising – that we later employed with Snapple to turn Mistic around in 1996.

The 1997 acquisition of Snapple, nevertheless, hurt Mistic in 1998. As we worked to both integrate Snapple with Mistic and reverse Snapple's significant volume declines, we were less focused on Mistic and Mistic's new product activity was minimal.

For 1999, we have a renewed focus on Mistic and we're optimistic. We have a new marketing team in place, and we've added new packaging to our core line as well as some new flavors and products. In the Pacific Northwest region, which is underdeveloped for the brand, we've linked up with stronger Snapple distributors. We're also shifting our marketing emphasis from national television advertising to local radio.

Our biggest Mistic success in 1998 was the repackaging of our Mistic iced tea and lemonade lines in a 16 ounce carafe bottle. The repackaging led to double-digit volume growth in these two flavor segments which we believe can continue into 1999.

We've also redesigned the label on our signature 16 ounce tapered bottle which represents approximately 44% of our total Mistic volume. The new label was rolled out in early 1999 and we believe it will provide significantly enhanced trademark and flavor recognition.

In the new product arena, our distributors are excited about two new Mistic entries that we will be launching in April.

Mistic Italian Ice Smoothies™ will use the WhipperSnapple technology, but will be positioned and packaged in a different manner.

Our second new Mistic product, Sun Valley Squeeze™, will be a "very juicy" tasting fruit drink packaged in a proprietary 20 ounce plastic bottle with dramatic graphics.

So, in 1999, we believe Mistic can make a strong comeback with a combination of renewed focus, enhanced distribution support and some great new product concepts and packaging.

Stewart's®–25 Quarters of Double-Digit Volume Growth and Counting!

Stewart's, our third premium brand and our fastest growing beverage product, is led by its classic root beer and comes in nine other gourmet soda flavors. Stewart's has recorded 25 consecutive quarters of double-digit volume growth. With increasing volume distributed through company-owned operations, the brand has received additional focus and attention since we acquired it in late 1997.

Stewart's recently introduced a Classic Grape soda. Initial indications, based on early distributor shipments, are that we have a big winner in this terrific grape flavor.

With the opportunity to further leverage Triarc's existing distributor relationships and the early success of Stewart's Classic Grape soda, we expect 1999 will be another strong growth period for Stewart's.

In summary, we're excited about the future potential of our premium beverage brands. We will continue to employ and refine the strategies that have contributed to our success. We will:

- Continue to develop innovative new products and packages;
- Focus on the consumers who continue to build their loyalty to our trademarks;
- Further strengthen relationships with our distributor networks;
- Expand points of availability for all of our products;
- Improve our margins by controlling our costs;
- Utilize copackers to maximize our flexibility;
- Minimize our capital expenditures; and
- Look to acquire premium brands that can offer us long-term growth potential.

Building Momentum at Royal Crown®

At Royal Crown, we produce and sell soft drink concentrates to a global licensed bottler network. We enjoy strong brand recognition led by our flagship RC Cola® and our Diet Rite® line of diet flavors and colas.

We have three RC businesses. Domestically, we're the primary cola of the independent bottling system. Internationally, we sell our products in 65 countries and have experienced significant growth in recent years. We are also the exclusive supplier of cola concentrate and a primary supplier of flavor concentrates to Cott Corporation, the largest supplier of premium retailer branded beverages in North America and the United Kingdom.

1998 was a year of positive change for RC. We introduced a new look for RC, the brand's first package upgrade in nearly a decade, which has dramatically increased RC's shelf impact. Cherry RC® was repackaged and reformulated with real cherry syrup, resulting in a near trebling of its volume versus 1997. In April 1998, we became the first soft drink company to utilize the newly approved sweetener, sucralose, in our reformulated Diet RC®. Our Diet Rite flavor line was also repackaged in 1998 and has two new additions – iced mocha and lemon sorbet. With its new look, Diet Rite showed solid growth in 1998.

The big news for Royal Crown in 1999 will be a new product which we have been developing for over a year – RC Edge™, the "maximum power cola." RC Edge, which will be rolled out nationally in April, is specially formulated with energy enhancing ingredients for the booming teen market. Our bottlers are excited about this new product and we believe it will favorably enhance RC's brand image.

