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Q3 Fiscal 2018 Results

November 6, 2018

Cautionary statements regarding forward-looking information

This presentation contains “forward-looking statements” within the meaning of the federal securities laws concerning, among other things, our liquidity, our possible or assumed results of operations and our business strategies. These forward-looking statements are subject to risks, uncertainties and other important factors, many of which are beyond our control, that could cause our actual results to differ materially from those expressed in, or implied by, the forward-looking statements.

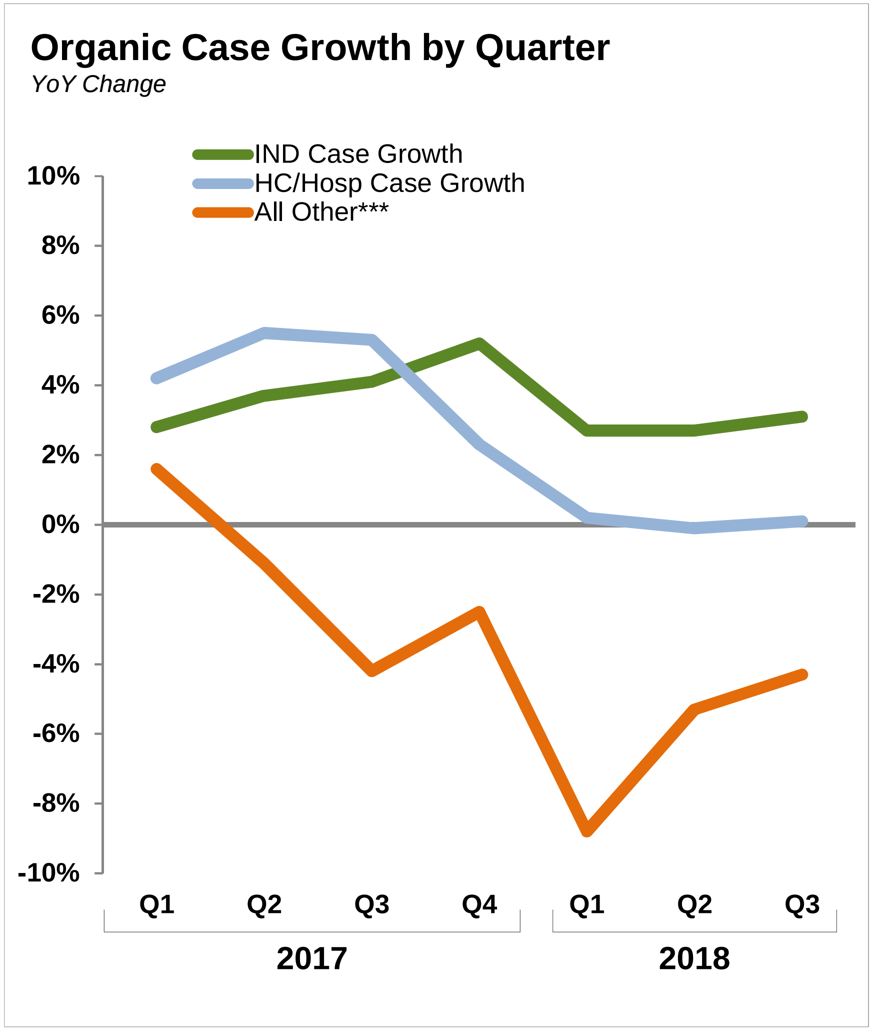
With respect to the contemplated acquisition of SGA Food Group of Companies, these forward-looking statements include, but are not limited to, financial estimates, statements as to the completion and benefits or effects of the acquisition, including financial and operating results, the combined company’s plans, objectives, expectations and intentions, and other statements that are not historical facts. Among the risks and uncertainties that could cause actual results to differ from those expressed in the forward-looking statements are: (1) the occurrence of any event, change or other circumstance that could give rise to the termination of the purchase agreement, (2) the risk that the necessary regulatory approvals may not be obtained as a result of conditions that are not anticipated, (3) risks that any of the closing conditions to the acquisition may not be satisfied in a timely manner, (4) failure to realize the benefits of the acquisition, (5) the effect of the announcement of the acquisition on the ability of the SGA Food Group of Companies to retain customers and retain and hire key personnel and maintain relationships with suppliers, and on their operating results and businesses generally and (6) potential litigation in connection with the acquisition.

