US. FOODS

WE HELP YOU MAKE IT™

Q1 Fiscal 2018 Results

May 8, 2018

Cautionary Statements

Forward-Looking Statements

This presentation contains "forward-looking statements" concerning, among other things, our liquidity, our possible or assumed future results of operations and our business strategies. Our actual results could differ materially from those expressed in the forward-looking statements. There are a number of risks, uncertainties, and other important factors, many of which are beyond our control, that could cause our actual results to differ materially from the forward-looking statements contained in this presentation.

For a detailed discussion of these risks and uncertainties, see the sections entitled "Risk Factors" and "Forward-Looking Statements" in our Annual Report on Form 10-K for the fiscal year ended December 30, 2017, which was filed with the Securities and Exchange Commission and is available on our Investor Relations website and via EDGAR at www.sec.gov. The forward-looking statements contained in this presentation speak only as of the date of this presentation. We undertake no obligation, other than as may be required by law, to update or revise any forward-looking statements.

Key investor day takeaways lead to 8-10% Adjusted EBITDA growth for fiscal years 2018 - 2020

1

Attractive industry with favorable outlook

Large, fragmented and growing

- $289B at a1.6% CAGR

Mid-term organic case growth

- 4-6% independent restaurant
- 2-3% healthcare & hospitality
- 0-1% all other*

$170-200M from volume growth**

2

Differentiated strategy deployed against most favorable customer types

Differentiation points

- Product innovation
- Leading technology
- Team-based selling model

Key Gross Profit drivers

- Private brand growth
- Strategic vendor management
- Freight management
- Pricing and analytics

$200-220M from Gross Profit expansion**

3

Enhanced focus on significant cost reduction opportunities

- Supply chain
- Shared services
- Sales force productivity
- Indirect spend

$120-130M from OPEX productivity**

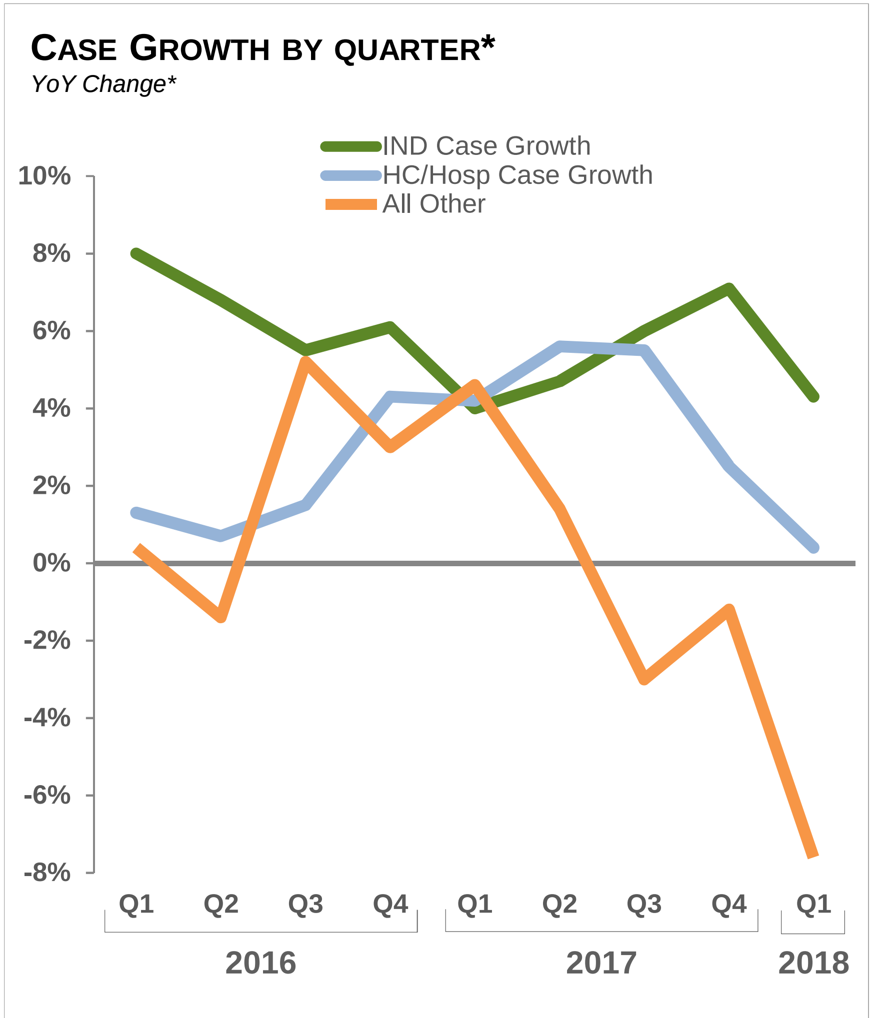
* All other expected to be negative in fiscal 2018 and approximately +1% in fiscal 2019 and 2020

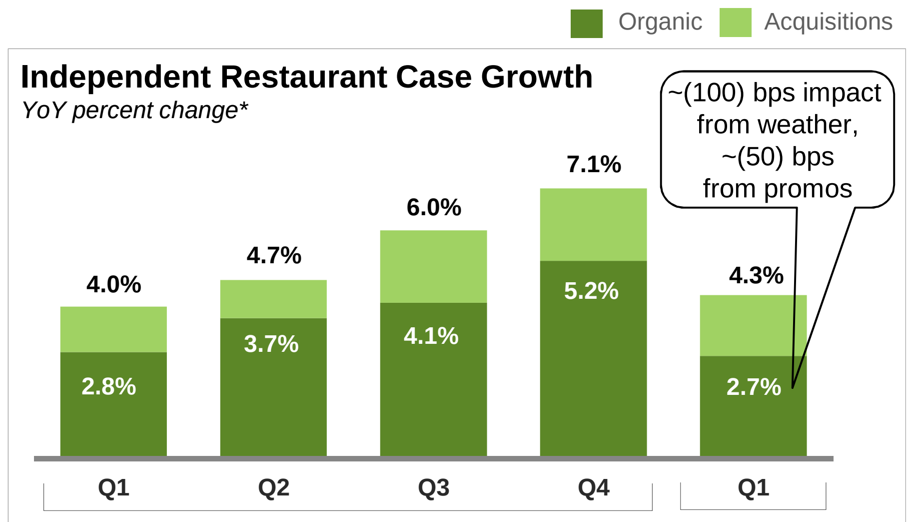
** Estimated Adj. EBITDA improvement over the 2018-2020 mid-term time period

