

Mind



Perfect Balance

Body

Spirit



Standard may have the vision . . .

Performance . . .

Owens the future!





Fingerprints are
to Humans...
What 'Commitment' is
to Results!

Financial

	Fiscal Year Ended				
	April 28, 2001	April 29, 2000	May 1, 1999	May 2, 1998	May 3, 1997
<i>(Dollars in millions, except per share amounts)</i>					
Net Sales	\$480.4	\$426.3	\$402.1	\$400.7	\$385.4
EBITDA	38.1	34.8	34.3	34.4	29.7
Investor Cash Flow	20.7	18.7	16.4	15.3	12.7
Net Income	15.0	13.6	13.2	13.1	10.7
Net Income per Share—Basic	\$.82	\$.74	\$.71	\$.71	\$.58
Working Capital	\$ 62.4	\$ 54.9	\$ 57.5	\$ 50.4	\$ 47.6
Total Debt	24.1	33.9	40.3	42.0	55.8
Shareholders' Equity	108.5	93.7	82.0	70.0	56.7
Long-Term Debt to Equity Ratio	.2 to 1	.4 to 1	.5 to 1	.6 to 1	1.0 to 1

Highlights

Glossary of terms used in Financial Highlights Table and Chairman's Message:

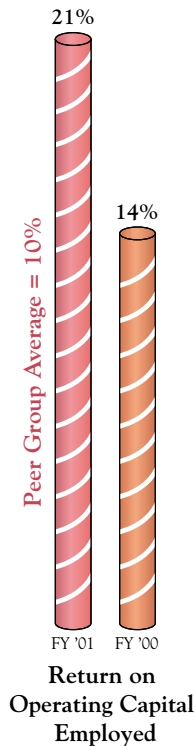
EBITDA = income before income taxes plus interest expense, depreciation and amortization.

Investor Cash Flow = net income plus depreciation and amortization minus net capital expenditures.

Return on Operating Capital Employed = operating profit plus depreciation and amortization less capital expenditures divided by the sum of operating working capital components and debt.

Sales Generated per Dollar of Operating Capital Employed = net sales divided by the sum of operating working capital components and debt.

The Art of Balancing...



Pointing With Pride...

Viewing From the Tips of My Toes!

This phrase is certainly an appropriate description from the helm of the *corporate bridge*.

The Federal Reserve discount rate is three percent (and may go lower), interest rates are among the lowest of my business career, news of layoffs and bankruptcies reaching record proportions wake us up and put us to bed daily, and single family mortgage defaults are rising significantly.

Yet, I, beaming with pride, must say...

National Beverage has completed the best year in its history. The criterion for *'the best'* was not that net profits, revenues, cases and production efficiencies were the highest ever.

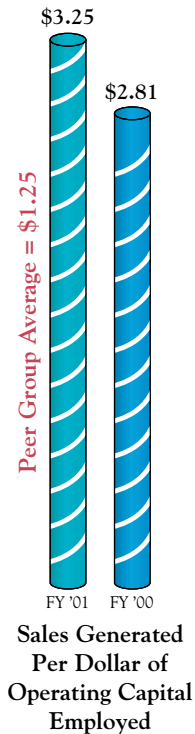
Nor was it that the Company finished the year

basically debt-free and witnessed a positive increase in market capitalization. These are all expected as *'natural events'* in the art of corporate balancing. What *was* different and not a part of the future goal set long ago is...*'our emotional atmosphere.'* I think this is the ultimate reason to call fiscal 2001...*Our Best Year Yet!*

The maturing of the team and the harmonious application of our philosophy, coupled with our agility and aggressiveness, an industry hallmark, created this atmosphere. These alone are fine...but what is unique...is the manner or professional way in which it is applied throughout our business! This *'atmosphere'* is the *reason and result*...of our special balance.

Much of the current philosophy and strategy producing our results was originated in our early years. Although continuously honed, the philosophy of *'Regional Share Dynamics'* is as smart today as





it was when the Faygo brand was acquired in 1987. The acquisition of the Ritz and Crystal Bay brands in this fiscal year continues to prove this philosophy sound. The Miami beverage plant and the route system also acquired with these brands further strengthens our focus on the higher margin 'up and down the street' soft drink business.

More emphasis than ever is being placed on the expansion of our hybrid distribution system. The philosophy utilizing the 'Basket of Beverage' marketing program, along with our variety of beverages, create a special opportunity to more efficiently service smaller retail outlets.

Flavors...tantalizing, colorful, refreshing and relaxing...are the soul of the Company. We are packaging and graphic innovators, but really excel when we put it all together and produce a MangoCherry Cream soft drink. Maybe there is something to that old cliché...about practice...after all, we have been doing it for more than a century.

Any business...if managed by setting targets far in advance...rivals the act performed by a juggling virtuoso. Emotions, economy, energy, trends, raw materials and human tastes are just a few variables we balance every day. To make that previously set target (peer acceptable) year after year, without upsetting part of it, requires something very special...it could be described as...*Perfect Balance!*

The entire National Beverage team deserves a hearty thanks for a great job. Our future is in good hands as this team continues to outperform themselves. To our dedicated Directors... thank you for your commitment. Our shareholders, retail partners and suppliers can expect the highest degree of effort, integrity and fairness from management...at all times!

Nick A. Caporella

Chairman and Chief Executive Officer

P.S. 'A True Commitment is Bound...
by a Rope of Resilience!'

“Experts come in unique ‘Flavors’!”



Robert A. Halsey, Brand Mgr.—24 years



Bernee N. McCall, Transportation Specialist—37 years



Dean A. McCoy, Sr. V.P.—Controller—10 years



Janet L. Langbahn, Sr. Flavor Chemist—24 years



Forest L. Bryson, Dir.—DSD Ops.—32 years



Joseph G. Caporella, Ex. V.P.—13 years

Perfect Balance



Healthy Climate

A wise soul once said...*The Best Things in Life Are Free!*

Values, ethics, heritage, philosophy...these fundamentals mold the emotional spirit... and the spirit is honed by the atmosphere in which it lives. The climate that surrounds something also creates a climate within...Soul—Body—Family—Company.

Fun and freedom are not always free and sometimes are not even a choice...but, at National Beverage, the spirit is cultivated and mentored to a freshness so fine that we put it into bottles and cans for everyone to taste. That is why our products are called the *special occasion soft drinks*...made to celebrate a birthday—winning the game—wellness—graduation—wedding—a happy day!

Our flagship Shasta brand was founded in 1889...and Faygo is a relative newcomer since 1907. All of our brands boast a proud heritage and share strong family values. These family values have been earned by the contest and victory of freedom.

National Beverage soft drinks may not be free...but the taste is always...*Priceless!*

Quality Flavors!



Memorable Occasions!



'We are packaging and graphic innovators, but really excel when we put it all together and produce a MangoCherry Cream soft drink.'

Endurance!