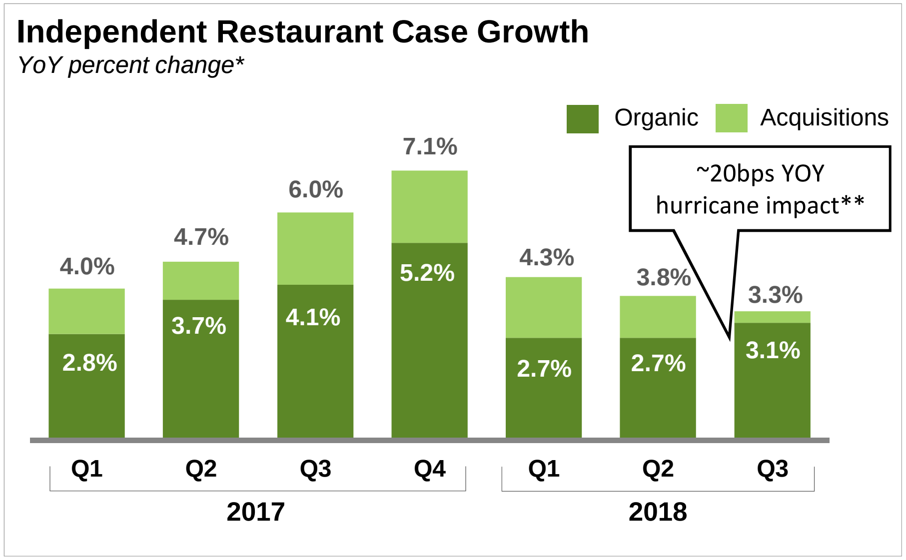
For a detailed discussion of risks and uncertainties, see the sections entitled “Risk Factors” and “Forward-Looking Statements” in our Annual Report on Form 10-K for the fiscal year ended December 30, 2017, which was filed with the Securities and Exchange Commission on February 27, 2018 and is available 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 to update or revise any forward-looking statements.

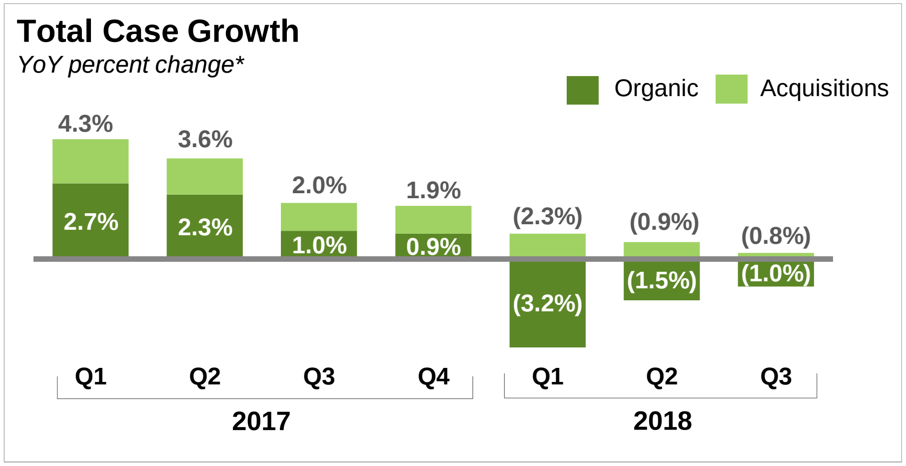
Q3 results show improvements in the core business

- **Solid Adjusted EBITDA growth of 6.0%**
  - **Private brand sales continue to grow at ~100bps per year**
  - **Operating leverage continues to improve**
- **Independent case volume beginning to turn; expect continued improvement**
- **Planning for integration of SGA Food Group is going well**

Organic case growth showing sequential improvement







* Impacts of weather, calendar and sales promotions (Q1 2018 only) on a YOY basis. ** Current year hurricane impact of 50bps; prior year impact of 30bps; net YOY impact of 20bps. *** All Other case growth for Q3'17 corrected from original amount reported in Nov 6th, 2018 presentation.

Initiatives to improve customer service showing early results

On-time delivery to customers

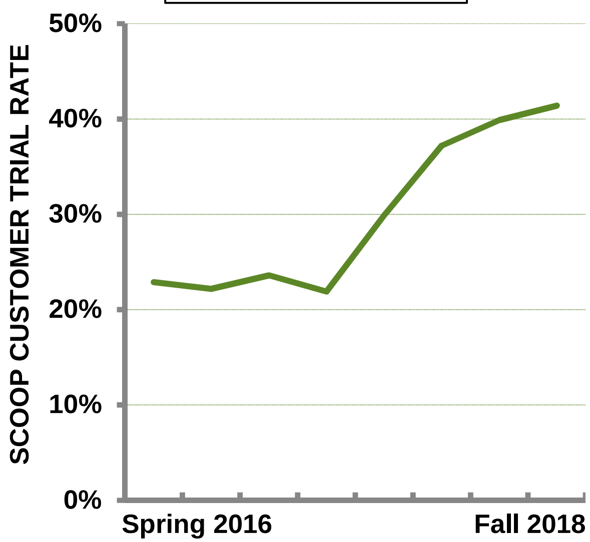
- Addressing staffing
- Refining routing