Solid quarter in light of industry wide headwinds

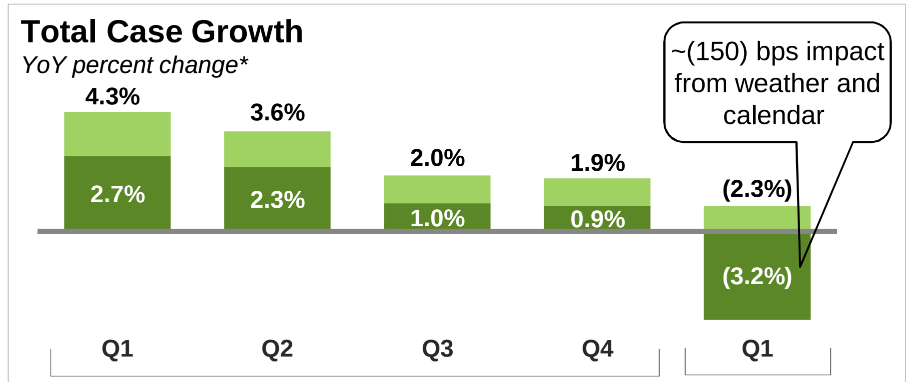
- **Adjusted EBITDA growth of 4.2% impacted by freight, weather and calendar**
  - ~300 bps negative impact from inbound freight costs
  - ~250 bps negative impact from weather and calendar timing
- **Good independent restaurant growth normalizing for weather headwinds and promo timing**
- **Gross Profit growing faster than Operating Expense**
  - Adjusted Gross Profit per case expansion of $0.19
  - Year-over-year private brand growth of approximately 100 bps
- **Adjusted Diluted EPS nearly doubled to $0.35**
- **FY'18 case volume is now expected to be ~1%; Adj. EBITDA growth unchanged at 6-8%**

Chain exits, along with weather and calendar headwinds, impacted volume growth in Q1





	2017 Q2	2017 Q4	2018 Q1
Normalized** Organic Growth	4.4%	4.7%	4.2%



	2017 Q2	2017 Q4	2018 Q1
Normalized** Organic Growth	1.1%	0.4%	-1.7%

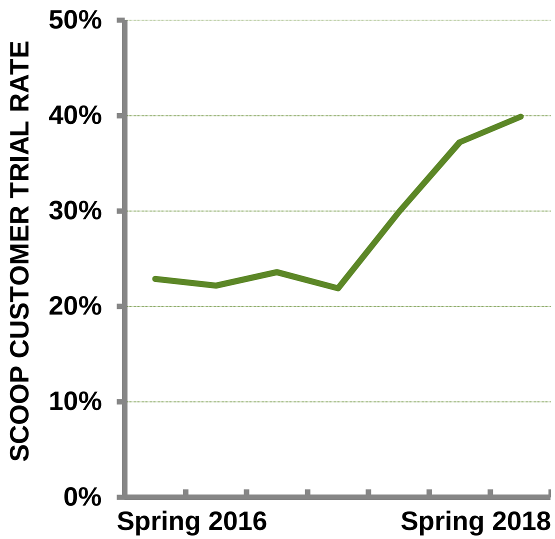
* Q4 2016 growth figures normalized to adjust for 53rd week in 2015

