



A Taste of What's Cooking at US Foods

Morgan Stanley Global Consumer & Retail Conference

November 15, 2017



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 31, 2016, 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.

Presenters



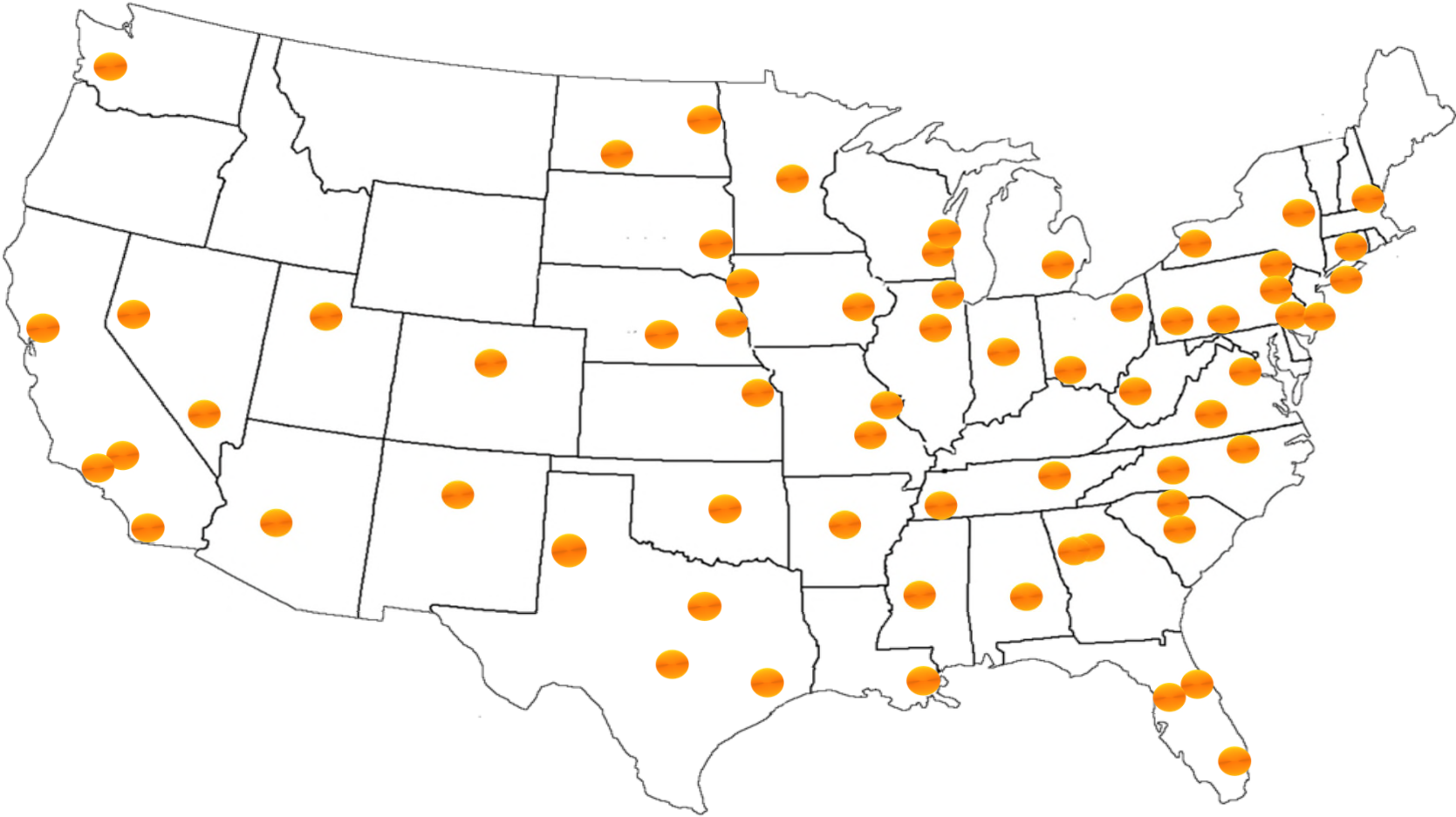
Pietro Satriano
Chief Executive Officer



Dirk Locascio
Chief Financial Officer

GREAT FOOD. MADE EASY.