Healthy Mind

Did you know that the wonderful feeling that comes after a rigorous workout is the result of two things? One is psychological (you did something that you thought was good for you); the other is reality (endorphins at work). Well, there is another way to get the mind to feel good...and that is to induce it to create and make someone feel great or make it think of solutions to what is believed irresolvable. Beating the challenge and winning is an endorphin...this feeling is always reflected on the faces of the National Beverage Team.

Our philosophy pushes all of us to the edge of our capabilities...the excitement of achievement makes us go past the edge...and imagining the contentment of our consumers or the uniqueness of the results always produces that wonderful feeling.

The next time you try one of our products...as you swallow, close your eyes and, as the wonderful liquid goes down into your stomach, your mind will see one of our team go right past that fearful edge and...*Fly!*



Healthy Body

Knowledge is the best body builder.

- Obese adults have more chronic health problems than smokers or heavy drinkers
- Maintaining or reducing your weight increases your longevity
- Exercise lowers the risk of colon cancer
- Exercise boosts your brain power

Having the discipline to 'take care' of your body is not so easy...some of us need to be coaxed into doing it. Well, we at National Beverage are trying to do just that...coax you with our exciting Everfresh graphics and prod you on with the premium look of Mr. Pure and Mt. Shasta water. Using pure, natural ingredients, our juices will provide wholesome and healthy refreshment...creating a natural feeling that good things just happened for that good body. If you select our healthy products enough, you might just establish a routine...and have enough discipline left over to start an exercise program!

Although our products are fantastic...they have not been known to provoke...

MIRACLES! (at least not that we know of).

Healthy Refreshment!



Wholesome Feeling!



Fun!



'Flavors...tantalizing, colorful, refreshing

and relaxing...are the soul of the Company.'



Healthy Spirit

Laughter is the ultimate stress buster...what better way than to tickle your stomach with a swallow of fun! *Tan Line—Lucky Devil—Seduction—Moon Glow—Mojo Luv*...in exciting packages to capture and hold your *spirit* hostage until the very last drop...and longer. We call it...*Delectable Addictions!*

Zest for life describes a magical attitude (spirit) of a human or company that seems to be 'in-charge' of their destiny...know what they want—know where they are going—and, most importantly—know how to make it happen!

Our Company has a spirit...you *face* it with our people, *embrace* it with our graphics, *taste* it in our products and *see* it in our income statement.

As we confront the challenges of tomorrow, we are stimulated by a vision that provides direction...a philosophy that encourages competitiveness...and a spirit that defies risk!



Mind

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Body

Spirit

Selected Financial Data

<i>(In thousands, except per share amounts)</i>	Fiscal Year Ended				
	April 28, 2001	April 29, 2000	May 1, 1999	May 2, 1998	May 3, 1997 ⁽¹⁾
Statement of Income Data:					
Net sales	\$480,415	\$426,269	\$402,108	\$400,749	\$385,427
Cost of sales	323,743	286,245	268,844	275,083	275,453
Gross profit	156,672	140,024	133,264	125,666	109,974
Selling, general and administrative expenses	131,852	120,104	110,246	102,195	88,921
Interest expense	2,110	2,789	3,304	4,175	4,951
Other income—net	1,506	4,754	1,323	1,633	871
Income before income taxes	24,216	21,885	21,037	20,929	16,973
Provision for income taxes	9,236	8,302	7,868	7,827	6,280
Net income	\$ 14,980	\$ 13,583	\$ 13,169	\$ 13,102	\$ 10,693
Net income per share ⁽²⁾ :					
Basic	\$.82	\$.74	\$.71	\$.71	\$.58
Diluted	.80	.71	.68	.68	.56
Balance Sheet Data:					
Working capital	\$ 62,444	\$ 54,907	\$ 57,504	\$ 50,398	\$ 47,624
Property—net	62,215	62,430	56,103	55,945	55,436
Total assets	203,868	197,754	180,404	182,327	170,897
Long-term debt	24,136	33,933	40,267	41,600	55,026
Deferred income taxes	10,208	8,011	8,344	8,332	7,245
Shareholders' equity	108,488	93,686	82,005	69,980	56,703

⁽¹⁾Fiscal 1997 consisted of 53 weeks.

⁽²⁾Basic net income per share is computed by dividing earnings applicable to common shares by the weighted average number of shares outstanding. Diluted net income per share includes the dilutive effect of stock options.

Management's Discussion and Analysis of Financial Condition and Results of Operations

General Overview

National Beverage Corp. (the "Company") is a holding company for various operating subsidiaries that develop, manufacture, market and distribute a complete portfolio of quality beverage products throughout the United States. The Company's brands emphasize distinctive flavor variety, including its flagship brands Shasta® and Faygo®, complete lines of multi-flavored and cola soft drinks. In addition, the Company offers an assortment of premium beverages geared toward the health-conscious consumer, including Everfresh®, Home Juice®, and Mr. Pure® 100% juice and juice-based products; and LaCROIX®, Mt. Shasta™, Crystal Bay®, and ClearFruit® flavored and spring water products. The Company also produces specialty products, including VooDoo Rain®, a line of alternative beverages geared toward young consumers, Ohana® fruit-flavored drinks, and St. Nick's® holiday soft drinks. Substantially all of the Company's brands are produced in its sixteen manufacturing facilities, which are strategically located in major metropolitan markets throughout the continental United States. The Company also develops and produces soft drinks for retail grocery chains, warehouse clubs, mass-merchandisers and wholesalers ("allied brands") as well as soft drinks for other beverage companies.

The Company's strategy emphasizes the growth of its branded products by offering a diverse beverage portfolio of proprietary flavors; by supporting the franchise value of regional brands; by developing and acquiring innovative products tailored toward healthy lifestyles; and by appealing to the "quality-price" sensitivity factor of the family consumer. Management believes that the "regional share dynamics" of its brands have a consumer loyalty within local markets that generates more aggressive retailer sponsored promotional activities.

The Company occupies a unique position in the industry as a vertically integrated national company delivering branded and allied brands through a

hybrid distribution network to multiple beverage channels. As part of its sales and marketing strategy, the Company enters into long-term contractual relationships that join the expertise of Company sales, marketing and manufacturing functions with national and regional retailers marketing/sales expertise to cause the maximum joint effort in generating sales for branded and allied branded products. These "Strategic Alliances" provide for retailer promotional support for the Company's brands and nationally integrated manufacturing and distribution services for the retailer's allied brands.

