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Q1 Fiscal 2021 Results

May 10, 2021

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, including any statements regarding EBITDA guidance, rely on a number of assumptions and our experience in the industry and are subject to risks, uncertainties and other important factors, many of which are beyond our control. Some of the factors that could cause our results to differ materially from those anticipated or expressed in any forward-looking statements include, among others, impacts of, and associated responses to, the extent and duration of the negative impact of the COVID-19 pandemic; cost inflation/deflation and commodity volatility; competition; reliance on third party suppliers and interruption of product supply or increases in product costs; effective integration of acquired businesses; achievement of expected benefits from cost savings initiatives; increases in fuel costs; economic factors affecting consumer confidence and discretionary spending and reducing the consumption of food prepared away from home; changes in consumer eating habits; and extreme weather conditions, natural disasters and other catastrophic events.

For a detailed discussion of these risks, uncertainties and other factors, see the section entitled “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended January 2, 2021, which was filed with the Securities and Exchange Commission (“SEC”) on February 16, 2021. 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.

Presentation of organic financial results

In this presentation, we refer to certain organic financial results. Organic financial results exclude contributions during the respective period from Smart Stores Holding Corp. (“Smart Foodservice”), which was acquired April 24, 2020.

Three key takeaways

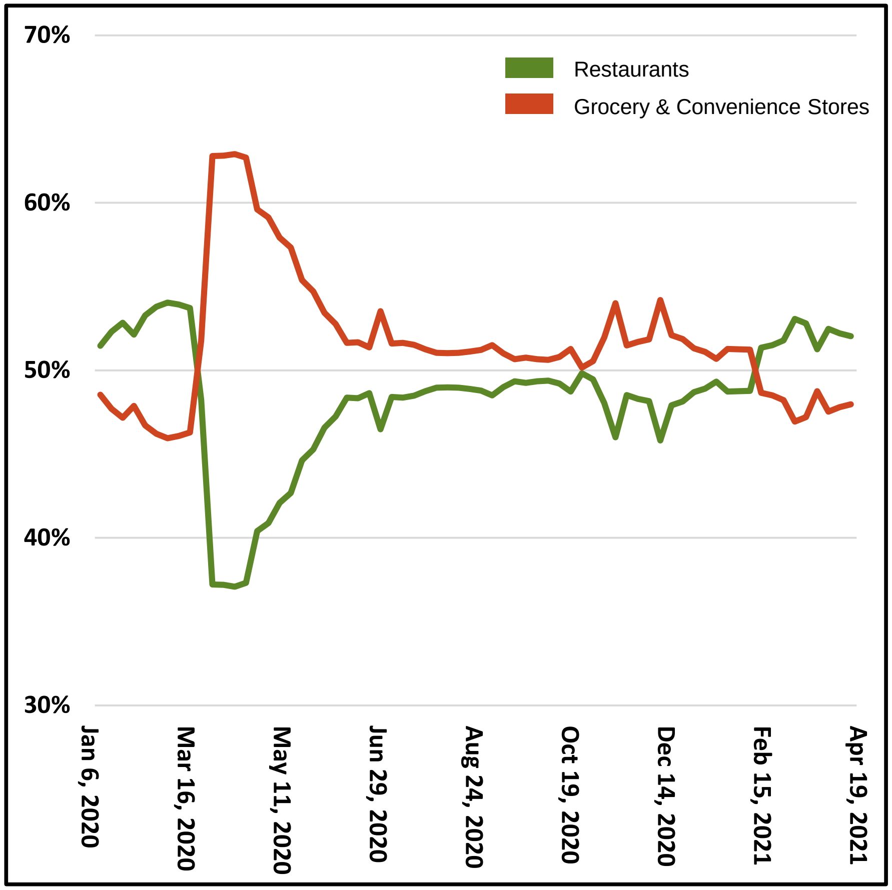
1. Industry recovery is well underway

2. Our scale and differentiated strategy drives market share gains

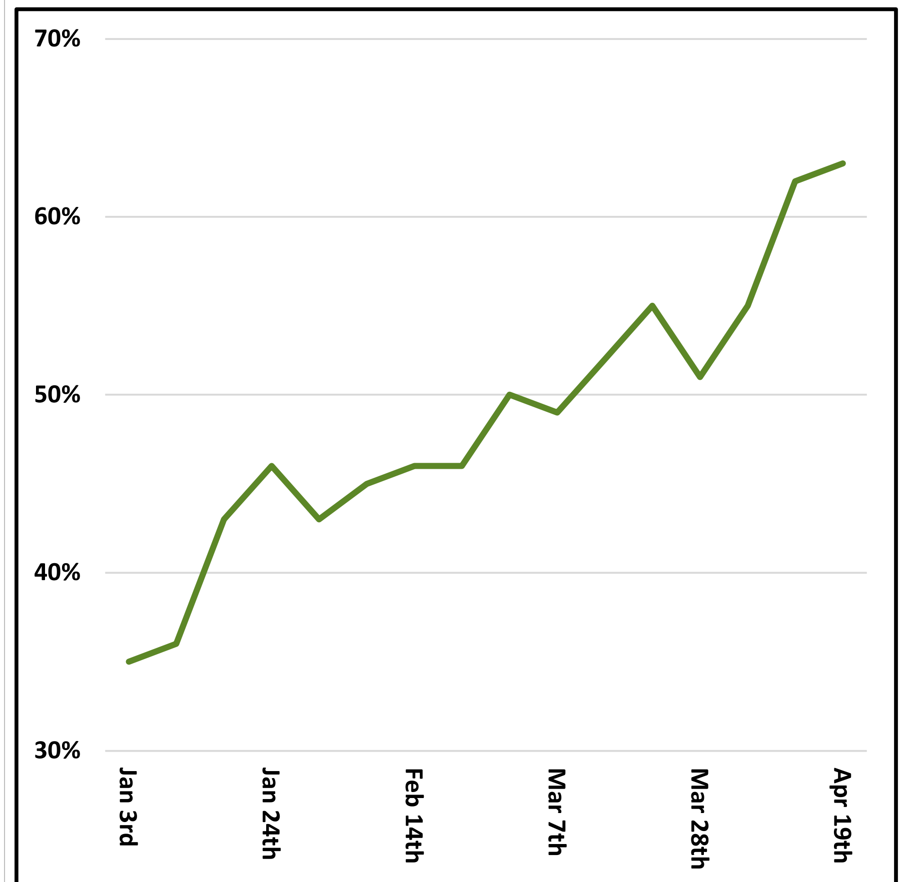
3. Earnings growth returning as case volume recovers

An industry wide recovery is taking place as restrictions lift and more consumers are comfortable eating out

Percentage of Consumer Visits*
Week Starting Date; 2020-2021



Percentage of Consumers Comfortable Eating Out**
Week Starting Date; 2021



*SafeGraph – percentage of total consumer visits
** CivicScience COVID Comfort Tracker weekly survey data