A look at US Foods



250,000
Customers

350,000
SKUs

5,000
Suppliers

25,000
Employees

4,000
Sales
Associates

64
Distribution
Facilities

6,000
Trucks

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RECALL: Leading industry position and differentiated strategy drive performance

ADVANTAGED POSITION IN AN ATTRACTIVE INDUSTRY

- Nearly \$300 billion industry
- Top 10 distributors account for one-third of industry
- Growing and resilient; industry forecasted to grow at 1.7%

DIFFERENTIATED STRATEGY FOCUSED ON HIGHER MARGIN CUSTOMERS

- Focus on independent restaurants, healthcare and hospitality business
- Over 80% stick rate on innovative products
- 54% of independent restaurant sales via e-commerce platform
- Team based selling; powered by big data

FOCUSED ON TWO BIGGEST P&L GAP CLOSERS

- Private brands growing ~100bps per year
 - Distribution roadmap starting to yield early results
-

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Three questions we hear most

- 1 **Volume Growth Drivers**
- 2 **Inflation Impact on Gross Profit**
- 3 **Capital Allocation Approach**

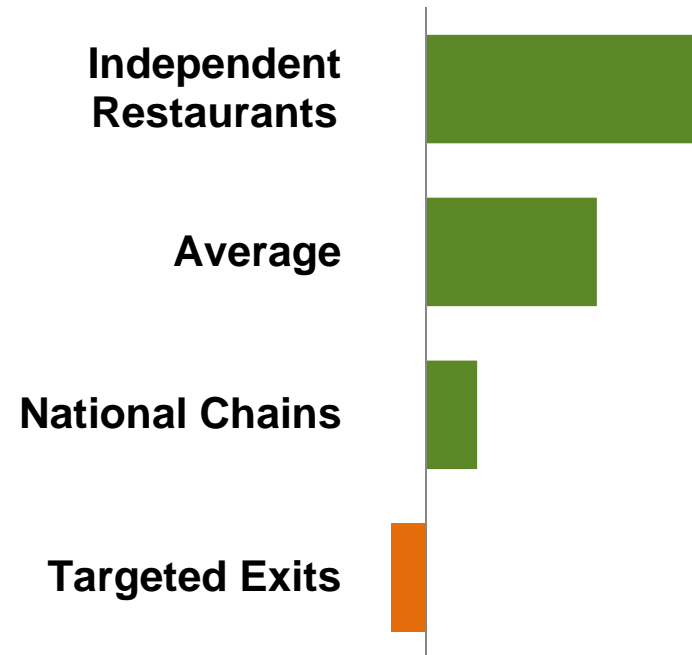
VOLUME: EBITDA growth driven by growing the most profitable customer types



REMINDER: GROWTH FOCUS

Independent Restaurants	2x Market
Healthcare/ Hospitality	1-2x Market
National Chains	Targeted Exits
Other	Market