** Impacts of weather, calendar and sales promotions on a YoY basis

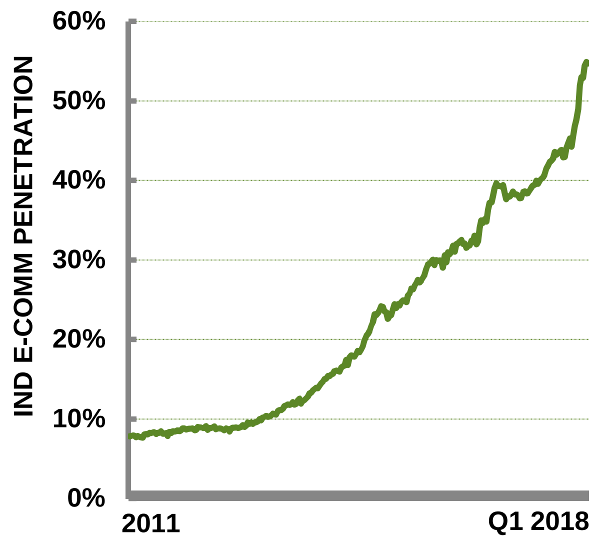
GREAT FOOD. MADE EASY.™

Our Great Food. Made Easy. strategy continues to resonate

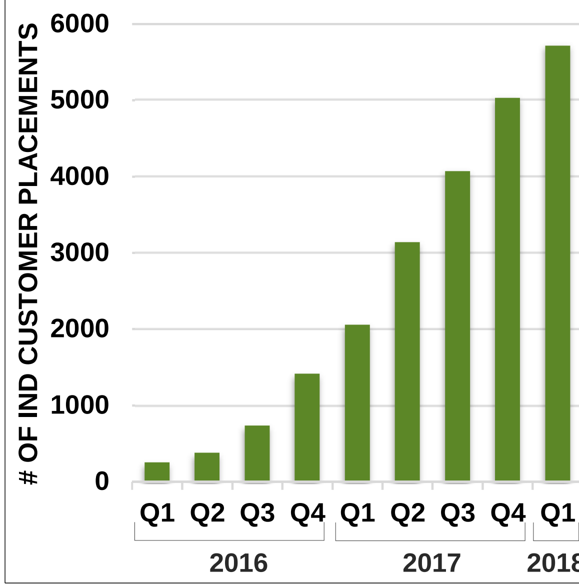
Scoop



E-Commerce

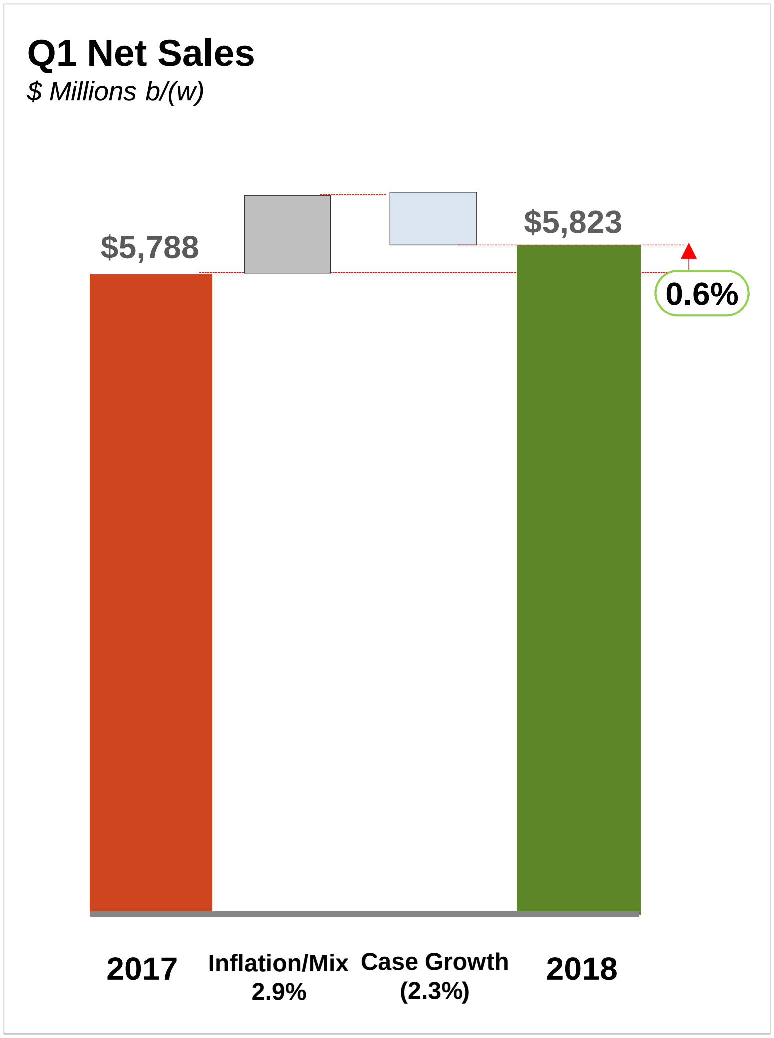


Value Added Services



Scoop: TM managed customers; two case minimum required
E-Commerce and Value Added Services: Independent restaurant (IND) customers only

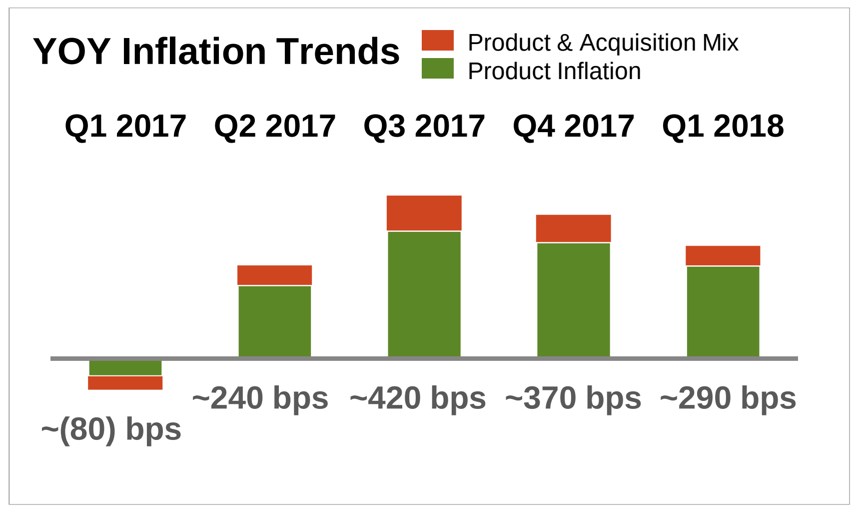
Year-over-year inflation driving increase in Net Sales