Over the last several years, the Company has focused on increasing penetration of its brands in the convenience channel through company-owned and independent distributors. The convenience channel is composed of convenience stores, gas stations and other smaller "up-and-down-the-street" accounts. Because of the higher retail prices and margins that typically prevail, the Company has undertaken specific measures to expand its distribution in this channel. These include the development of products specifically targeted to this market, such as VooDoo Rain, ClearFruit, Everfresh, Home Juice and Mr. Pure. Also, the Company has created proprietary and specialized packaging for these products with specific graphics for the discriminating consumer. In September 2000, the Company acquired certain assets of Beverage Canners International, Inc. ("BCI"), a Miami-based producer and distributor of the Ritz and Crystal Bay brands. This acquisition provided the Company with an additional direct-store delivery system located in the South Florida market as well as strong regional brands sold throughout the southeastern United States and Caribbean in keeping with the Company's "regional share dynamics" strategy. Management intends to continue its focus on enhancing growth in the convenience channel through both specialized packaging and innovative product development.

Beverage industry sales are seasonal with the highest volume typically realized during the summer months. Additionally, the Company's operating results are subject to numerous factors, including fluctuations in the costs of raw materials, changes in consumer preference for beverage products and competitive pricing in the marketplace.

Results of Operations

Net Sales

Net sales for fiscal 2001 increased approximately \$54.1 million, or 12.7%, to \$480.4 million. This increase was due primarily to volume growth in the Company's flavored carbonated soft drinks, increased pricing of the Company's proprietary brands, and sales of the Ritz and Crystal Bay brands acquired in September 2000. This improvement was partially offset by declines related to product mix.

Net sales for fiscal 2000 increased approximately \$24.2 million, or 6.0%, over the prior year. This improvement was primarily attributed to an increase in case volume of the Company's proprietary brands and revenues from the May 1999 acquisition of Home Juice. These increases are net of volume declines in lower-margin allied branded products.

Gross Profit

Gross profit approximated 32.6% and 32.8% of net sales in fiscal 2001 and fiscal 2000, respectively. This change in gross profit reflects increased distribution in the convenience channel which was offset by changes in product mix and increased utility and labor costs.

Gross profit approximated 32.8% of net sales for fiscal 2000 and 33.1% of net sales for fiscal 1999. This decline was the result of increases in certain raw material costs and higher production costs related to Home Juice, partially offset by favorable changes in product and package mix.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for fiscal 2001 increased \$11.7 million, or 9.8%, to

\$131.9 million. This increase was due to higher distribution and selling costs related to increased sales volume, higher fuel costs, and integration costs related to the BCI acquisition.

Selling, general and administrative expenses increased to \$120.1 million or 28.2% of net sales for fiscal 2000. This increase was primarily due to expenses related to Home Juice and higher selling and start-up distribution costs resulting from expanded distribution in the convenience channel.

Interest Expense and Other Income—Net

Fiscal 2001 and 2000 interest expense decreased \$0.7 million and \$0.5 million, respectively, due to a reduction in average outstanding debt and interest rates. Other income includes interest income of \$1.6 million for fiscal 2001 and \$1.4 million for fiscal 2000 and 1999. In addition, other income for fiscal 2000 includes a gain of \$3.4 million from the sale of a residual interest in an operating lease.

Income Taxes

The Company's effective tax rate was approximately 38.1% for fiscal 2001, 37.9% for fiscal 2000, and 37.4% for fiscal 1999. The difference between the effective rate and the federal statutory rate of 35% was primarily due to the effects of state income taxes and other nondeductible expenses. See Note 7 of Notes to Consolidated Financial Statements.

Capital Resources

The Company's current sources of capital are cash flow from operations and borrowings under existing credit facilities. The Company maintains unsecured revolving credit facilities aggregating \$48 million of which approximately \$43 million was available for future borrowings at April 28, 2001. Management believes that existing capital resources are sufficient to meet the Company's and the parent company's capital requirements for the foreseeable future.

Management views earnings before interest expense, taxes, depreciation and amortization ("EBITDA") as a key indicator of the Company's

Management's Discussion and Analysis of Financial Condition and Results of Operations

(continued)

operating performance and enterprise value, although not as a substitute for cash flow from operations or operating income. The Company's EBITDA increased 9.5% to \$38.1 million for fiscal 2001 from \$34.8 million last year. Management believes that EBITDA is sufficient to support additional growth and debt capacity.

Summary of Cash Flow

The Company's principal source of cash during fiscal 2001 was \$21.5 million provided by operating activities. The Company's primary uses of cash were net debt repayments of \$10.1 million and capital expenditures of \$6.0 million.

Net cash provided by operating activities increased to \$21.5 million from \$19.6 million for fiscal 2000 largely due to increases in net income and non-cash charges. Net cash used in investing activities declined slightly to \$10.0 million from \$10.3 million as a result of decreased expenditures for property and acquisitions partially offset by reduced proceeds from the sale of assets. Net cash used in financing activities increased approximately \$1.9 million for fiscal 2001 as a result of increased net debt repayments, which included the final Senior Note principal installment of \$8.3 million.

Financial Condition

During fiscal 2001, the Company's working capital improved to \$62.4 million from \$54.9 million primarily due to cash generated from operations and an increase in current assets. Trade receivables and inventories increased as a result of the sales growth and the acquisition of BCI. Prepaid and other assets increased primarily due to an increase in income tax refund receivables. At April 28, 2001, the current ratio was 2.1 to 1 compared to 1.9 to 1 for the prior year. The debt-to-equity ratio improved to .2 to 1 from .4 to 1 due to a reduction in debt and an increase in retained earnings.

Liquidity

The Company continually evaluates capital projects designed to expand capacity and improve efficiency at its manufacturing facilities. The Company presently has no material commitments for capital expenditures and expects that fiscal 2002 capital expenditures will be comparable to fiscal 2001.

Certain debt agreements contain restrictions which require subsidiaries to maintain certain financial ratios and minimum net worth, and limit the subsidiaries with respect to incurring additional indebtedness, paying cash dividends and making loans, advances or other investments. These restrictions are not expected to have a material adverse impact on the operations of the Company. At April 28, 2001, retained earnings of approximately \$38 million were available for distribution and the Company was in compliance with all loan covenants and restrictions. See Note 5 of Notes to Consolidated Financial Statements.

In January 1998, the Board of Directors authorized the Company to repurchase up to 800,000 shares of its common stock. In fiscal 2001 and 2000, the Company purchased 33,600 shares and 265,980 shares, respectively, of common stock.

Pursuant to a management agreement, the Company incurred a fee to Corporate Management Advisors, Inc. ("CMA") of approximately \$4.8 million for fiscal 2001, \$4.3 million for fiscal 2000, and \$4.0 million for fiscal 1999. At April 28, 2001, the Company owed \$430,000 to CMA for unpaid fees. See Note 6 of Notes to Consolidated Financial Statements.

Changes in Accounting Standards

In June 1998, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 133, "Accounting for Derivative Instruments and Hedging Activities." This statement, as amended by SFAS No. 138, modifies the method of accounting for

derivatives by requiring that all derivatives be recorded at fair market values in the balance sheet. The Company will adopt SFAS No. 133 in the first quarter of fiscal 2002 and believes that it will not have a significant impact on its consolidated financial statements.