Average Contribution Margin \$ Per Case By Customer Type

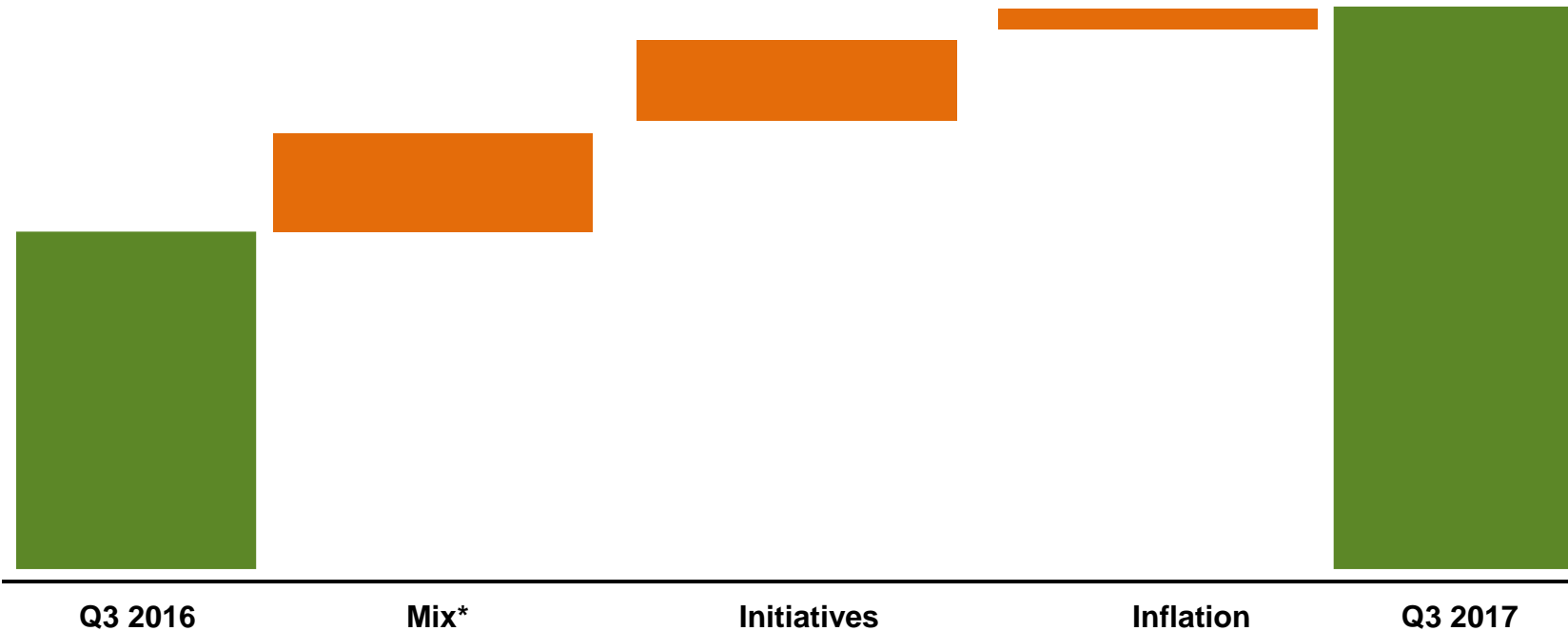


INFLATION: Our focus on growing the most profitable customers and products continues to drive GP per case growth