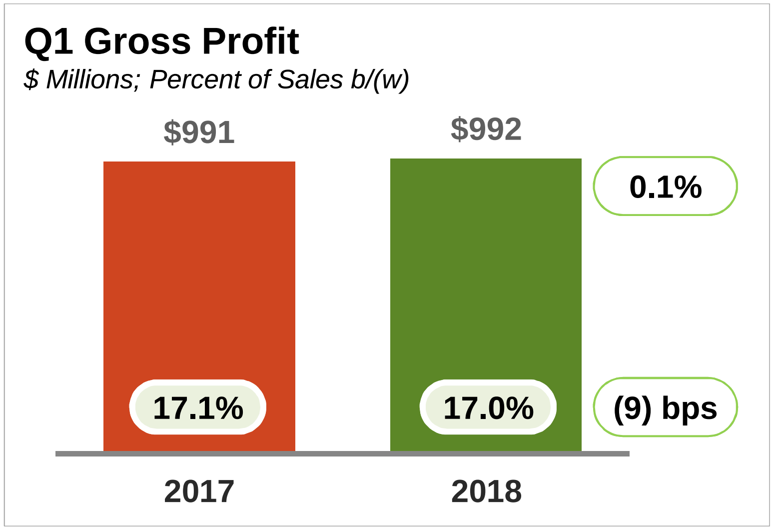
Results Summary

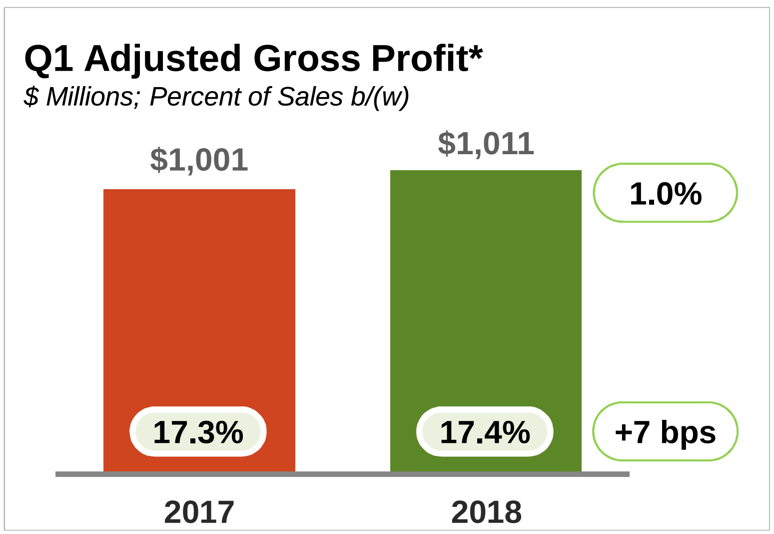
Net Sales drivers:

- Volume growth with independent restaurants
- Positive acquisition volume and mix
- Total organic volume declined, primarily on exits and weather impact
- YOY inflation moderating



Gross profit dollar growth outpaced volume





RESULTS SUMMARY

Gross Profit drivers:

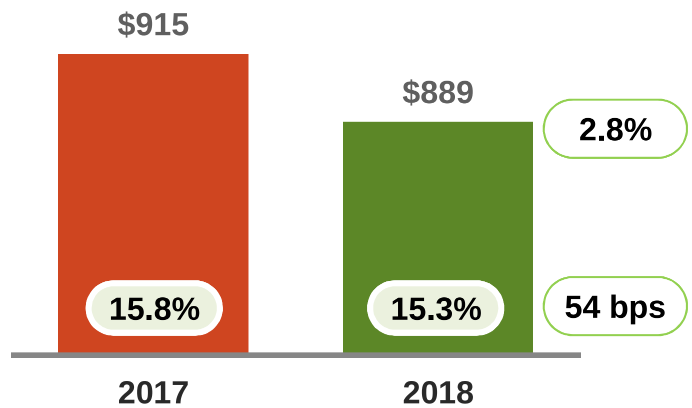
- Positive customer mix impacts
- Margin initiatives driving gains
  - Private brand growth of ~100 bps
  - Strategic vendor management
  - Cookbook pricing
- Q1 YOY freight headwind of $7 million
- Inflation negatively impacting GP %

* Reconciliations of non-GAAP measures are provided in the Appendix

Operating expense improvement on lower amortization

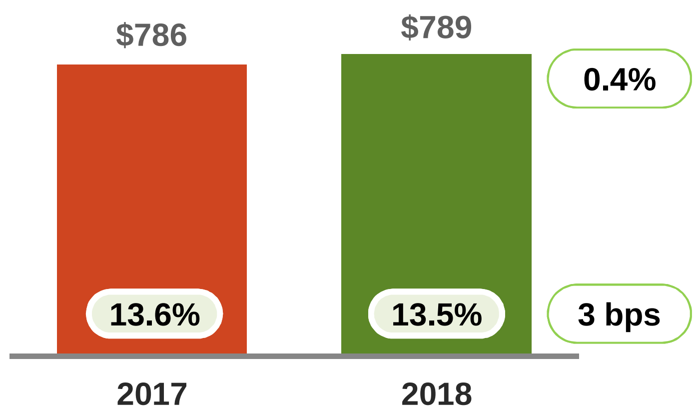
Q1 Operating Expense

$ Millions; Percent of Sales b/(w)



Q1 Adjusted Operating Expense*

$ Millions; Percent of Sales b/(w)