Customer fill rates

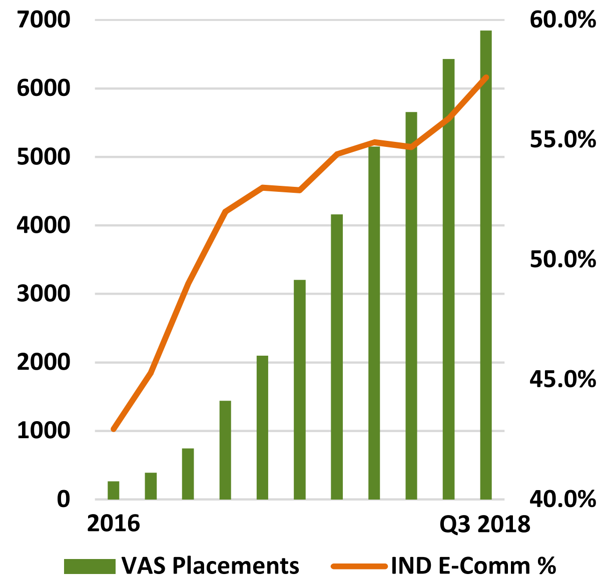
- Adding safety stock on key items
- Improving vendor service levels

Our Great Food. Made Easy. strategy continues to resonate

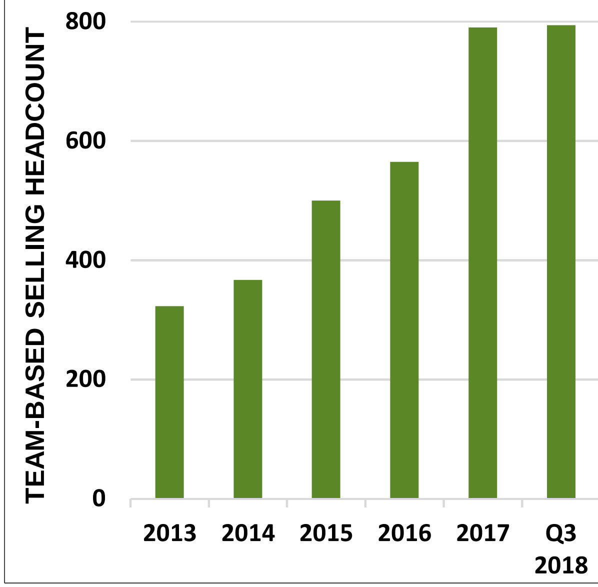
Scoop



E-Commerce & VAS



Team-Based Selling



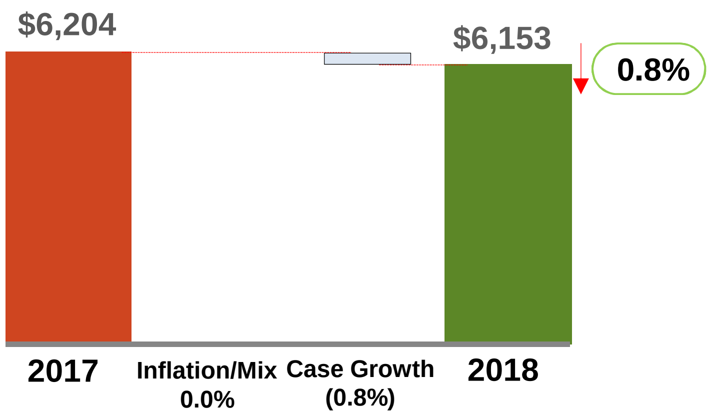
Scoop: TM managed customers, two case minimum; **E-Comm & Value Added Services (VAS):** independent restaurant (IND) customers only
Team-Based Selling: headcount excluding Sales Reps and Sales Mgmt.

SGA Food Group update

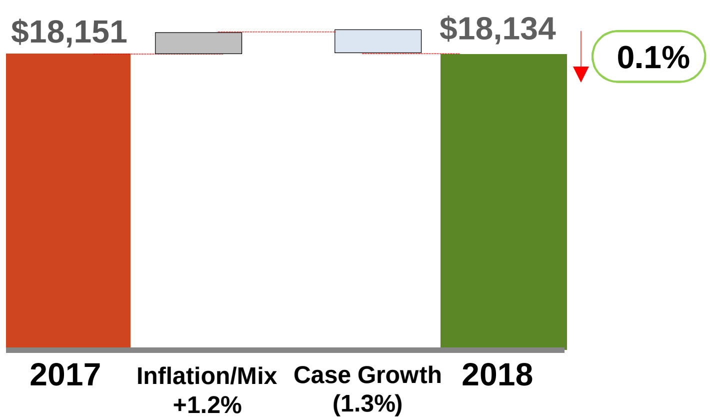
- Acquisition announced July 30th, 2018
- $3.3 billion in 2018E Net Sales; $123 million in 2018E Adjusted EBITDA
- Provides scale across attractive and growing Northwest region; SGA Food Group includes 12 distribution centers
- Good reputation with independent restaurant operators; strong sourcing capabilities for produce and meat
- Replaces most of broadline tuck-in M&A
- Working diligently to obtain regulatory clearances

Volume contributing to modest sales decline

Q3 Net Sales
$ Millions b/(w)



YTD Net Sales
$ Millions b/(w)