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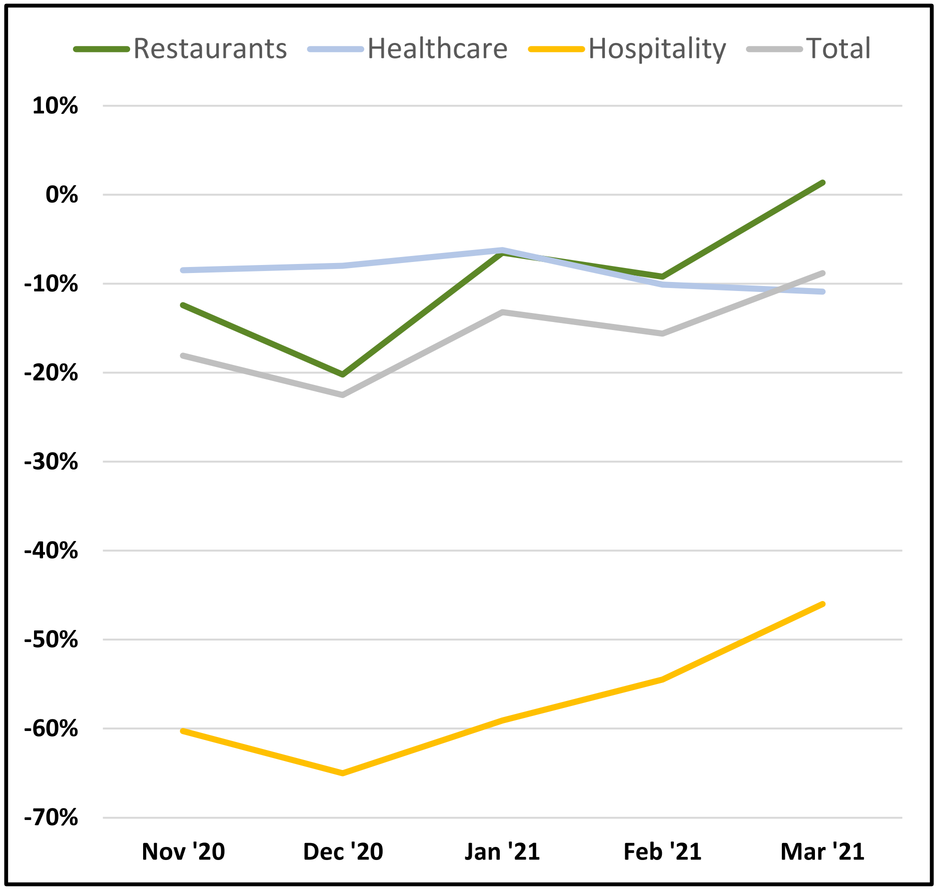
Restaurant case volume continues to recover and is now ahead of 2019

US Foods Monthly Case Volume by Customer Type*

YOY Percent Change vs Fiscal 2019 Baseline



- In April, chains and independents are both ahead of 2019 levels
- Hospitality showing a strong recovery
- Healthcare has remained steady over the last year

*Legacy US Foods case volume; excludes Food Group and CHEF'STORE case volume

Our differentiated *Great Food. Made Easy.* strategy has positioned us for continued market share gains

Industry Leading Technology

Innovative Products

Team-Based Selling & Industry Experts

- Seamless bill pay and visibility to real time inventory make our technology platform the easiest to use
- Tamper evident containers designed for take out and delivery; products focused on removing labor from the kitchen
- Webinars and access to industry experts to help customers understand the CARES and Restaurant Revitalization Acts

Acquisitions performing well; cash and carry presents a growth opportunity

Food Group

- System conversions progressing well; two additional conversions completed
- On pace to achieve $65M in synergies in 2023
- Extending Food Group capabilities to the legacy US Foods network

CHEF'STORE

- Rebranding is now complete
- Incenting selling organization to have customers shop at store
- Opened two new stores in Q1, plan to accelerate store openings in 2022

We have taken action to maintain customer service in the face of industry wide supply chain challenges

Building inventory levels to align with demand recovery; better positioned to mitigate supplier challenges than most distributors

Continuing to hire to support the recovery; labor market remains tight for driver and warehouse roles

Early wins from new operating model are encouraging; more effective management of supplier and labor challenges

Q1 Fiscal 2021 Financial Results

First quarter financial highlights

Total case volume and Adjusted EBITDA accelerated as Q1 progressed; restaurant and hospitality case volume trends continue to improve

Gross Profit per case improving as case volume returns

Permanent cost reductions flowing through; fixed cost leverage returning as case volume recovers

Financial results improved as the quarter progressed; reflects reduced restrictions and increased consumer demand

Q1 Net Sales

$ Millions H/(L)

Inflation: 2.7%
Case Volume: (0.9%)
Mix: (2.5%)

Q1 Adjusted Gross Profit*

Percent of Sales; $ Millions

Q1 Adjusted Operating Expense*

Percent of Sales; $ Millions

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

Earnings improving as case volume recovers

Q1 Adjusted EBITDA*
$ Millions; Percent of Sales

Q1 Adjusted Net Income*
$ Millions

Q1 Adjusted Diluted Earnings Per Share*
$

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

The future is bright and we are well positioned to accelerate earnings growth

Share gains, operational efficiencies and improving operating leverage are strengthening the earnings power of the business

Strong operating cash flow supports our priorities of re-investing in the business and paying down debt