In May 2000, the Emerging Issues Task Force (“EITF”) reached a consensus on Issue 00-14, “Accounting for Certain Sales Incentives,” which requires the cost of consumer coupons and other sales incentives to be classified as a reduction of revenues. In addition, in April 2001, the EITF reached a consensus on Issue 00-25, “Vendor Income Statement Characterization of Consideration from a Vendor to a Retailer,” which requires slotting costs and other payments made to retailers to be classified as a reduction of revenue. The Company currently classifies certain sales incentives and payments to retailers as “Selling, general and administrative expenses.” The Company will adopt EITF 00-14 and EITF 00-25 in fiscal 2002 and has not yet made a determination of the impact on its consolidated financial statements.

In June 2001, the FASB issued SFAS No. 141 “Business Combinations” and SFAS No. 142 “Goodwill and Other Intangible Assets.” SFAS No. 141, which addresses financial accounting and reporting for business combinations, requires the purchase method of accounting to be used for business combinations initiated after June 30, 2001. SFAS No. 142 changes the accounting for goodwill from an amortization method to an impairment approach and is effective for fiscal years beginning after December 15, 2001. The Company has not yet made a determination of the impact of SFAS No. 141 and SFAS No. 142 on its consolidated financial statements.

Forward-Looking Statements

The Company and its representatives may from time to time make written or oral statements that are “forward-looking” within the meaning of the Private Securities Litigation Reform Act of 1995, including statements contained in this Annual Report, filings with the Securities and Exchange Commission and other reports to the Company’s stockholders. Certain statements, including, without limitation, statements containing the words “believes,” “anticipates,” “intends,” “expects,” and “estimates” constitute “forward-looking statements” and involve known and unknown risk, uncertainties and other factors that 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. Such factors include, but are not limited to, the following: general economic and business conditions; pricing of competitive products; success of the Company’s Strategic Alliance objective; success in acquiring other beverage businesses; success of new product and flavor introductions; fluctuations in the costs of raw materials; the Company’s ability to increase prices; continued retailer support for the Company’s brands; changes in consumer preferences; success of implementing business strategies; changes in business strategy or development plans; government regulations; regional weather conditions; and other factors referenced in this Annual Report. The Company disclaims an obligation to update any such factors or to publicly announce the results of any revisions to any forward-looking statements contained herein to reflect future events or developments.

Management's Discussion and Analysis of Financial Condition and Results of Operations

(continued)

Quantitative and Qualitative Disclosures About Market Risk

The principal market risks to which the Company is exposed are commodity prices and interest rates.

Commodities

The Company purchases various raw materials that fluctuate based on commodity market conditions. These include aluminum cans, high fructose corn syrup, and various juice concentrates. The Company's ability to recover increased costs through higher pricing may be limited by the competitive environment in which it operates.

Interest Rates

At the end of fiscal 2001, the Company had \$19.9 million of floating rate term debt outstanding and \$4 million outstanding under floating rate revolving credit agreements. If the interest rate changed by

100 basis points (1%), interest expense for fiscal 2001 would have changed by approximately \$200,000. Because of its limited exposure to interest rate movements, the Company does not currently utilize interest rate swaps or other interest rate hedging products.

The Company's investment portfolio consists primarily of short-term money market instruments, the yields of which fluctuate based largely on short-term Treasury rates. If the yield of these instruments had changed by 100 basis points (1%), interest income for fiscal 2001 would have changed by approximately \$300,000.

Consolidated Balance Sheets

As of April 28, 2001 and April 29, 2000

(In thousands, except share amounts)

	2001	2000
Assets		
Current assets:		
Cash and equivalents	\$ 39,625	\$ 38,482
Trade receivables—net of allowances of \$559 (2001) and \$534 (2000)	41,068	39,116
Inventories	31,747	29,056
Deferred income taxes	1,333	1,465
Prepaid and other	6,518	5,554
Total current assets	120,291	113,673
Property—net	62,215	62,430
Intangible assets—net	15,259	15,754
Other assets	6,103	5,897
	\$203,868	\$197,754
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 37,651	\$ 37,199
Accrued liabilities	20,131	19,646
Income taxes payable	65	1,921
Total current liabilities	57,847	58,766
Long-term debt	24,136	33,933
Deferred income taxes	10,208	8,011
Other liabilities	3,189	3,358
Commitments and contingencies		
Shareholders' equity:		
Preferred stock, 7% cumulative, \$1 par value, aggregate liquidation preference of \$15,000—1,000,000 shares authorized; 150,000 shares issued; no shares outstanding	150	150
Common stock, \$.01 par value—authorized 50,000,000 shares; issued 22,134,612 shares (2001) and 22,117,332 shares (2000); outstanding 18,161,978 shares (2001) and 18,178,298 shares (2000)	221	221
Additional paid-in capital	15,638	15,556
Retained earnings	109,705	94,725
Treasury stock—at cost:		
Preferred stock—150,000 shares	(5,100)	(5,100)
Common stock—3,972,634 shares (2001) and 3,939,034 shares (2000)	(12,126)	(11,866)
Total shareholders' equity	108,488	93,686
	\$203,868	\$197,754

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statements of Income

For the Fiscal Years Ended April 28, 2001, April 29, 2000 and May 1, 1999

(In thousands, except per share amounts)

	2001	2000	1999
Net sales	\$480,415	\$426,269	\$402,108
Cost of sales	323,743	286,245	268,844
Gross profit	156,672	140,024	133,264
Selling, general and administrative expenses	131,852	120,104	110,246
Interest expense	2,110	2,789	3,304
Other income—net	1,506	4,754	1,323
Income before income taxes	24,216	21,885	21,037
Provision for income taxes	9,236	8,302	7,868
Net income	\$ 14,980	\$ 13,583	\$ 13,169
Net income per share—			
Basic	\$.82	\$.74	\$.71
Diluted	\$.80	\$.71	\$.68
Average common shares outstanding—			
Basic	18,160	18,321	18,474
Diluted	18,840	19,018	19,278

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statements of Shareholders' Equity

For the Fiscal Years Ended April 28, 2001, April 29, 2000 and May 1, 1999

(In thousands, except share amounts)	2001		2000		1999	
	Shares	Amount	Shares	Amount	Shares	Amount
Preferred Stock						
Beginning and end of year	150,000	\$ 150	150,000	\$ 150	150,000	\$ 150
Common Stock						
Beginning of year	22,117,332	221	22,062,012	221	22,025,212	220
Stock options exercised	17,280	—	55,320	—	36,800	1
End of year	22,134,612	221	22,117,332	221	22,062,012	221
Additional Paid-In Capital						
Beginning of year		15,556		15,304		15,118
Stock options exercised		82		252		186
End of year		15,638		15,556		15,304
Retained Earnings						
Beginning of year		94,725		81,142		67,973
Net income		14,980		13,583		13,169
End of year		109,705		94,725		81,142
Treasury Stock—Preferred						
Beginning and end of year	150,000	(5,100)	150,000	(5,100)	150,000	(5,100)
Treasury Stock—Common						
Beginning of year	3,939,034	(11,866)	3,673,054	(9,712)	3,530,724	(8,381)
Purchase of common stock	33,600	(260)	265,980	(2,154)	142,330	(1,331)
End of year	3,972,634	(12,126)	3,939,034	(11,866)	3,673,054	(9,712)
Total Shareholders' Equity		\$108,488		\$ 93,686		\$82,005