Results Summary

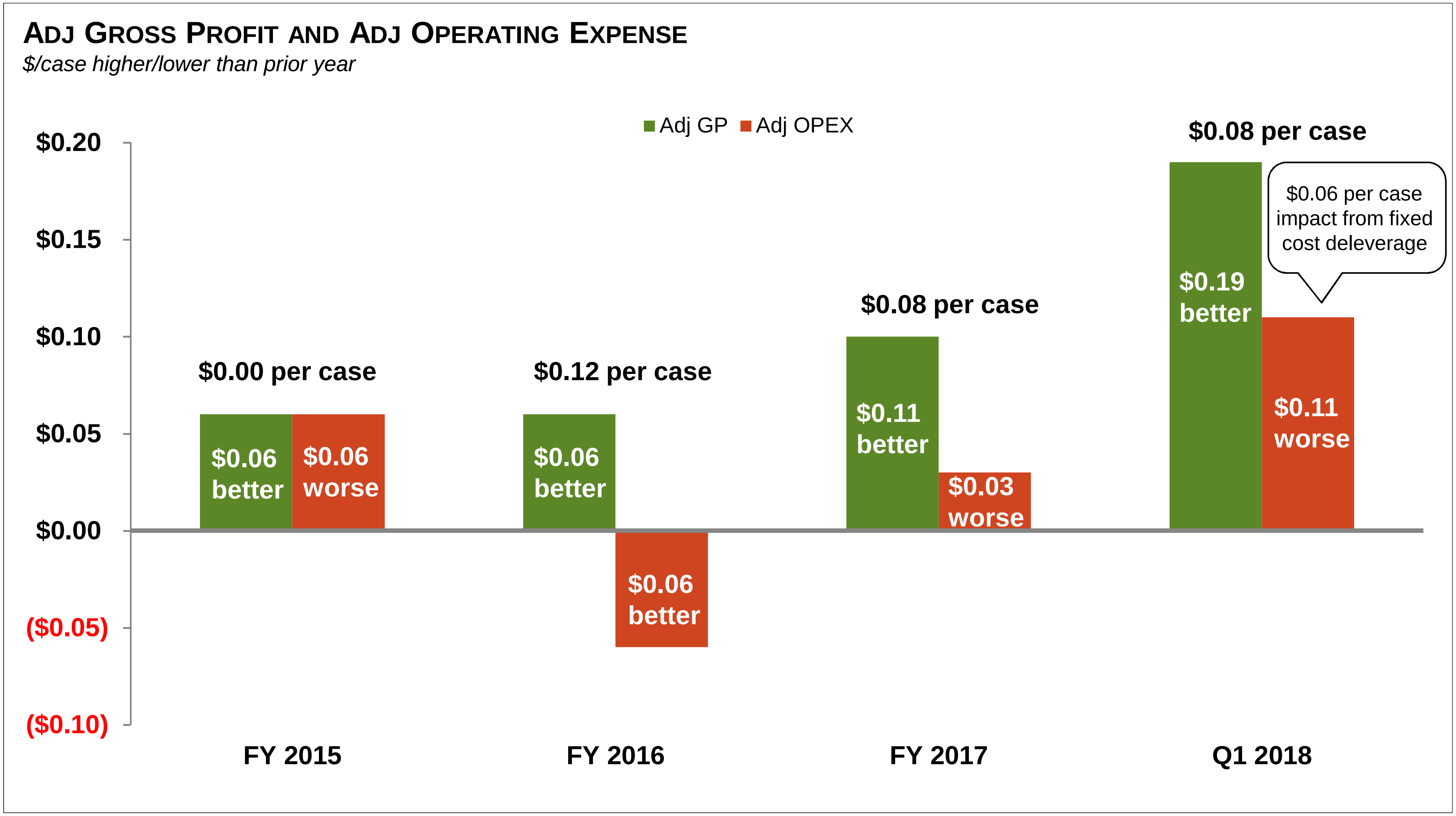
Operating Expense drivers:

- Positive impact from amortization drop off
- Unfavorable volume deleveraging on fixed costs
- Supply chain
  - Investments to enable future cost saving opportunities
  - CI initiatives ramping up and showing positive early results

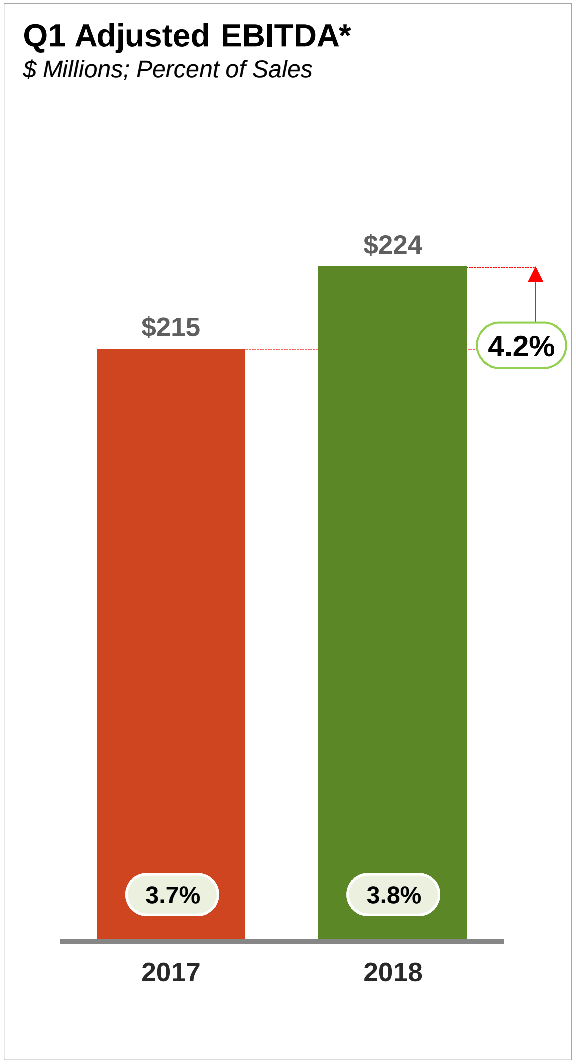
* Reconciliations of non-GAAP measures are provided in the Appendix