Targeting a leverage ratio of 2.5x-3.0x; $150M debt paydown in April

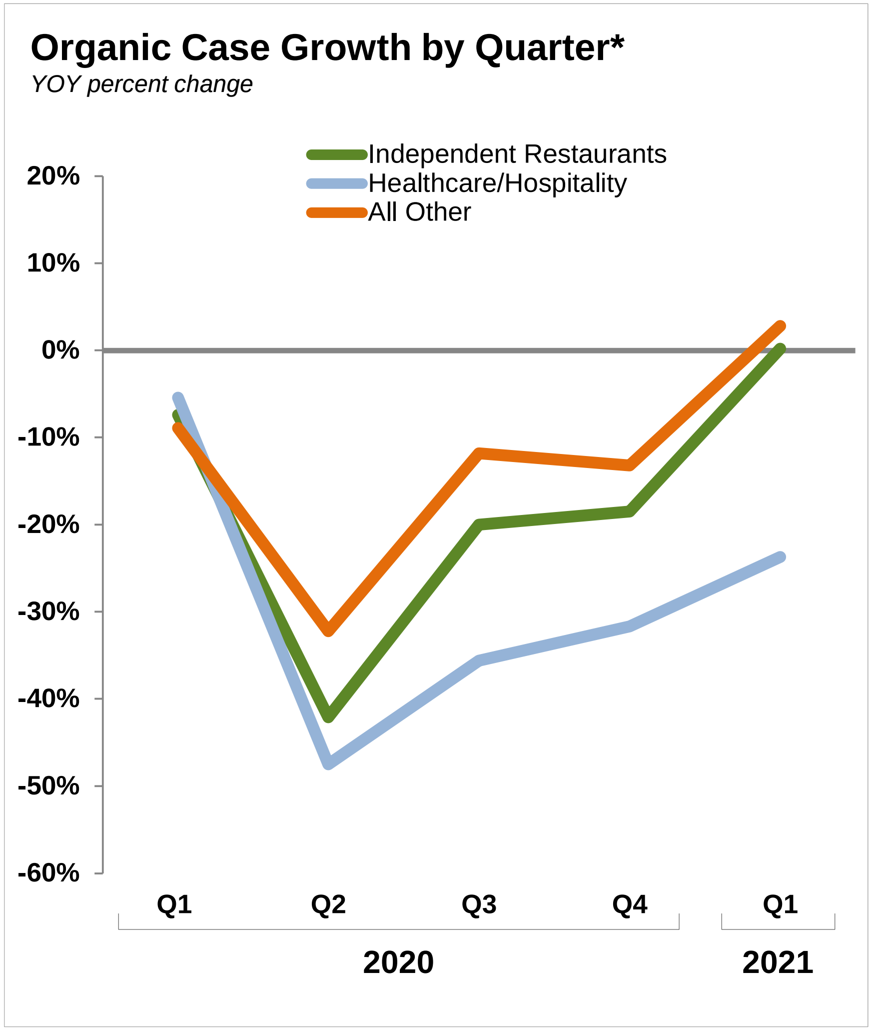
Expect continued Adjusted EBITDA improvement in Q2

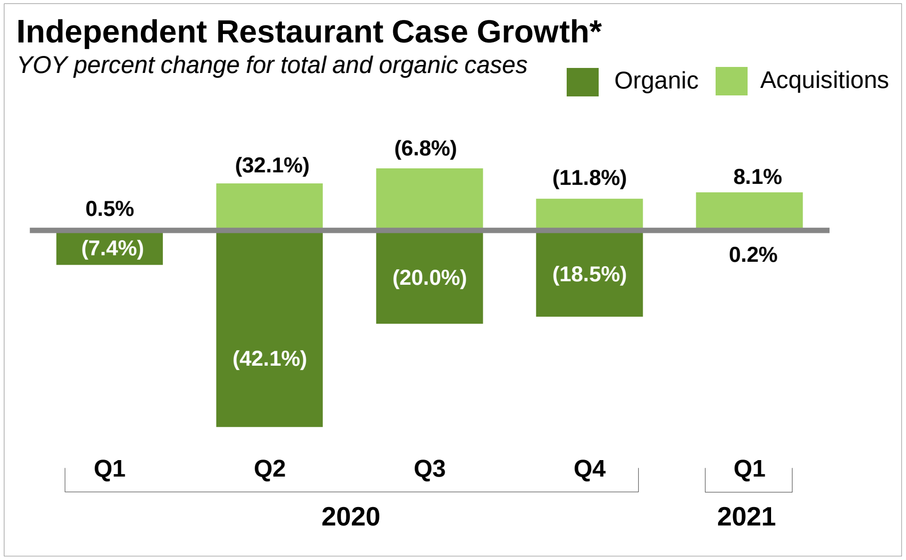
APPENDIX:

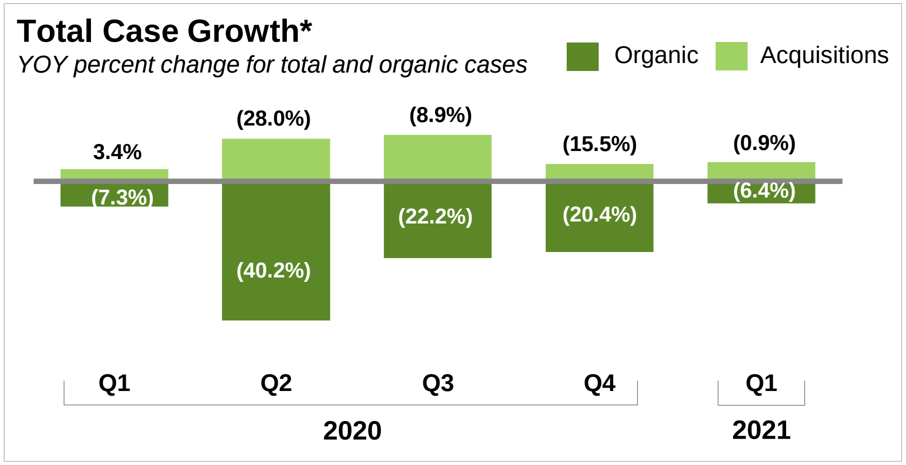
Q1 Fiscal 2021 Summary

Non-GAAP Reconciliations

Organic case volume recovery underway; total case volume benefiting from Smart Foodservice acquisition