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statements of Cash Flows

For the Fiscal Years Ended April 28, 2001, April 29, 2000 and May 1, 1999

(In thousands)

	2001	2000	1999
Operating Activities:			
Net income	\$ 14,980	\$ 13,583	\$13,169
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Depreciation and amortization	11,739	10,163	9,921
Deferred income tax provision	2,329	582	181
Loss (gain) on sale of assets	95	(3,364)	74
Changes in assets and liabilities, net of acquisitions:			
Trade receivables	(1,948)	(677)	1,186
Inventories	786	(1,934)	(1,805)
Prepaid and other assets	(4,002)	(3,441)	(3,859)
Accounts payable	92	2,809	(6,839)
Other liabilities, net	(2,604)	1,926	(5,290)
Net cash provided by operating activities	21,467	19,647	6,738
Investing Activities:			
Property additions	(6,049)	(8,559)	(6,772)
Proceeds from sale of assets	28	3,557	42
Acquisitions, net of cash acquired	(3,979)	(5,258)	—
Net cash used in investing activities	(10,000)	(10,260)	(6,730)
Financing Activities:			
Debt borrowings	—	4,000	—
Debt repayments	(9,106)	(8,334)	(8,726)
Borrowings (payments) on line of credit, net	(1,000)	(2,000)	7,000
Purchase of common stock	(260)	(2,154)	(1,331)
Proceeds from stock options exercised	42	103	82
Net cash used in financing activities	(10,324)	(8,385)	(2,975)
Net Increase (Decrease) in Cash and Equivalents	1,143	1,002	(2,967)
Cash and Equivalents—Beginning of Year	38,482	37,480	40,447
Cash and Equivalents—End of Year	\$ 39,625	\$ 38,482	\$37,480
Other Cash Flow Information:			
Interest paid	\$ 2,450	\$ 2,867	\$ 2,909
Income taxes paid	10,616	7,366	7,071

See accompanying Notes to Consolidated Financial Statements.

Notes to Consolidated Financial Statements

1. Significant Accounting Policies

Organization

National Beverage Corp. (the “Company”) is a holding company for various subsidiaries that develop, manufacture, market and distribute a complete portfolio of cola and multi-flavored soft drinks, juice drinks, water and specialty beverages. Substantially all of the Company’s brands are produced in its sixteen manufacturing facilities, which are strategically located in major metropolitan markets across the continental United States.

Basis of Presentation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany balances have been eliminated. The Company’s fiscal year ends the Saturday closest to April 30th. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management’s knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results. Certain prior year amounts have been reclassified to conform to the fiscal 2001 presentation.

Cash and Equivalents

Cash and equivalents are comprised of cash and highly liquid securities (consisting primarily of short-term money-market investments) with an original maturity or redemption option of three months or less.

Credit Risk

The Company sells products to a variety of customers and extends credit based on an evaluation of the customer’s financial condition, generally without requiring collateral. Exposure to losses on

receivables varies by customer principally due to the financial condition of each customer. The Company monitors its exposure to credit losses and maintains allowances for anticipated losses. At April 28, 2001, the Company did not have any customers that comprised more than 10% of trade receivables while, at April 29, 2000, one customer represented approximately 13% of trade receivables. No one customer accounted for more than 10% of net sales for fiscal 2001, 2000 or 1999.

Customer Contracts

The Company incurs certain costs related to long-term contractual relationships with national and regional retailers to manufacture and market Company and retailer branded products. These costs are deferred and amortized based on the contractual unit volume or the straight-line method over the lesser of the period of benefit or the non-cancelable period of the contract. It is the Company’s policy to periodically review and evaluate the future benefits associated with these costs to determine that deferral and amortization is justified. Of these costs, amounts associated with remaining periods of one year or less are included in other current assets and all other amounts are included in other assets. Advertising costs are expensed as incurred.

Inventories

Inventories are stated at the lower of first-in, first-out cost or market. Inventories at April 28, 2001 are comprised of finished goods of \$17,721,000 and raw materials of \$14,026,000. Inventories at April 29, 2000 are comprised of finished goods of \$15,377,000 and raw materials of \$13,679,000.

Property

Property is recorded at cost. Depreciation is computed by the straight-line method over estimated useful lives of 7 to 30 years for buildings and improvements, and 3 to 15 years for machinery

Notes to Consolidated Financial Statements

(continued)

and equipment. When assets are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the respective accounts and any related gain or loss is recognized. Maintenance and repair costs are charged to expense as incurred, and renewals and improvements that extend the useful lives of assets are capitalized.

Intangible Assets

Intangible assets consist of goodwill, trademarks, formulas and customer lists at costs assigned at the date of acquisition and are amortized on a straight-line basis over estimated useful lives ranging from 10 to 40 years. Intangible assets at April 28, 2001 and April 29, 2000 consisted of the following:

<i>(In thousands)</i>	2001	2000
Goodwill	\$17,218	\$17,122
Other	5,063	5,013
Total	22,281	22,135
Less accumulated amortization	(7,022)	(6,381)
Net	\$15,259	\$15,754

Impairment of Long-Lived Assets

All long-lived assets, including goodwill and other intangible assets, are evaluated for impairment on the basis of undiscounted cash flows whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impaired asset is written down to its estimated fair market value based on the best information available. Estimated fair market value is generally measured by discounting future cash flows.

Changes in Accounting Standards

In May 2000, the Emerging Issues Task Force (“EITF”) reached a consensus on Issue 00-14, “Accounting for Certain Sales Incentives,” which requires the cost of consumer coupons and other sales incentives to be classified as a reduction of revenues. In addition, in April 2001, the EITF reached a consensus on Issue 00-25, “Vendor

Income Statement Characterization of Consideration from a Vendor to a Retailer,” which requires slotting costs and other payments made to retailers to be classified as a reduction of revenue. The Company currently classifies certain sales incentives and payments to retailers as “Selling, general and administrative expenses.” The Company will adopt EITF 00-14 and EITF 00-25 in fiscal 2002 and has not yet made a determination of the impact on its consolidated financial statements.

In June 2001, the FASB issued SFAS No. 141 “Business Combinations” and SFAS No. 142 “Goodwill and Other Intangible Assets.” SFAS No. 141, which addresses financial accounting and reporting for business combinations, requires the purchase method of accounting to be used for business combinations initiated after June 30, 2001. SFAS No. 142 changes the accounting for goodwill from an amortization method to an impairment approach and is effective for fiscal years beginning after December 15, 2001. The Company has not yet made a determination of the impact of SFAS No. 141 and SFAS No. 142 on its consolidated financial statements.