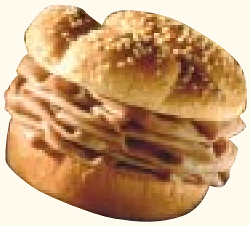
Increasing Arby's® Franchisees' Unit Volume

Arby's is a "cut above" quick service restaurant ("QSR") franchisor – the leader in the roast beef sandwich market, with a chicken menu second to none, the only appetizer line in the QSR segment, a strong lineup of subs and an unequaled menu of potato products. In addition, through co-brands T.J. Cinnamons® and Pasta Connection™, Arby's offers its customers the additional choices of gourmet cinnamon rolls and premium coffee as well as a whole new line of pasta products. With more than 3,100 franchised restaurants worldwide, Arby's will celebrate its 35th anniversary in 1999.

In 1997, we sold all of our company-owned Arby's restaurants, making us solely a restaurant franchisor. As a result, our Arby's team is highly focused on increasing our franchisees' sales and operating profit. We have had success with this strategy. In the last eight quarters, Arby's showed consistent comparative store sales growth and, by this measure, was in the top tier of major QSR franchisors in 1998. Additionally, Arby's franchisees have committed to build more than 1,000 new units over the next several years.

The four keys to growing Arby's cash flow are:

- Maintaining strong relationships with our franchisees;
- Growing franchisees' annual unit volume ("AUV");
- Unit expansion; and
- New brand growth.



We believe that we have among the best franchisee-franchisor relationships of any QSR franchisor. We focus on our franchisees' needs, provide them value in the form of supportive programs and, most importantly, involve them in brand decision making.

Arby's 1998 AUV was about $750,000 and comparative store sales growth was approximately 3.8%. We believe the three principal factors behind these healthy statistics were: Arby's "cut-above," "adult fast food" positioning which appeals to baby boomers, high quality regional advertising and strict development criteria.

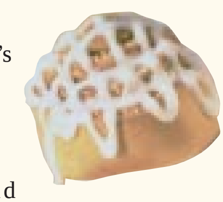
For the higher prices they are willing to pay, our customers have come to expect better food, a better facility and better service at Arby's. Our franchisees who consistently deliver "cut-above" performance often generate AUV's at or above the $1 million level.

Our advertising features celebrities such as Barry White, Ray Charles, Ivana Trump and others. These well known personalities are persuasive merchandisers of the quality of our products.

A key element of our strategy is our strict development criteria – we continue to promote the openings of Arby's in high quality locations. Our new "pinnacle" building design is consistent with our "cut-above" positioning and, over the last 18 months, these buildings have been generating AUV's in the range of $850,000 and above.

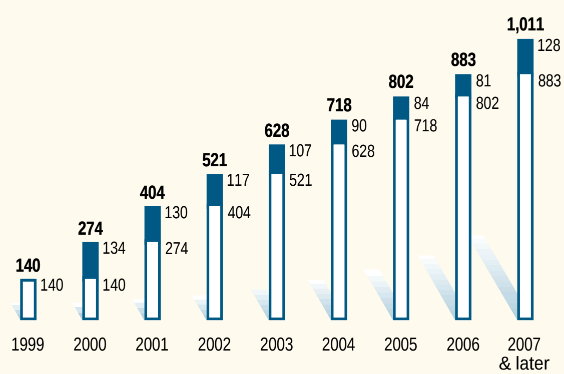
Another critical element of our growth strategy is unit growth. In 1998, our pipeline for new units grew to over 1,000 units to be built over the next 12 years. By far our largest ever, it is anticipated that this pipeline will be supplemented further by existing and new franchisees, thus allowing our brand to significantly expand in the years ahead in markets where Arby's is underrepresented.

New brands help our franchisees maximize their dollars per square foot. This is done by opening up additional "day parts" at Arby's such as breakfast, snack and dinner. T.J. Cinnamons, with its gourmet cinnamon rolls and premium coffee, is our breakfast and snack co-brand. Our franchisees have opened over 300 T.J. Cinnamons classic bakeries in their Arby's restaurants over the last 18 months and plan to open more in 1999.



Pasta Connection is our new dinner day part entry. Pasta Connection offers fresh, hot dishes such as fettuccine alfredo, vegetable primavera, chicken parmesan and four-cheese lasagna which are typically found

Arby's New Unit Pipeline



■ Current Year Commitment
□ Cummulative Commitments (not including current year)

in specialty restaurants. We currently have over 30 Arby's dual-branded locations testing the Pasta Connection concept. We look to expand the test, analyze the results in mid-1999 and, if appropriate, offer franchisees the opportunity to multi-brand with Pasta Connection products beginning in late 1999.