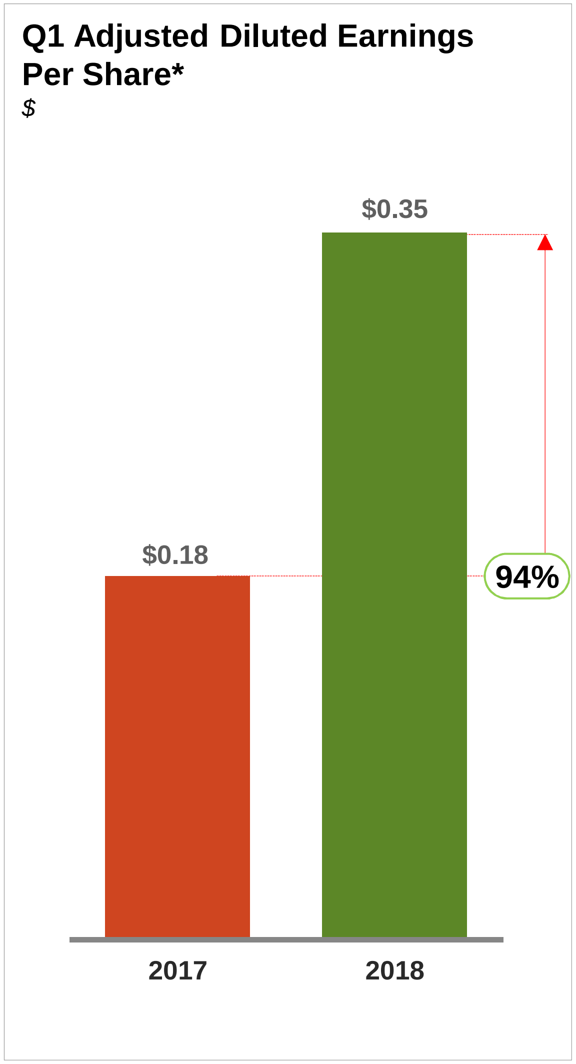
GREAT FOOD. MADE EASY.™

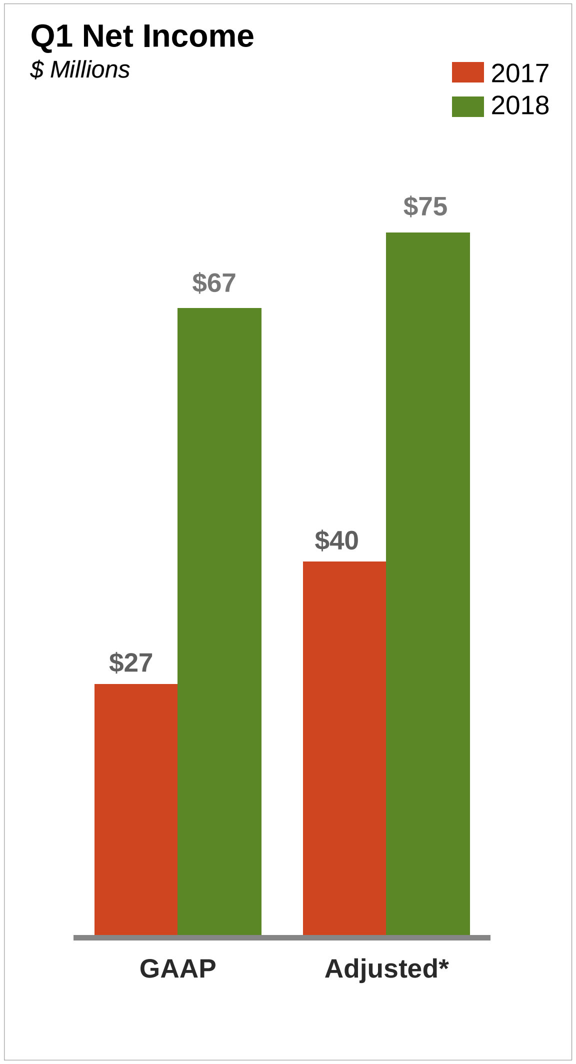
Growth in Gross Profit per case continues to outpace change in Operating Expense per case