Insurance Programs

The Company maintains self-insured and deductible programs for certain liability, medical and workers’ compensation exposures. The Company accrues for known claims and estimated incurred but not reported claims not otherwise covered by insurance.

Revenue Recognition

Revenue from product sales is recognized by the Company when title and risk of loss passes to the customer, which generally occurs upon delivery.

Shipping and Handling Costs

Shipping and handling costs are reported in “Selling, general and administrative expenses” in the accompanying statements of income. Such costs aggregated

\$37.0 million in fiscal 2001, \$31.2 million in fiscal 2000, and \$28.8 million in fiscal 1999.

Net Income Per Share

Basic net income per share is computed by dividing net income by the weighted average number of common shares outstanding. Diluted net income per share includes the dilutive effect of stock options.

Segment Reporting

The Company operates in a single operating segment for purposes of presenting financial information and evaluating performance. As such, the accompanying consolidated financial statements present financial information in a format that is consistent with the internal financial information used by management.

2. Acquisitions

In September 2000, the Company acquired certain operations and assets of Beverage Canners International, Inc., a Miami-based producer and distributor of carbonated soft drinks and sparkling waters. The assets acquired included a leased manufacturing facility, inventory, and the Ritz® and Crystal Bay® brands. The acquisition has been accounted for using the purchase method of accounting and, accordingly, the purchase price has been allocated to the assets acquired based upon their estimated fair values at the date of acquisition. Operating results of the acquired business, which are not material to consolidated results, have been included in the consolidated statements of income from the date of acquisition.

In May 1999, the Company acquired the operations and assets of Home Juice, a Chicago-based producer and distributor of premium juice and juice products. The assets acquired included a

manufacturing facility, receivables, inventory and the Mr. Pure® and Home Juice® trademarks. The operating results of Home Juice, which are not material to consolidated results, have been included in the consolidated statements of income from the date of acquisition. The acquisition has been accounted for using the purchase method.

3. Property

Property at April 28, 2001 and April 29, 2000 consisted of the following:

<i>(In thousands)</i>	2001	2000
Land	\$ 10,625	\$ 10,617
Buildings and improvements	35,088	34,416
Machinery and equipment	94,356	89,345
Total	140,069	134,378
Less accumulated depreciation	(77,854)	(71,948)
Property—net	\$ 62,215	\$ 62,430

Depreciation expense was \$7,996,000 for fiscal 2001, \$6,966,000 for fiscal 2000, and \$6,498,000 for fiscal 1999. Other income for the fourth quarter of fiscal 2000 includes a gain of \$3.4 million from the sale of a residual interest in an operating lease.

4. Accrued Liabilities

Accrued liabilities at April 28, 2001 and April 29, 2000 consisted of the following:

<i>(In thousands)</i>	2001	2000
Accrued promotions	\$ 5,951	\$ 5,350
Accrued compensation	5,595	5,343
Other accrued liabilities	8,585	8,953
Total	\$20,131	\$19,646

Notes to Consolidated Financial Statements

(continued)

5. Debt

Long-term debt at April 28, 2001 and April 29, 2000 consisted of the following:

<i>(In thousands)</i>	2001	2000
Senior Notes	\$ —	\$ 8,333
Credit Facilities	4,000	5,000
Term Loan Facilities	19,900	20,600
Other	236	—
Total	\$24,136	\$33,933

A subsidiary of National Beverage Corp. had outstanding 9.95% unsecured senior notes in the original principal amount of \$50 million (the “Senior Notes”), of which the final annual installment of \$8.3 million was paid on November 1, 2000. Additionally, certain subsidiaries maintain unsecured revolving credit facilities aggregating \$48 million (the “Credit Facilities”) and unsecured term loan facilities (“Term Loan Facilities”) with banks. The Credit Facilities expire December 10, 2002 and bear interest at ½% below the banks’ reference rates or 1% above LIBOR, at the subsidiaries’ election. The Term Loan Facilities are repayable in installments through July 31, 2004, and bear interest at the banks’ reference rates or 1¼% above LIBOR, at the subsidiaries’ election. The Company intends to utilize its existing long-term Credit Facilities to fund the current principal payments due on its Term Loan Facilities.

Certain of the Company’s debt agreements contain restrictions which require subsidiaries to maintain certain financial ratios and minimum net worth, and limit subsidiaries with respect to incurring additional indebtedness, paying cash dividends and making certain loans, advances or other investments. These restrictions are not expected to have a material adverse impact on the operations of the Company. At April 28, 2001, retained earnings of approximately \$38 million were available for distribution and the Company was in compliance with all loan covenants.

The long-term portion of debt at April 28, 2001 matures as follows:

<i>(In thousands)</i>	
Fiscal 2003	\$14,136
Fiscal 2004	9,400
Fiscal 2005	600
Total	\$24,136

The fair value of debt has been estimated using discounted cash-flow models incorporating discount rates based on current market interest rates for similar types of instruments. At April 28, 2001 and April 29, 2000, the difference between the estimated fair value and the carrying value of debt instruments was not material.

6. Capital Stock and Transactions with Related Parties

In January 1998, the Board of Directors authorized the Company to repurchase up to 800,000 shares of its common stock. In fiscal 2001 and 2000, the Company purchased 33,600 shares and 265,980 shares, respectively, of common stock on the open market. Such shares are classified as treasury stock.

The Company is a party to a management agreement with Corporate Management Advisors, Inc. (“CMA”), a corporation owned by the Company’s Chairman and Chief Executive Officer. Under the agreement, the employees of CMA provide the Company with corporate finance, strategic planning, business development and other management services for an annual base fee equal to one percent of consolidated net sales, plus incentive compensation based on certain factors to be determined by the Compensation Committee of the Company’s Board of Directors. The Company incurred fees to CMA of \$4.8 million, \$4.3 million and \$4.0 million for fiscal 2001, 2000 and 1999, respectively. No incentive compensation has been incurred or approved under the management agreement since its inception. Included in accounts

payable in the accompanying consolidated balance sheets at April 28, 2001 and April 29, 2000 were amounts due CMA of \$430,000 and \$879,000, respectively.