We are very excited about Arby's future. In 1999, our restaurant franchising business should continue to expand, fueled by continued strength in its "cut-above" comparative store sales, new unit openings and co-brand growth.

Looking Ahead

Overall, we were very pleased with the operating performance of our company in 1998. Looking ahead, we believe we have a lot of opportunities, thanks to the excellent work of our dedicated beverage and restaurant franchising teams, ably led by Mike Weinstein and Roland Smith.

Since taking control of Triarc in April 1993, we have transformed the company from an assortment of unrelated businesses to a focused, consumer products company with leading brands. Unfortunately, our stock price has not consistently reflected the progress we have achieved and it was severely depressed during the drop in world financial markets last summer. In October 1998, we proposed taking the company private at a significant premium to where our stock was trading at that time. Subsequently, we concluded the proposal was not currently in the best interests of stockholders and we withdrew it. On March 10, 1999 Triarc's Board of Directors unanimously approved a "Dutch Auction" self-tender for up to 5.5 million common shares at a price of not less than $16.25 and not more than $18.25. This self-tender, which we expect to complete in mid-April, unless extended, should allow stockholders with short time horizons to monetize their Triarc investment.

In late February 1999, Triarc successfully raised $835 million in debt and formed Triarc Consumer Products Group LLC, a wholly owned subsidiary, which now owns our beverage and restaurant franchising businesses. This structure, plus the additional cash provided by the financing, should provide us with greater financial and operating flexibility for the long term.

In summary, we believe Triarc is well positioned and well managed to continue to create value for our stockholders, business partners, customers, employees and the communities we serve.

We look forward to updating you in the future on our progress.

Sincerely,

Nelson Peltz
Chairman and
Chief Executive Officer

Peter W. May
President and
Chief Operating Officer

April 6, 1999

Triarc At A Glance

	Overview	Strategies
Premium Beverages	Through Snapple®, Mistic® and Stewart's®, Triarc is the leader in the premium beverage market. Snapple Beverage Corp. markets and distributes all-natural ready-to-drink teas, juice drinks and juices under the Snapple, Snapple Farms® and WhipperSnapple® brand names. Mistic Brands, Inc. markets and distributes a wide variety of premium beverages, including fruit drinks, ready-to-drink teas, juices and flavored seltzers under the Mistic, Mistic Rain Forest Nectars® and Mistic Fruit Blast™ brand names. Cable Car Beverage Corporation, the exclusive soft-drink licensee of the Stewart's trademark, markets and distributes Stewart's brand premium soft drinks, including Root Beer, Orange N' Cream and Classic Grape.	♦ Develop new products and innovative packaging. ♦ Increase consumer awareness and brand imagery through innovative marketing. ♦ Expand and enhance distributor relationships in order to increase penetration of our brands. ♦ Explore the acquisition of distributors in key markets to drive sales and improve focus on existing and new products. ♦ Control production costs through favorable supply agreements. ♦ Minimize capital expenditures through the use of third-party co-packers. ♦ Pursue acquisitions of additional beverage brands.
Soft Drink Concentrates	Through Royal Crown Company, Inc. Triarc participates in the domestic and international retail carbonated soft drink markets. Royal Crown® produces and sells concentrates used in the production of carbonated soft drinks. Royal Crown sells these concentrates to independent, licensed bottlers who manufacture and distribute finished beverage products domestically and internationally. Royal Crown's products include: RC Cola®, Diet RC Cola®, Cherry RC Cola®, RC Edge™, Diet Rite Cola®, Diet Rite® flavors, Nehi®, Upper 10® and Kick®.	♦ Focus marketing resources in domestic markets where RC's market share is strongest. ♦ Expand our international business. ♦ Enhance our strategic relationship with Cott Corporation, to whom RC is the exclusive supplier of cola concentrate and a primary supplier of flavor concentrates, by assisting in the development of new products and maintenance of quality control.
Franchise Restaurant System	Through the Arby's® franchise business and co-brands, TJ Cinnamons® and Pasta Connection™, Triarc participates in the quick service restaurant segment of the domestic restaurant industry. Arby's is the tenth largest quick service restaurant chain in the United States. Arby's has an estimated market share of 73% of the roast beef sandwich segment of the quick service restaurant category. In addition, Arby's offers a select menu of chicken, turkey, ham and submarine sandwiches, side dishes and salads. T.J. Cinnamons allows franchisees the opportunity to multi-brand at Arby's locations. T.J. Cinnamons offers gourmet cinnamon rolls, gourmet coffees and other related products. Pasta Connection will, if appropriate, offer franchisees, once test marketing is completed in 1999, another opportunity to multi-brand at Arby's locations. Pasta Connection products are pasta dishes with a variety of different sauces.	♦ Strengthen franchisee relationships through initiatives such as the third-party preferred financing arrangements. ♦ Increase our franchisees' annual unit volume by: – Promoting Arby's "Cut Above" image – Driving consumer awareness and loyalty through marketing and new products – Expanding breakfast and dinner offerings through new menu items and multi-branding opportunities – Promoting Arby's openings in high quality locations. ♦ Expand brand distribution through opening new units. ♦ Selectively acquire new brands.