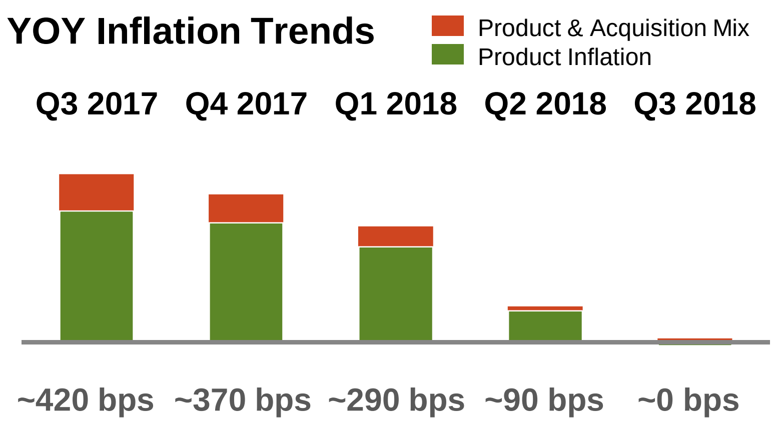


Results Summary

Net Sales drivers:

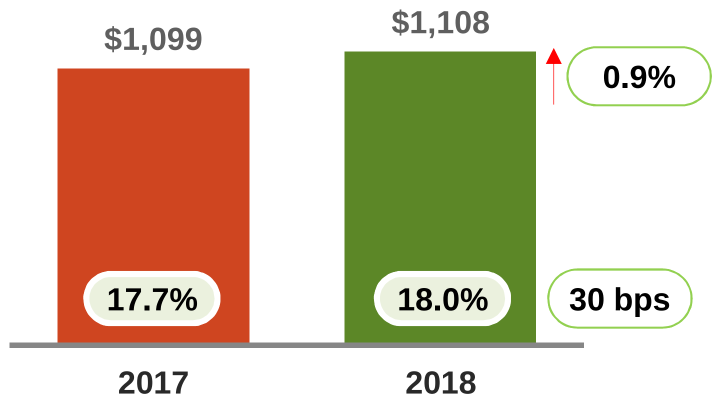
- Volume growth with independent restaurants
- Total organic volume declined, primarily on exits
- Q3'18 minimal YOY deflation

YOY Inflation Trends

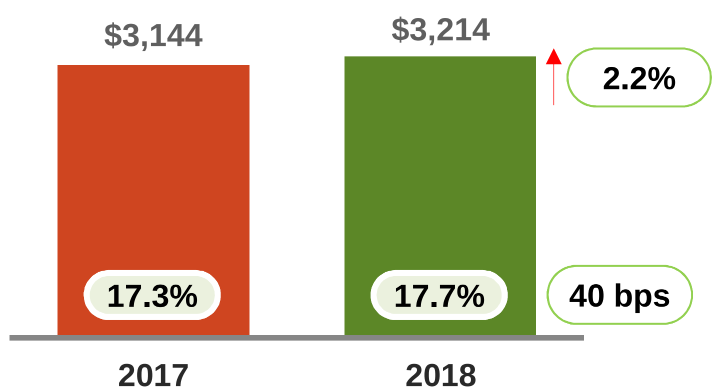


Gross profit dollar growth resulting from expanding margins

Q3 Gross Profit
$ Millions; Percent of Sales b/(w)



YTD Gross Profit
$ Millions; Percent of Sales b/(w)



Results Summary

Gross Profit drivers:

- Positive customer mix impact
- Margin initiatives driving gains
  - Private brand growth of ~100 bps
  - Product sourcing
- Q3’18 LIFO gain of $9 million
- Q3’18 positive YOY impact from freight