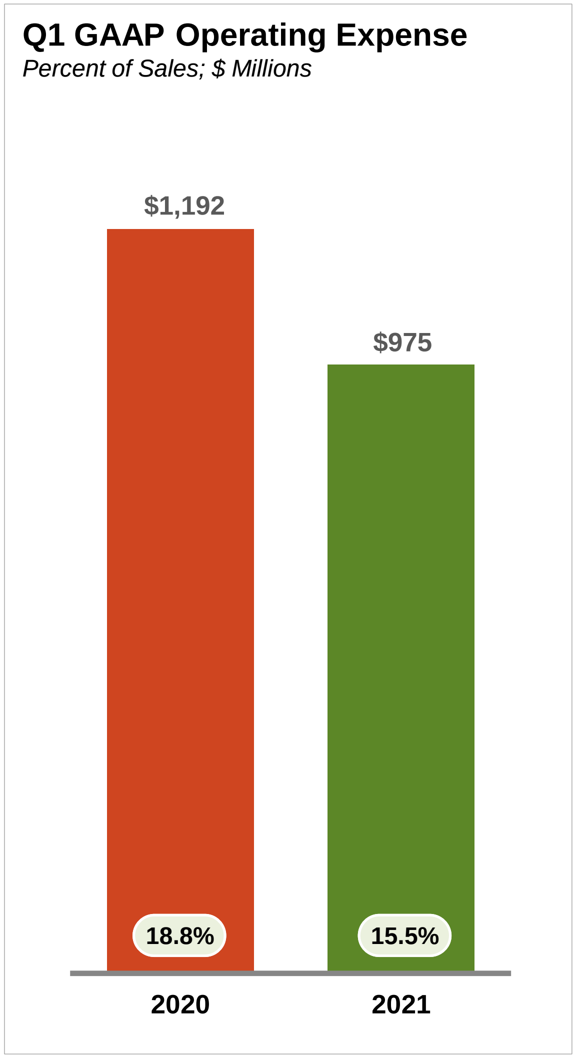


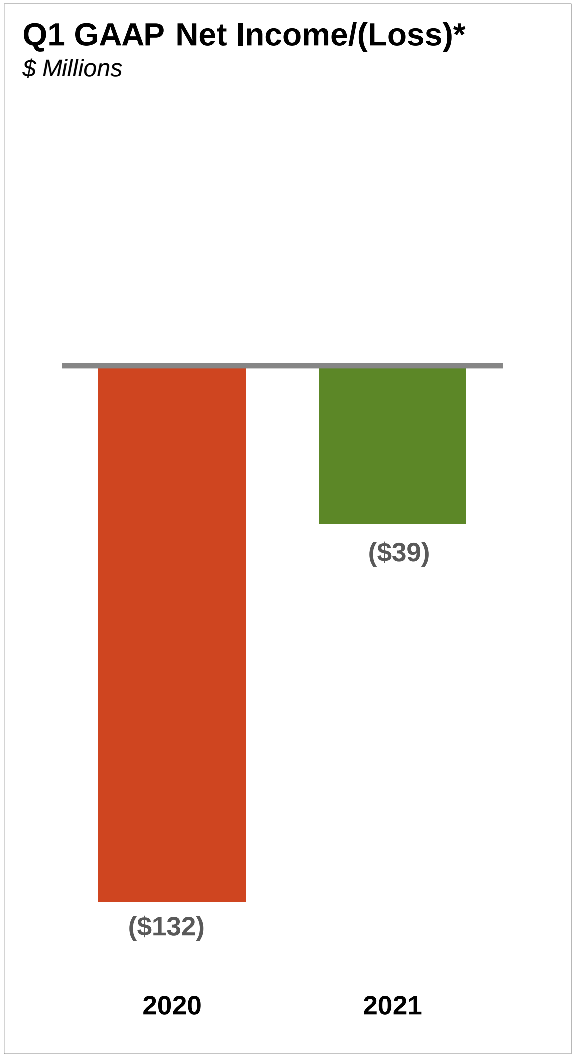




* Case volume results exclude the impact of the 53rd week in the fourth quarter of fiscal 2020

First quarter GAAP results





* Net Income/(Loss) available to common shareholders

First quarter financial performance

	Reported (unaudited)			Adjusted [1] (unaudited)		
	13 Weeks Ended			13 Weeks Ended		
($ in millions, except per share data)	April 3, 2021	March 28, 2020	Change	April 3, 2021	March 28, 2020	Change
Case Growth			(0.9)%			
Net Sales	6,295	6,339	(0.7)%			
Gross Profit	1,003	1,066	(5.9)%	1,024	1,053	(2.8)%
% of Net Sales	15.9%	16.8%	(90) bps	16.3%	16.6%	(30) bps
Operating Expenses	975	1,192	(18.2)%	859	882	(2.6)%
% of Net Sales	15.5%	18.8%	(330) bps	13.6%	13.9%	(30) bps
Net (Loss) Income [2]	(24)	(132)	(81.8)%	27	32	(15.6)%
Diluted EPS [3]	$(0.18)	$(0.60)	(70.0)%	$0.12	$0.15	(20.0)%
Adjusted EBITDA				172	177	(2.8)%
Adjusted EBITDA Margin [4]				2.7%	2.8%	(10) bps

1. Reconciliations of these non-GAAP measures are provided in the Appendix.
2. Effective as of the first quarter 2021, we have presented Adjusted net income. Previously, we presented Adjusted net income available to common shareholders.
3. GAAP Diluted EPS calculated using net (loss) income available to common shareholders. Adjusted Diluted EPS is calculated as Adjusted net income divided by weighted average diluted shares outstanding.
4. 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) April 3, 2021	13 Weeks Ended (unaudited) March 28, 2020
Gross profit (GAAP)	**$1,003**	**$1,066**
LIFO reserve change [1]	21	(13)
Adjusted Gross profit (Non-GAAP)	**$1,024**	**$1,053**
Operating expenses (GAAP)	**$975**	**$1,192**
Adjustments:		
Depreciation and amortization expense	(101)	(101)
Restructuring costs and asset impairment charges [2]	(3)	—
Share-based compensation expense [3]	(10)	(7)
Business transformation costs [4]	(9)	(6)
COVID-19 bad debt benefit (expense) [5]	15	(170)
Business acquisition and integration related costs and other [6]	(8)	(26)
Adjusted Operating expenses (Non-GAAP)	**$859**	**$882**