Board of Directors

Hugh L. Carey [3,5]
Former Governor of the State of New York and member of Congress and currently counsel to Whitman Breed Abbott & Morgan

Clive Chajet [2,4]
Chairman, Chajet Consultancy LLC

Stanley R. Jaffe [1,4]
Owner, JAFFILMS, LLC

Joseph A. Levato [2,3]
Former Executive Vice President and Chief Financial Officer of the Company

Peter W. May [4,5]
President and Chief Operating Officer

Nelson Peltz [4,5]
Chairman and Chief Executive Officer

David E. Schwab II [1,2]
Senior Counsel
Cowan, Liebowitz & Latman, P.C.

Raymond S. Troubh [1,2]
Financial Consultant and Director of various public companies

Gerald Tsai, Jr. [1,3]
Private Investor

Senior Officers

Nelson Peltz
Chairman and Chief Executive Officer

Peter W. May
President and Chief Operating Officer

John L. Barnes, Jr.
Executive Vice President and Chief Financial Officer

Eric D. Kogan
Executive Vice President, Corporate Development

Brian L. Schorr
Executive Vice President and General Counsel

Francis T. McCarron
Senior Vice President, Taxes

Anne A. Tarbell
Senior Vice President, Corporate Communications and Investor Relations

Jarrett B. Posner
Vice President, Corporate Finance

Stuart I. Rosen
Vice President and Associate General Counsel and Secretary

Fred H. Schaefer
Vice President and Chief Accounting Officer

Triarc Beverage Group

709 Westchester Avenue
White Plains, NY 10604
(914) 397-9200

Michael F. Weinstein
Chief Executive Officer

Ernest J. Cavallo
President and Chief Operating Officer

Richard B. Allen
Senior Vice President and Chief Financial Officer

Joseph D. Bayern
Senior Vice President, Chief Information Officer

John L. Belsito
Senior Vice President and President, Royal Crown

Ken Gilbert
Senior Vice President, Marketing Snapple/Mistic

Gary G. Lyons
Senior Vice President and General Counsel

Joseph G. McDonald
Senior Vice President, Sales

James A. Smith
Senior Vice President, Company Owned Operations

Jerry M. Smith
President, International

Jeffrey H. Spencer
Senior Vice President, Marketing Royal Crown

Paul G. Trudeau
Senior Vice President, Business Development Royal Crown

Charles C. Zimmermann
Senior Vice President, Operations

Cable Car Beverage Corporation

555 17th Street, Suite 3550
Denver, CO 80202
(303) 298-9038

Samuel M. Simpson
President and Chief Executive Officer

Eliot F. Kaufman
Vice President, Marketing

Jay B. Landt
Vice President, Sales – Western & Central Zones

Myron D. Stadler
Vice President and Chief Financial Officer

Daniel Terenzio
Vice President, Sales – Eastern Zone

Triarc Restaurant Group

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

Roland C. Smith
President and Chief Executive Officer

Curtis S. Gimson
Senior Vice President and General Counsel

Michael C. Howe
Senior Vice President, Operations

Kenneth L. Johnston
Senior Vice President, Business Development

Kenneth A. Thomas
Senior Vice President and Chief Financial Officer

John T. A. Vanderslice
Senior Vice President, T.J. Cinnamons

Jonathan P. May
Vice President, Concept Development

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:

Harris Trust and Savings Bank
Shareholder Communications Team
P.O. Box A3504
Chicago, IL 60690-3504
(312) 461-6832

Auditors
Deloitte & Touche LLP
2 Hilton Court
Parsippany, NJ 07054-0319

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

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.
Investor Relations
280 Park Avenue
New York, NY 10017
(212) 451-3146
www.triarc.com

Note: Certain statements in this Annual Report constitute "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. Such forward looking statements involve risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. For these 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 January 3, 1999, included.

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

Design: The Graphic Expression, Inc., New York