Key profitability metrics improving over prior year

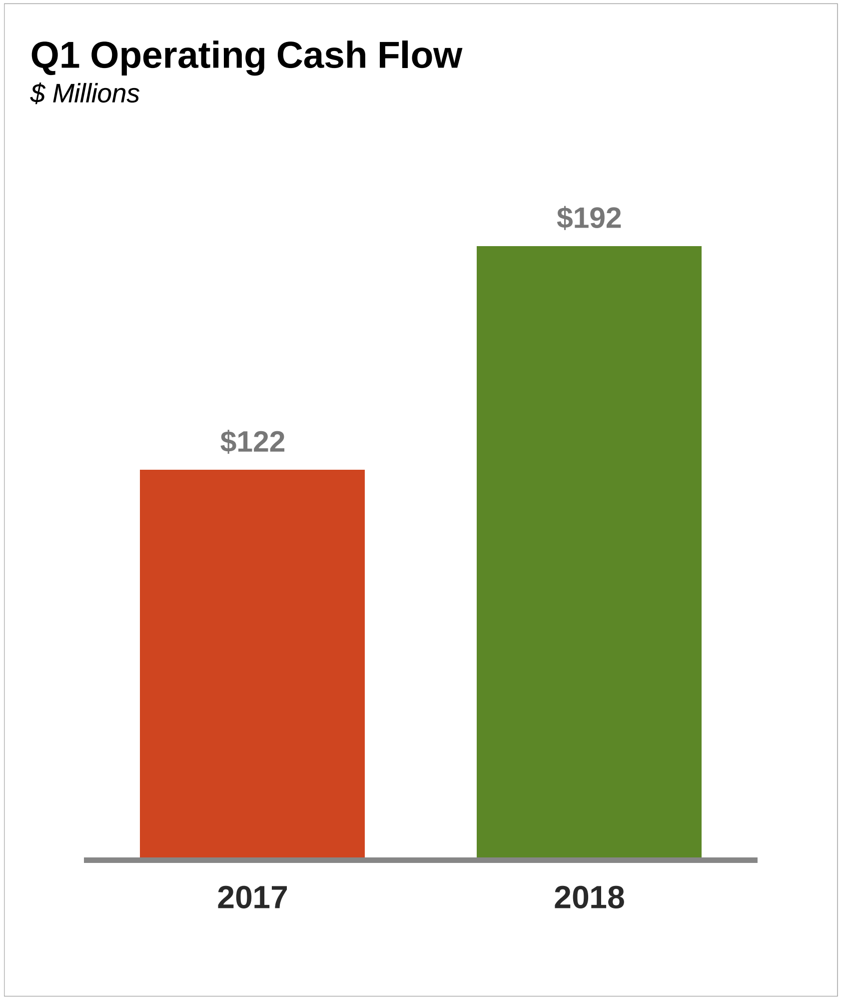


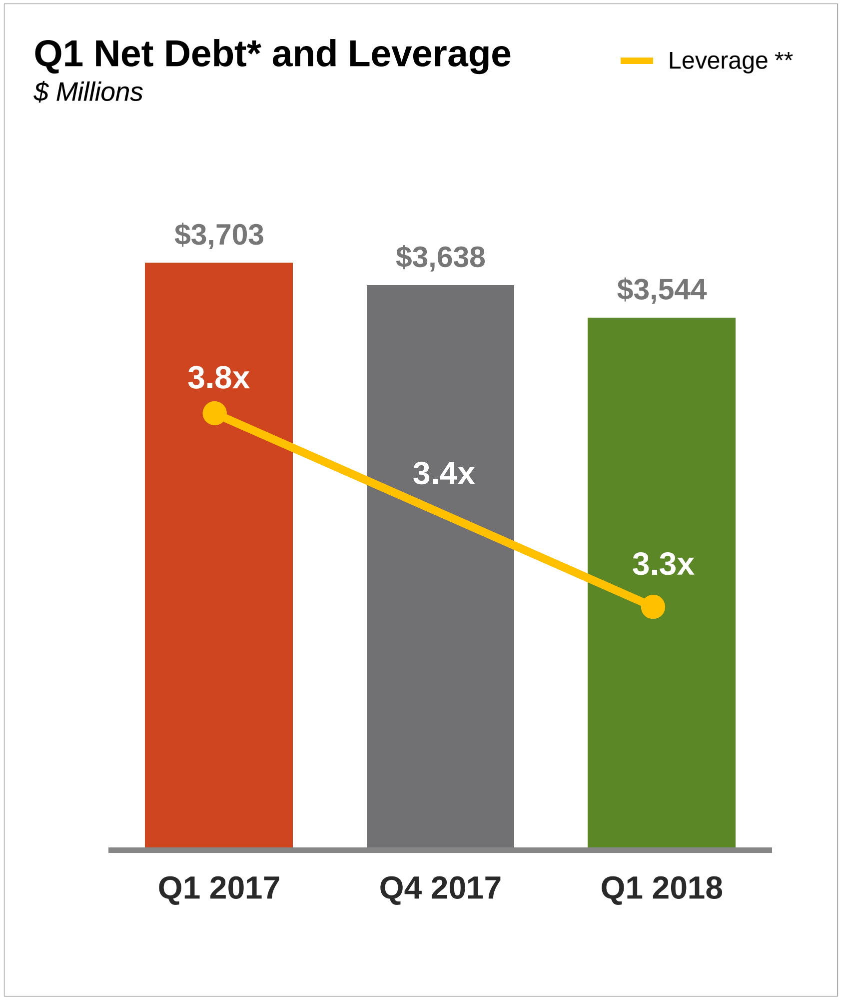




* Reconciliations of non-GAAP measures are provided in the Appendix

Operating cash flow growth is driving lower Net Debt and leverage results





* Reconciliations of non-GAAP measures are provided in the Appendix
** Net Debt / TTM Adjusted EBITDA, reconciliation provided in Appendix

Updated 2018 guidance

	2018 Guidance
Case Growth	~1%
Net Sales Growth	~3%
Adjusted EBITDA Growth	6 – 8%
Cash CAPEX (ex Future Acquisitions)	$250 - $260M
Interest Expense	$175 - $180M
Depreciation & Amortization	$340 - $350M
Adj Effective Tax Rate	25% - 26%
Adjusted Diluted EPS	$2.00 - $2.10

Orange text indicates updated guidance

APPENDIX:

- Q1 FISCAL 2018 SUMMARY
- NON-GAAP RECONCILIATIONS

First Quarter Financial Performance

	Reported (unaudited)			Adjusted[1] (unaudited)		
$ in millions, except per share data*	13-Weeks Ended March 31, 2018	13-Weeks Ended April 1, 2017	Change	13-Weeks Ended March 31, 2018	13-Weeks Ended April 1, 2017	Change
Case Growth			(2.3)%			
Net Sales	5,823	5,788	0.6 %			
Gross Profit	992	991	0.1 %	1,011	1,001	1.0 %
% of Net Sales	*17.0%*	*17.1%*	*(9) bps*	*17.4%*	*17.3%*	*7 bps*
Operating Expenses	889	915	(2.8)%	789	786	0.4 %
% of Net Sales	*15.3%*	*15.8%*	*(54) bps*	*13.5%*	*13.6%*	*3 bps*
Operating Income	102	76	34.2 %	221	215	2.8%
Net Income	67	27	148.1 %	75	40	87.5%
Diluted EPS	$0.31	$0.12	158.3 %	$0.35	$0.18	94.4%
Adjusted EBITDA				224	215	4.2%
Adjusted EBITDA Margin (2)				*3.8%*	*3.7%*	*13 bps*

* Individual components may not add to total presented due to rounding.

(1) Reconciliations of these non-GAAP measures are provided in the Appendix.

(2) Represents Adjusted EBITDA as a percentage of Net Sales.

Non-GAAP Reconciliation - Adjusted Gross Profit and Adjusted Operating Expenses

($ in millions)*	13-Weeks Ended (unaudited)	
	March 31, 2018	April 1, 2017
Gross Profit (GAAP)	**$992**	**$991**
LIFO reserve change (1)	19	10
Adjusted Gross Profit (Non-GAAP)	**$1,011**	**$1,001**
Operating Expenses (GAAP)	**$889**	**$915**
Adjustments:		
Depreciation and amortization expense	(81)	(108)
Restructuring charges (2)	(2)	(2)
Share-based compensation expense (3)	(7)	(3)
Business transformation costs (4)	(8)	(13)
Other (5)	(2)	(3)
Adjusted Operating Expenses (Non-GAAP)	**$789**	**$786**

*Individual components may not add to total presented due to rounding

(1) Represents the non-cash impact of LIFO reserve adjustments.