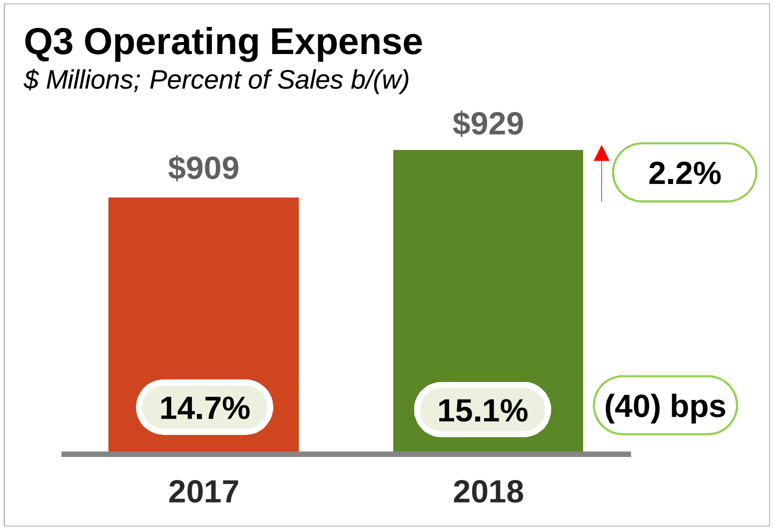
Adjusted Gross Profit*

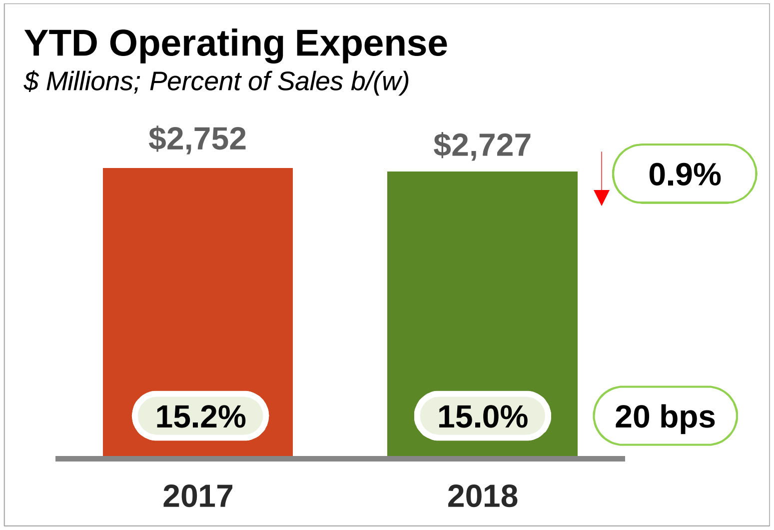
Q3’18: $1.1B, better $24M or 2.2%
17.9% of sales, better 60 bps

YTD’18: $3.2B, better $53M or 1.7%
17.7% of sales, better 30 bps

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

Expense control initiatives partially offsetting higher fuel and wage costs





Results Summary

Operating Expense drivers:

- Higher fuel and wage costs
- Unfavorable volume deleveraging on fixed costs
- Higher acquisition related costs
- Favorable reductions in miles driven from day-over-day routing
- Favorable impact from administrative cost saving initiatives