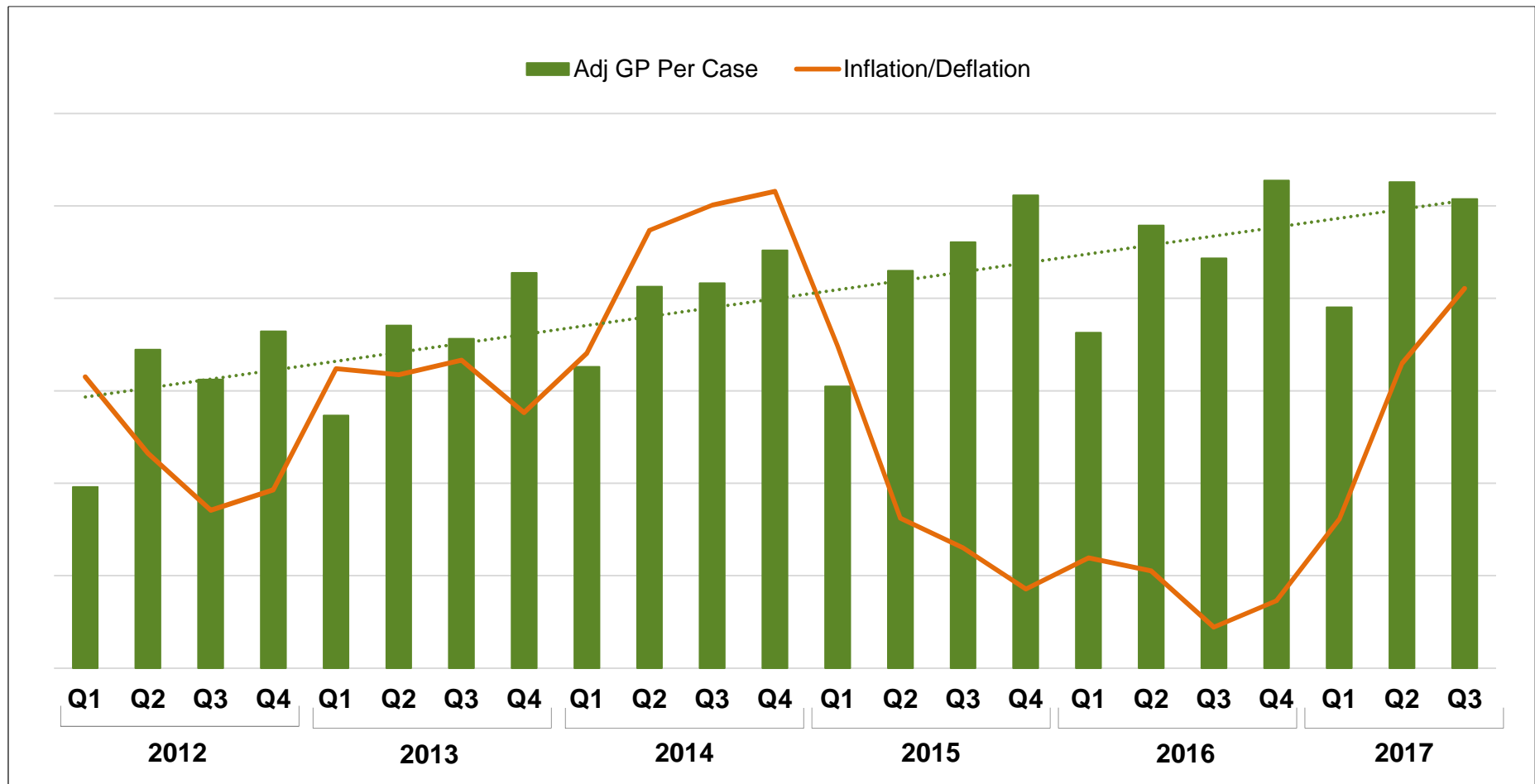
Q3 Adjusted Gross Profit

Indexed \$ Per Case



GREAT FOOD. MADE EASY. * Customer and Product Mix

Gross Profit per case has expanded in both inflationary and deflationary environments

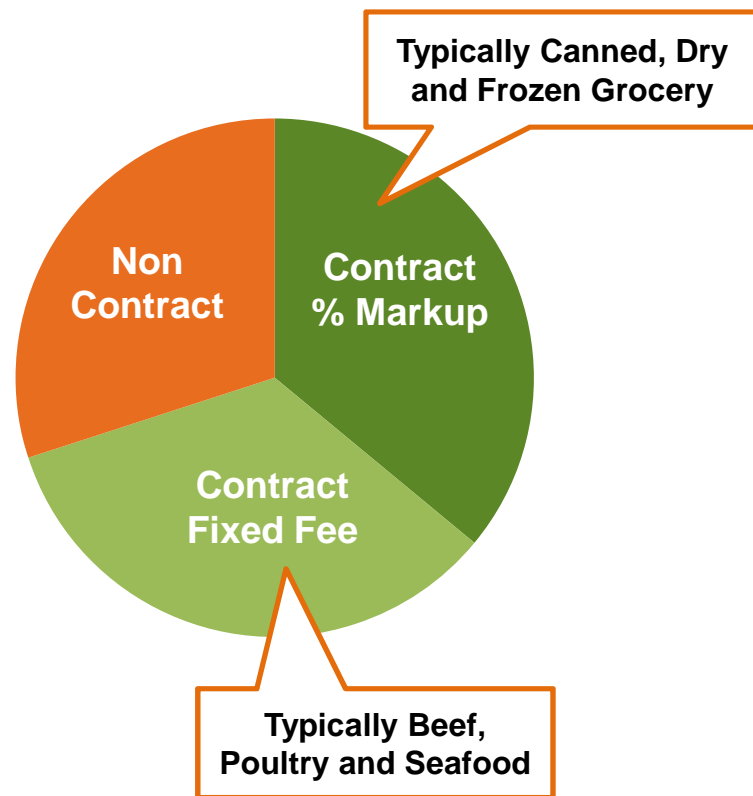


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Note: Charts sourced from company financial data. Inflation is based on cost of goods data.

Inflation helps about a third of our portfolio

Pricing Types



Contract Example

	Percent Markup		
	Original	Inflation	New
Sales Price	\$40.00	\$3.00	\$43.00
COGS	\$34.00	\$2.55	\$36.55
Gross Profit \$	\$6.00	\$0.45	\$6.45
Gross Profit %	15%		15%

	Fixed Fee		
	Original	Inflation	New
Sales Price	\$40.00	\$2.55	\$42.55
COGS	\$34.00	\$2.55	\$36.55
Gross Profit \$	\$6.00	\$0.00	\$6.00
Gross Profit %	15%		14%

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CAPITAL ALLOCATION: Reminder that strategy targets 3x leverage



- 1 Reinvest in Business
- 2 Strategic M&A
- 3 Debt Pay Down

US.

FOODS™

KEEPING KITCHENS COOKING.™