(2) Consists primarily of severance and related costs and organizational realignment costs.

(3) Share-based compensation expense for vesting of stock awards and share purchase plan.

(4) Consists primarily of costs related to significant process and systems redesign across multiple functions.

(5) Other includes gains, losses or charges as specified under our debt agreements.

Non-GAAP Reconciliation - Adjusted Operating Income

($ in millions)*	13-Weeks Ended (unaudited) March 31, 2018	April 1, 2017
Operating Income (GAAP)	**$102**	**$76**
Adjustments:		
Depreciation and amortization expense	81	108
Restructuring charges (1)	2	2
Share-based compensation expense (2)	7	3
LIFO reserve change (3)	19	10
Business transformation costs (4)	8	13
Other (5)	2	3
Adjusted Operating Income (Non-GAAP)	**$221**	**$215**

*Individual components may not add to total presented due to rounding

(1) Consists primarily of severance and related costs and organizational realignment costs.

(2) Share-based compensation expense for vesting of stock awards and share purchase plan.

(3) Represents the non-cash impact of LIFO reserve adjustments.

(4) Consists primarily of costs related to significant process and systems redesign across multiple

(5) Other includes gains, losses or charges as specified under our debt agreements.

Non-GAAP Reconciliation - Adjusted EBITDA and Adjusted Net Income

($ in millions)*	13-Weeks Ended (unaudited) March 31, 2018	April 1, 2017
Net income (GAAP)	**$67**	**$27**
Interest expense, net	43	42
Income tax (benefit) provision	(5)	8
Depreciation and amortization expense	81	108
EBITDA (Non-GAAP)	**187**	**184**
Adjustments:		
Restructuring charges (1)	2	2
Share-based compensation expense (2)	7	3
LIFO reserve change (3)	19	10
Business transformation costs (4)	8	13
Other (5)	2	3
Adjusted EBITDA (Non-GAAP)	**$224**	**$215**
Adjusted EBITDA (Non-GAAP)	**$224**	**$215**
Depreciation and amortization expense	(81)	(108)
Interest expense, net	(43)	(42)
Income tax provision, as adjusted (6)	(25)	(25)
Adjusted Net income (Non-GAAP)	**$75**	**$40**

*Individual components may not add to total presented due to rounding

(1) Consists primarily of severance and related costs and organizational realignment costs.

(2) Share-based compensation expense for vesting of stock awards and share purchase plan.

(3) Represents the non-cash impact of LIFO reserve adjustments.

(4) Consists primarily of costs related to significant process and systems redesign across multiple functions.

(5) Other includes gains, losses or charges as specified under our debt agreements.

(6) Represents our income tax benefit adjusted for the tax effect of pre-tax items excluded from Adjusted Net income and the removal of applicable discrete tax items. Applicable discrete tax items include changes in tax laws or rates, changes related to prior year unrecognized tax benefits, discrete changes in valuation allowances, and excess tax benefits associated with share-based compensation. The tax effect of pre-tax items excluded from Adjusted net income is computed using a statutory tax rate after considering the impact of permanent differences and valuation allowances.

Non-GAAP Reconciliation - Adjusted Diluted Earnings Per Share (EPS)

	13-Weeks Ended (unaudited)	
	March 31, 2018	April 1, 2017
Diluted EPS (GAAP)	**$ 0.31**	**$ 0.12**
Restructuring charges (1)	0.01	0.01
Share-based compensation expense (2)	0.03	0.01
LIFO reserve change (3)	0.09	0.04
Business transformation costs (4)	0.04	0.06
Other (5)	0.01	0.01
Income tax impact of adjustments (6)	(0.14)	(0.08)
Adjusted Diluted EPS (Non-GAAP)	**$ 0.35**	**$ 0.18**
Weighted-average diluted shares outstanding (GAAP)	**217,212,222**	**226,323,410**

*Individual components may not add to total presented due to rounding

(1) Consists primarily of severance and related costs and organizational realignment costs.

(2) Share-based compensation expense for vesting of stock awards and share purchase plan.

(3) Represents the non-cash impact of LIFO reserve adjustments.

(4) Consists primarily of costs related to significant process and systems redesign across multiple functions.

(5) Other includes gains, losses or charges as specified under our debt agreements.

(6) Represents our income tax benefit adjusted for the tax effect of pre-tax items excluded from Adjusted Net income and the removal of applicable discrete tax items. Applicable discrete tax items include changes in tax laws or rates, changes related to prior year unrecognized tax benefits, discrete changes in valuation allowances, and excess tax benefits associated with share-based compensation. The tax effect of pre-tax items excluded from Adjusted net income is computed using a statutory tax rate after considering the impact of permanent differences and valuation allowances.

Non-GAAP Reconciliation – Net Debt and Net Leverage Ratios

($ in millions)*	March 31, 2018 (unaudited)	December 30, 2017 (unaudited)	April 1, 2017 (unaudited)
Total debt **(GAAP)**	$3,630	$3,757	$3,855
Cash, cash equivalents and restricted cash	(86)	(119)	(152)
Restricted cash	-	-	-
Net Debt **(Non-GAAP)**	$3,544	$3,638	$3,703
Adjusted EBITDA (1)	$1,067	$1,058	$984
Net Leverage Ratio (2)	3.3	3.4	3.8

*Individual components may not add to total presented due to rounding

(1) Trailing Twelve Months (TTM) Adjusted EBITDA

(2) Net debt/(TTM) Adjusted EBITDA

US FOODS®

WE HELP YOU MAKE IT™