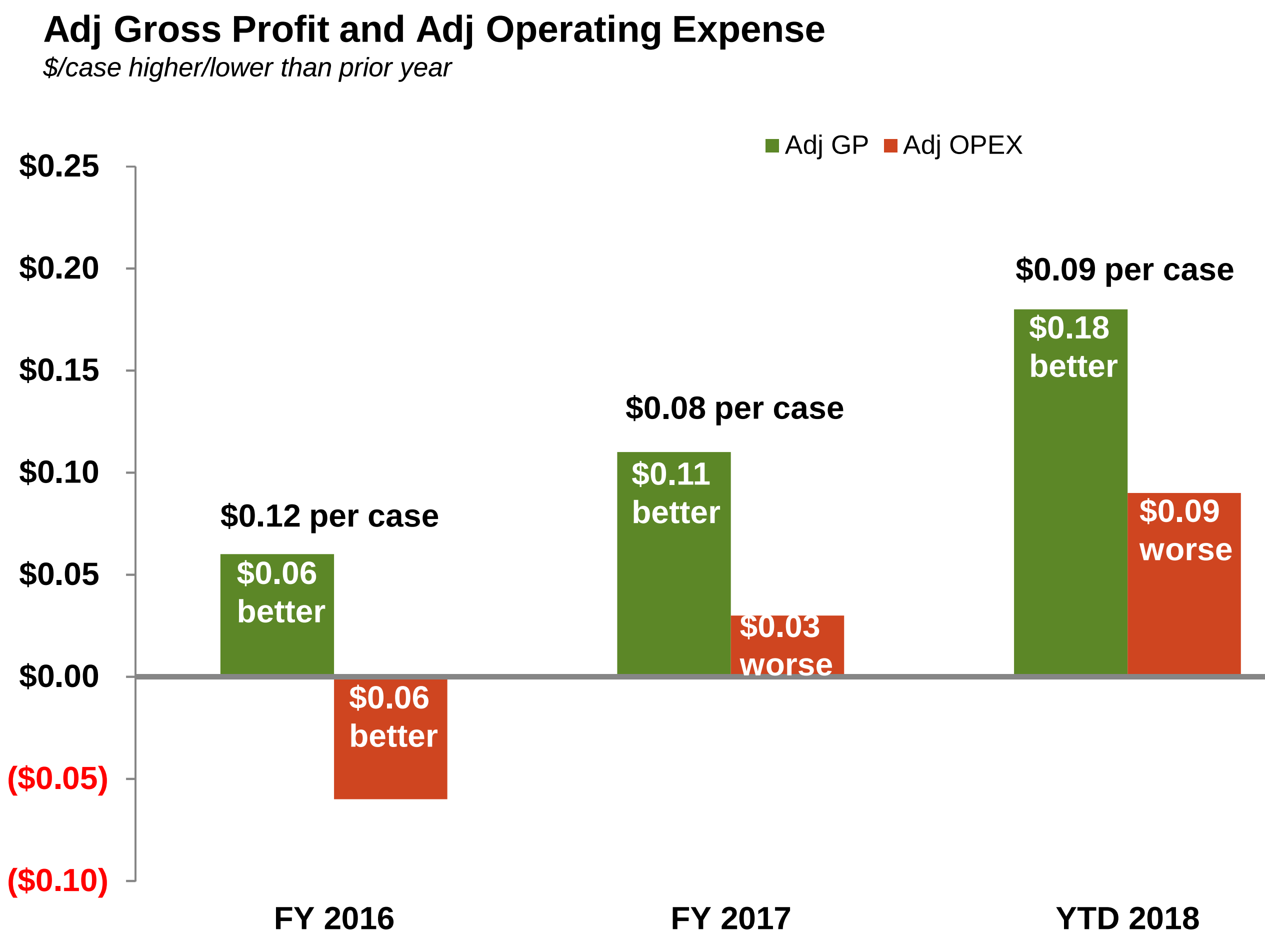
Adjusted Operating Expense*

Q3'18: $819M, worse $12M or 1.5%
13.3% of sales, worse 30 bps

YTD'18: $2.4B, worse $25M or 1.0%
13.3% of sales, worse 10 bps

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

Growth in Gross Profit per case consistently outpacing growth in Operating Expense per case

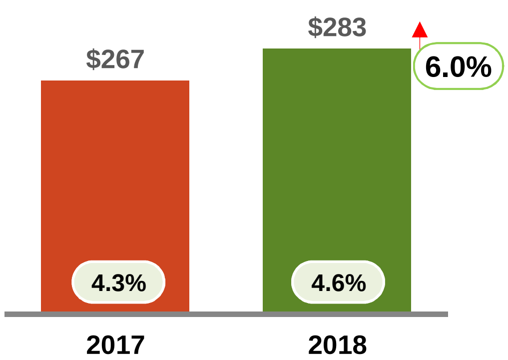


FY 2018 Operating Leverage

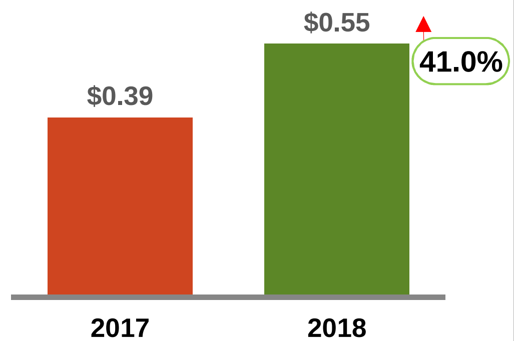
Q1 2018	$0.08 per case
Q2 2018	$0.09 per case
Q3 2018	$0.10 per case

Key profitability metrics improved over prior year

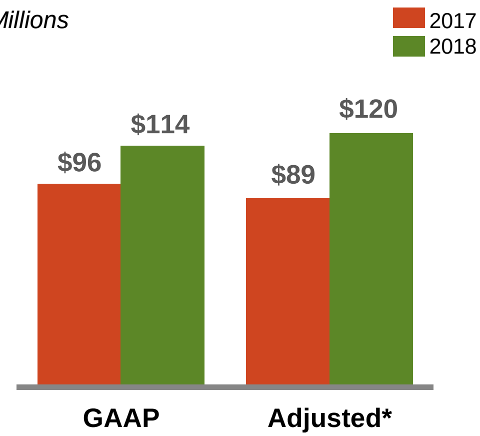
Q3 Adjusted EBITDA*
$ Millions; Percent of Sales



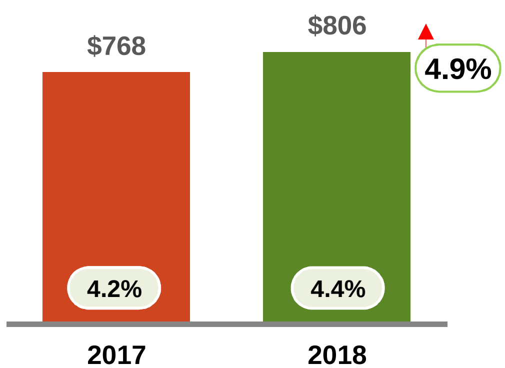
Q3 Adjusted Diluted Earnings Per Share*
$



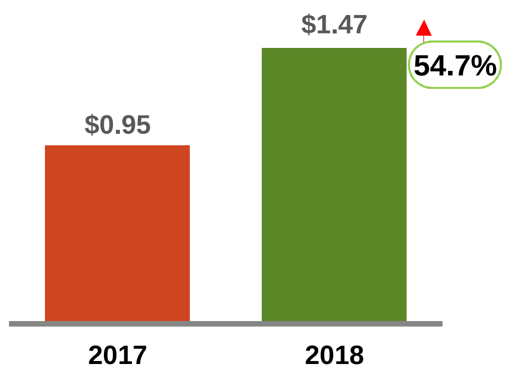
Q3 Net Income
$ Millions



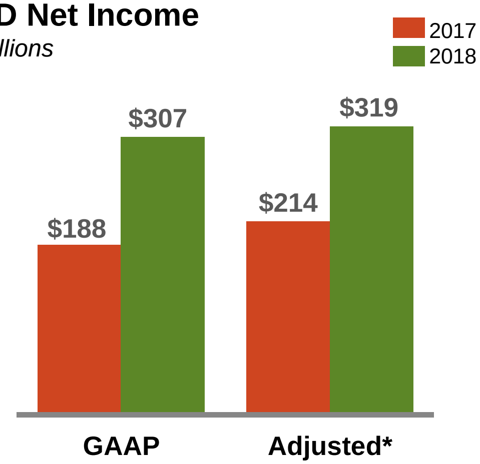
YTD Adjusted EBITDA*
$ Millions; Percent of Sales