7. Income Taxes

The provision for income taxes consists of the following:

<i>(In thousands)</i>	2001	2000	1999
Current	\$6,907	\$7,720	\$7,687
Deferred	2,329	582	181
Total	\$9,236	\$8,302	\$7,868

The reconciliation of the statutory federal income tax rate to the Company's effective tax rate is as follows:

	2001	2000	1999
Statutory federal income tax rate	35.0%	35.0%	35.0%
State income taxes, net of federal benefit	2.5	2.4	2.5
Goodwill and other permanent differences	.6	.8	.8
Other, net	—	(.3)	(.9)
Effective income tax rate	38.1%	37.9%	37.4%

The Company provides deferred income taxes based on the difference between the financial statement and tax bases of assets and liabilities. A valuation allowance is established when it is deemed, more likely than not, that the benefit of deferred tax assets will not be realized. The Company's deferred tax assets and liabilities as

of April 28, 2001 and April 29, 2000 consisted of the following:

<i>(In thousands)</i>	2001	2000
Deferred tax assets:		
Accrued expenses and other	\$ 3,477	\$ 3,941
Inventory and amortizable assets	522	238
Total deferred tax assets	3,999	4,179
Deferred tax liabilities:		
Property and intangibles	12,874	10,725
Net deferred tax liabilities	\$ 8,875	\$ 6,546

8. Leases

Future minimum rental commitments for non-cancelable operating leases at April 28, 2001 are as follows:

<i>(In thousands)</i>	
Fiscal 2002	\$ 6,703
Fiscal 2003	5,146
Fiscal 2004	4,477
Fiscal 2005	2,778
Fiscal 2006	1,581
Thereafter	2,074
Total minimum lease payments	\$22,759

Rental expense was \$10,164,000 for fiscal 2001, \$8,179,000 for fiscal 2000, and \$6,605,000 for fiscal 1999.

9. Incentive and Retirement Plans

Long-term incentive compensation for executives is administered through the Company's 1991 Omnibus Incentive Plan (the "Omnibus Plan"), which provides for compensatory awards consisting of (i) stock options or stock awards for up to 1,400,000 shares of common stock of the Company, (ii) stock appreciation rights, dividend equivalents, other stock-based awards in amounts up to 1,400,000 shares of common stock of the Company and (iii) performance awards consisting of any combination

Notes to Consolidated Financial Statements

(continued)

of the above. The Omnibus Plan is designed to provide an incentive to the officers (including those who are also directors) and certain other key employees and consultants of the Company by making available to them an opportunity to acquire a proprietary interest or to increase such interest in the Company. The number of shares or options which may be issued under stock based awards to an individual is limited to 700,000 during any year. Awards may be granted for no cash consideration or such minimal cash consideration as may be required by law. Options generally vest over a five-year period and expire after ten years.

Pursuant to a Special Stock Option plan, the Company has authorized the issuance of options to purchase up to an aggregate of 400,000 shares of common stock. Options may be granted for such consideration as determined by the Board or a Committee of the Board. The Company also authorized the issuance of options to purchase up to 50,000 shares of common stock to be issued at the direction and discretion of the Chairman.

In March 1997, the Company's Board of Directors adopted the Key Employee Equity Partnership Program ("KEEP"), which provides for the granting of stock options to purchase up to 50,000 shares of

common stock to key employees, consultants, and officers of the Company. Participants who purchase shares of the Company's stock in the open market receive grants of stock options equal to 50% of the number of shares purchased, up to a maximum of 6,000 shares in any two-year period. Options under the KEEP program are automatically forfeited in the event of the sale of shares originally acquired by the participant. The options are granted at an initial exercise price of 60% of the purchase price paid for the shares acquired and reduces to the par value of the Company's stock at the end of the six-year vesting period. The difference between the exercise price and the fair market value of the stock on date of grant is amortized over the vesting period.

The Company's 1991 Stock Purchase Plan (the "Stock Purchase Plan") provides for the purchase of up to 640,000 shares of common stock by employees of the Company who (i) have been employed by the Company for at least two years, (ii) are not part-time employees of the Company and (iii) are not owners of five percent (5%) or more of the common stock of the Company. As of April 28, 2001, no shares have been issued under the Stock Purchase Plan.

The following is a summary of stock option activity:

	2001		2000 Shares	1999 Shares
	Shares	Weighted Average Exercise Price		
Options outstanding, beginning of year	1,121,956	\$ 3.28	1,191,276	1,108,086
Options granted	208,700	7.26	8,000	123,300
Options exercised	(17,280)	2.65	(55,320)	(36,800)
Options canceled	(39,360)	10.61	(22,000)	(3,310)
Options outstanding, end of year	1,274,016	3.71	1,121,956	1,191,276
Options exercisable, end of year	954,106		920,812	804,920
Options available for grant, end of year	386,824		586,164	572,164

The following is a summary of stock options outstanding at April 28, 2001:

Range of Exercise Price	Options Outstanding			Options Exercisable	
	Weighted Average Remaining Contractual Life	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
\$.13	1 year	88,000	\$.13	88,000	\$.13
\$.38–\$.63	1 year	73,600	.48	73,600	.48
\$1.25	1 year	54,400	1.25	54,400	1.25
\$1.97–\$2.56	3 years	567,400	2.17	567,400	2.17
\$4.13–\$4.95	7 years	14,800	4.54	5,600	4.75
\$5.00	5 years	151,100	5.00	120,880	5.00
\$5.06–\$6.43	7 years	34,766	5.81	8,706	6.05
\$7.38	10 years	201,150	7.38	0	7.38
\$9.88	7 years	88,800	9.88	35,520	9.88
		1,274,016	3.71	954,106	2.49

The option price range for all options outstanding at the end of the fiscal year was \$.13 to \$9.88 for 2001 and \$.13 to \$13.50 for 2000 and 1999.

The option price range for options exercised during the fiscal year was \$2.09 to \$5.00 for 2001 and \$.63 to \$5.00 for 2000 and 1999.

The Company applies Accounting Principles Board Opinion No. 25, “Accounting for Stock Issued to Employees” (“APB 25”), and related interpretations, in accounting for stock-based awards to employees. Under APB 25, the Company generally recognizes no compensation expense with respect to such awards unless the exercise price of options granted is less than the market price on the date of grant.

Pro forma information regarding net income and earnings per share is required by Statement of Financial Accounting Standards No. 123, “Accounting and Disclosure of Stock-Based Compensation” (“SFAS 123”) for awards granted after December 15, 1994, as if the Company had accounted for its stock-based awards to employees under the fair value method of SFAS 123. The fair value of stock option grants was estimated using a Black-Scholes

option pricing model with the following assumptions used for grants: expected life of 10 years; volatility factor of 45% for 2001, 46% for 2000, and 48% for 1999; risk free interest rates of approximately 5% for 2001 and 6% for 2000 and 1999; and no dividend payments. The weighted average fair value of options granted during the fiscal year was \$5.04 for 2001, \$6.46 for 2000, and \$6.53 for 1999. Had compensation cost for the Company’s options plans been determined and recorded consistent with the Black-Scholes option pricing model in accordance with SFAS 123, the Company’s net income and earnings per share for fiscal 2001, 2000 and 1999 would have been reduced on a pro forma basis by less than \$200,000 (\$.01 per share) for each year.

The Company contributes to various defined contribution retirement plans (which cover employees under various collective bargaining agreements) and discretionary profit sharing plans (which cover all non-union employees). Contributions were \$1,490,000 for fiscal 2001, \$1,289,000 for fiscal 2000, and \$1,084,000 for fiscal 1999.