YTD Adjusted Diluted Earnings Per Share*
$



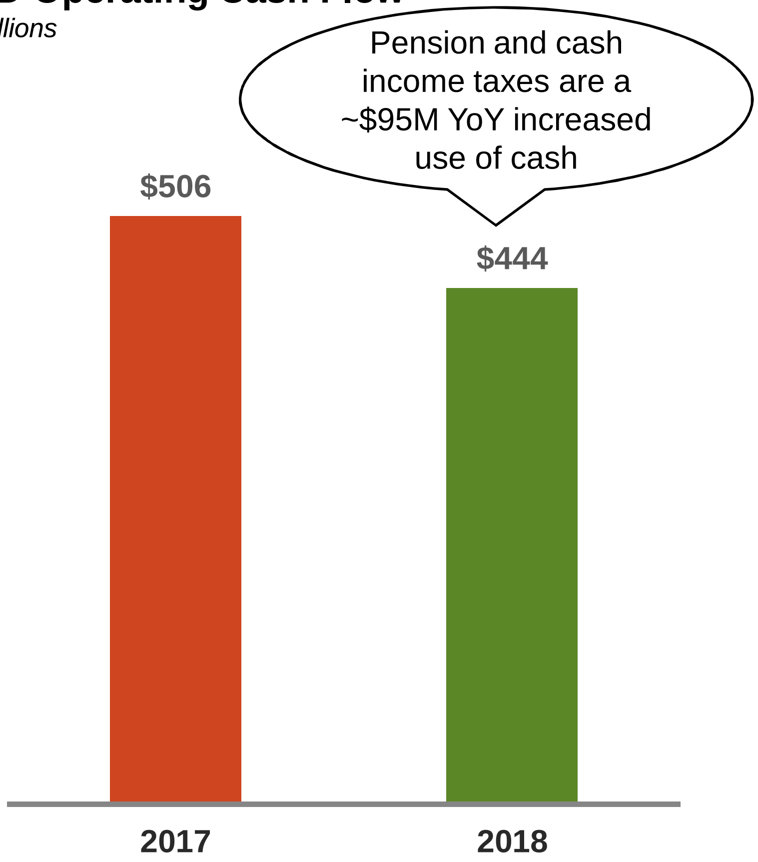
YTD Net Income
$ Millions



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

Stronger cash flow offset by higher cash taxes and additional pension contribution; leverage continues to improve

YTD Operating Cash Flow
$ Millions



Q3 Net Debt* and Leverage
$ Millions

Leverage **

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

2018 Guidance Updates

	Guidance
Case Growth	~(1%)
Net Sales Growth	0-(1%)
Adjusted Gross Profit	~2%
Adjusted EBITDA Growth	~5%
Cash CAPEX (ex Future Acquisitions)	$250 - $260M
Interest Expense	$175 - $180M
Depreciation & Amortization	$330 - $340M
Adj Effective Tax Rate	~25%
Adjusted Diluted EPS	$2.03 - $2.08

Green text indicates updated guidance

APPENDIX:

- Q3 Fiscal 2018 Summary
- Non-GAAP Reconciliations

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Third Quarter Financial Performance

($ in millions, except per share data*)	Reported (unaudited) 13-Weeks Ended September 29, 2018	September 30, 2017	Change	Adjusted [1] (unaudited) 13-Weeks Ended September 29, 2018	September 30, 2017	Change
Case Growth			(0.8)%			
Net Sales	6,153	6,204	(0.8)%			
Gross Profit	1,108	1,099	0.9%	1,099	1,075	2.2%
% of Net Sales	18.0%	17.7%	30 bps	17.9%	17.3%	60 bps
Operating Expenses	929	909	2.2%	819	807	1.5%
% of Net Sales	15.1%	14.7%	40 bps	13.3%	13.0%	30 bps
Net Income	114	96	18.8%	120	89	34.8%
Diluted EPS	$0.52	$0.42	23.8%	$0.55	$0.39	41.0%
Adjusted EBITDA				283	267	6.0%
Adjusted EBITDA Margin [2]				4.6%	4.3%	30 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.

Year to Date Financial Performance

	Reported (unaudited)			Adjusted (1) (unaudited)		
	39-Weeks Ended			39-Weeks Ended		
($ in millions, except per share data*)	September 29, 2018	September 30, 2017	Change	September 29, 2018	September 30, 2017	Change
Case Growth			(1.3)%			
Net Sales	18,134	18,151	(0.1)%			
Gross Profit	3,214	3,144	2.2%	3,213	3,160	1.7%
% of Net Sales	17.7%	17.3%	40 bps	17.7%	17.4%	30 bps
Operating Expenses	2,727	2,752	(0.9)%	2,417	2,392	1.0%
% of Net Sales	15.0%	15.2%	(20) bps	13.3%	13.2%	10 bps
Net Income	307	188	63.3%	319	214	49.1%
Diluted EPS	$1.41	$0.83	69.9%	$1.47	$0.95	54.7%
Adjusted EBITDA				806	768	4.9%
Adjusted EBITDA Margin (2)				4.4%	4.2%	20 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) September 29, 2018	13-Weeks Ended (unaudited) September 30, 2017	39-Weeks Ended (unaudited) September 29, 2018	39-Weeks Ended (unaudited) September 30, 2017
Gross profit (GAAP)	**$1,108**	**$1,099**	**$3,214**	**$3,144**
LIFO reserve change (1)	(9)	(26)	(1)	14
Impact from hurricanes (2)	—	2	—	2
Adjusted Gross profit (Non-GAAP)	**$1,099**	**$1,075**	**$3,213**	**$3,160**
Operating expenses (GAAP)	**$929**	**$909**	**$2,727**	**$2,752**
Adjustments:				
Depreciation and amortization expense	(85)	(81)	(250)	(295)
Restructuring charges (3)	—	(1)	(1)	(3)
Share-based compensation expense (4)	(3)	(7)	(20)	(15)
Business transformation costs (5)	(3)	(7)	(18)	(33)
Other (6)	(19)	(8)	(21)	(16)
Adjusted Operating expenses (Non-GAAP)	**$819**	**$807**	**$2,417**	**$2,392**

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

(1) Represents the non-cash impact of LIFO reserve adjustments.
(2) Impact from hurricanes in 2017 consists of costs recognized in cost of sales for inventory losses and product donations that we made for hurricane relief.
(3) Consists primarily of severance and related costs and organizational realignment costs.
(4) Share-based compensation expense for expected vesting of stock awards and share purchase plan.
(5) Consists primarily of costs related to significant process and systems redesign across multiple functions.
(6) 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) September 29, 2018	13-Weeks Ended (unaudited) September 30, 2017	39-Weeks Ended (unaudited) September 29, 2018	39-Weeks Ended (unaudited) September 30, 2017
Net income (GAAP)	**$114**	**$96**	**$307**	**$188**
Interest expense—net	42	43	133	126
Income tax provision	26	51	57	78
Depreciation and amortization expense	85	81	250	295
EBITDA (Non-GAAP)	**$267**	**$271**	**$747**	**$687**
Adjustments:				
Restructuring charges (1)	—	1	1	3
Share-based compensation expense (2)	3	7	20	15
LIFO reserve change (3)	(9)	(26)	(1)	14
Business transformation costs (4)	3	7	18	33
Other (5)	19	8	21	16
Adjusted EBITDA (Non-GAAP)	**$283**	**$267**	**$806**	**$768**
Adjusted EBITDA (Non-GAAP)	**$283**	**$267**	**$806**	**$768**
Depreciation and amortization expense	(85)	(81)	(250)	(295)
Interest expense—net	(42)	(43)	(133)	(126)
Income tax provision, as adjusted (6)	(36)	(54)	(104)	(133)
Adjusted Net income (Non-GAAP)	**$120**	**$89**	**$319**	**$214**

*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 expected 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)		39-Weeks Ended (unaudited)	
	September 29, 2018	September 30, 2017	September 29, 2018	September 30, 2017
Diluted EPS (GAAP)	**$0.52**	**$0.42**	**$1.41**	**$0.83**
Restructuring charges (1)	—	—	—	0.01
Share-based compensation expense (2)	0.01	0.03	0.09	0.07
LIFO reserve change (3)	(0.04)	(0.12)	—	0.06
Business transformation costs (4)	0.01	0.03	0.08	0.15
Other (5)	0.09	0.04	0.10	0.07
Income tax impact of adjustments (6)	(0.04)	(0.02)	(0.21)	(0.24)
Adjusted Diluted EPS (Non-GAAP)	**$0.55**	**$0.39**	**$1.47**	**$0.95**
Weighted-average diluted shares outstanding (GAAP)	**218,107,064**	**225,862,274**	**217,696,533**	**226,325,711**

*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 expected 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.
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Non-GAAP Reconciliation - Net Debt and Net Leverage Ratios

($ in millions, except ratios)*	(unaudited) September 29, 2018	December 30, 2017	September 30, 2017
Total Debt (GAAP)	**$3,511**	**$3,757**	**$ 3,703**
Cash, cash equivalents and restricted cash	(88)	(119)	(148)
Net Debt (Non-GAAP)	**$3,423**	**$3,638**	**$3,555**
Adjusted EBITDA (1)	$1,096	$1,058	$1,033
Net Leverage Ratio (2)	**3.1**	**3.4**	**3.4**

*Individual components may not add to total presented due to rounding
(1) Trailing Twelve Months (TTM) Adjusted EBITDA
(2) Net debt/(TTM) Adjusted EBITDA

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