Notes to Consolidated Financial Statements

(continued)

10. Commitments and Contingencies

From time to time, the Company is a party to various litigation matters arising in the ordinary course of business. In the opinion of management, the ultimate disposition of such matters will not have

a material adverse effect on the Company's consolidated financial position or results of operations.

In the ordinary course of its business, the Company enters into commitments for the supply of certain raw materials, none of which are material to the Company's financial position.

11. Quarterly Financial Data (Unaudited)

<i>(In thousands, except per share amounts)</i>	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Fiscal 2001				
Net sales	\$140,226	\$120,760	\$97,096	\$122,333
Gross profit	46,053	38,917	30,249	41,453
Net income	6,950	3,315	532	4,183
Net income per common share:				
Basic	\$.38	\$.18	\$.03	\$.23
Diluted	\$.37	\$.18	\$.03	\$.22
Fiscal 2000				
Net sales	\$ 130,085	\$ 105,111	\$ 83,130	\$ 107,943
Gross profit	43,515	34,405	26,255	35,849
Net income	6,611	2,847	115	4,010
Net income per common share:				
Basic	\$.35	\$.16	\$.01	\$.22
Diluted	\$.34	\$.15	\$.01	\$.21

Report of Independent Certified Public Accountants

To the Board of Directors and
Shareholders of National Beverage Corp.

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, shareholders' equity and cash flows present fairly, in all material respects, the financial position of National Beverage Corp. and its subsidiaries at April 28, 2001 and April 29, 2000, and the results of their operations and their cash flows for each of the three years in the period ended April 28, 2001, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Miami, Florida
July 20, 2001

Market Information

The common stock of the Company, par value \$.01 per share, is listed and traded on the American Stock Exchange under the symbol "FIZ."

The table below sets forth, for the periods indicated, the high and low prices of the common stock as reported by the American Stock Exchange:

	Fiscal 2001		Fiscal 2000	
	High	Low	High	Low
First Quarter	\$ 9.75	\$7.63	\$9.75	\$8.25
Second Quarter	\$ 8.13	\$6.69	\$9.38	\$7.75
Third Quarter	\$10.25	\$6.63	\$8.38	\$7.38
Fourth Quarter	\$10.00	\$7.94	\$9.25	\$7.13

Holders

At July 19, 2001, according to records maintained by the Company's transfer agent, there were approximately 1,000 stockholders of record of the Company's common stock, which does not include beneficial owners of the Company's securities whose securities are held in the names of various dealers and/or clearing agencies.

Dividends

The Company has not paid any cash dividends with respect to its common stock during the last three fiscal years and the Company's Board of Directors has no present plans for declaring any such cash dividends. See Note 5 of Notes to Consolidated Financial Statements for certain restrictions on the payment of dividends.

Corporate Data

Directors

Nick A. Caporella
Chairman of the Board
& Chief Executive Officer
National Beverage Corp.

Joseph G. Caporella
Executive Vice President
National Beverage Corp.

Samuel C. Hathorn, Jr.*
President
Trendmaker Development Co.

S. Lee Kling*
Chairman of the Board
Kling Rechter & Company

Joseph P. Klock, Jr., Esq.*
Chairman and Managing Partner
Steel, Hector & Davis

*Member Audit Committee

Corporate Management

Nick A. Caporella
Chairman of the Board
& Chief Executive Officer

Joseph G. Caporella
Executive Vice President

George R. Bracken
Senior Vice President—Finance

Dean A. McCoy
Senior Vice President—
Controllor

Raymond J. Notarantonio
Executive Director—IT

John S. Bartley
Director—Internal Audit

Brent R. Bott
Director—Consumer Marketing

Gregory J. Kwederis
Director—Beverage Analyst

Janet M. McCabe
Director—Insurance

Lawrence P. Parent
Director—Credit Management

Subsidiary Management

Edward F. Knecht
President
Shasta Sweetener Corp.
PACO, Inc.

John C. Minton
President
National BevPak

Stanley M. Sheridan
President
Faygo Beverages, Inc.

Michael J. Bahr
Executive Vice President
General Manager
Shasta West, Inc.

Brian M. Gaggin
Executive Vice President
General Manager
National Retail Brands, Inc.

James M. Lee
Executive Vice President
General Manager
Beverage Corporation
International, Inc.

Michael J. Perez
Executive Vice President
General Manager
Shasta Midwest, Inc.

Sanford E. Salzberg
Executive Vice President
General Manager
Shasta Northwest, Inc.

Dennis L. Thompson
Executive Vice President
General Manager
BevCo Sales, Inc.

John F. Hlebica
Vice President
Shasta Beverages
International, Inc.

Charles A. Maier
Vice President
General Manager
Foodservice
Shasta Sales, Inc.

Worth B. Shuman, III
Vice President
Military Sales

Gregory L. Kimbrough
General Manager
PETCO, Inc.

Martin J. Rose
General Manager
Shasta Vending

Subsidiaries

BevCo Sales, Inc.
Beverage Corporation
International, Inc.
Everfresh Beverages, Inc.
Faygo Beverages, Inc.
HJMP Corp.
National Retail Brands, Inc.
NewBevCo, Inc.
PACO, Inc.
PETCO, Inc.
Shasta Beverages, Inc.
Shasta Beverages
International, Inc.
Shasta Midwest, Inc.
Shasta Northwest, Inc.
Shasta Sales, Inc.
Shasta Sweetener Corp.
Shasta West, Inc.
Winnsboro Beverage
Packers, Inc.

Notice of Annual Meeting

The Annual Meeting of Shareholders will be held on Friday, October 26, 2001 at 2:00 p.m. local time, at the Baltimore Marriott Waterfront Hotel, 700 Aliceanna Street, Baltimore, Maryland 21202.

A formal notice of this meeting, together with a proxy statement, has been included with this Annual Report.

Shareholders are urged to sign and return their proxies promptly to assure that the stock of the corporation will be represented as fully as possible at the meeting.

Copies of the Annual Report and the Annual Report on Form 10-K for the year ended April 28, 2001 are available without charge, upon request. Requests should be directed to the Company at P.O. Box 16720, Fort Lauderdale, Florida 33318. Attention: Corporate Secretary.

Supplemental financial data is published quarterly and is available from the Office of the President, P.O. Box 16720, Fort Lauderdale, Florida 33318 or through our internet site: www.nationalbeverage.com

Executive Offices

One North University Drive
Fort Lauderdale, Florida 33324
954-581-0922

Independent Auditors

PricewaterhouseCoopers LLP
Miami, Florida

Registrar & Transfer Agent

Mellon Investor Services, LLC
Ridgefield Park, New Jersey

Common Stock Listing

American Stock Exchange
Symbol: FIZ

Website

www.nationalbeverage.com



National Beverage Corp.
One North University Drive
Fort Lauderdale, FL 33324