1. Represents the non-cash impact of LIFO reserve adjustments.
2. Consists primarily of severance and related costs, organizational realignment costs and asset impairment charges.
3. Share-based compensation expense for stock and option awards and discounts provided under employee stock purchase plan.
4. Consists primarily of costs related to significant process and systems redesign across multiple functions.
5. Includes the change in the reserve for doubtful accounts expense reflecting the collection risk associated with our customer base as a result of the COVID-19 pandemic.
6. Includes: (i) aggregate acquisition and integration related costs of $6 million and $25 million for the 13 weeks ended April 3, 2021 and March 28, 2020, respectively; and (ii) other gains, losses or costs that we are permitted to addback for purposes of calculating Adjusted EBITDA under certain agreements governing our indebtedness.

Non-GAAP reconciliation - Adjusted EBITDA and Adjusted Net Income

($ in millions)	13 Weeks Ended (unaudited) April 3, 2021	13 Weeks Ended (unaudited) March 28, 2020
Net loss available to common shareholders (GAAP)	**$(39)**	**($132)**
Series A convertible preferred stock dividends	15	—
Net loss (GAAP)	**(24)**	**(132)**
Interest expense—net	54	52
Income tax benefit	(18)	(40)
Depreciation expense	82	82
Amortization expense	19	19
EBITDA (Non-GAAP)	**$113**	**($19)**
Adjustments:		
Restructuring costs and asset impairment charges (1)	3	—
Share-based compensation expense (2)	10	7
LIFO reserve change (3)	21	(13)
Loss on extinguishment of debt (4)	23	—
Business transformation costs (5)	9	6
COVID-19 bad debt (benefit) expense (6)	(15)	170
Business acquisition and integration related costs and other (7)	8	26
Adjusted EBITDA (Non-GAAP)	**$172**	**$177**
Adjusted EBITDA (Non-GAAP)	**$172**	**$177**
Depreciation expense	(82)	(82)
Interest expense—net	(54)	(52)
Income tax provision, as adjusted (8)	(9)	(11)
Adjusted net income (Non-GAAP) (9)	**$27**	**$32**

(1)-(9) footnotes located on next slide

Non-GAAP reconciliation - Adjusted EBITDA and Adjusted Net Income

1. Consists primarily of severance and related costs, organizational realignment costs and asset impairment charges.
2. Share-based compensation expense for stock and option awards and discounts provided under employee stock purchase plan.
3. Represents the non-cash impact of LIFO reserve adjustments.
4. Includes early redemption premium and the write-off of certain pre-existing debt issuance costs.
5. Consists primarily of costs related to significant process and systems redesign across multiple functions.
6. Includes the change in the reserve for doubtful accounts expense reflecting the collection risk associated with our customer base as a result of the COVID-19 pandemic.
7. Includes: (i) aggregate acquisition and integration related costs of $6 million and $25 million for the 13 weeks ended April 3, 2021 and March 28, 2020, respectively; and (ii) other gains, losses or costs that we are permitted to addback for purposes of calculating Adjusted EBITDA under certain agreements governing our indebtedness.
8. Represents our income tax provision 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 taking into account the impact of permanent differences and valuation allowances.
9. Effective as of the first quarter 2021, we have presented Adjusted net income. Previously, we presented Adjusted net income available to common shareholders.

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

	13 Weeks Ended (unaudited)	
	April 3, 2021	March 28, 2020
Diluted EPS (GAAP)	**($0.18)**	**($0.60)**
Restructuring costs and asset impairment charges (1)	0.01	—
Share-based compensation expense (2)	0.05	0.03
LIFO reserve change (3)	0.10	(0.06)
Loss on extinguishment of debt (4)	0.10	—
Business transformation costs (5)	0.04	0.03
COVID-19 bad debt (benefit) expense (6)	(0.07)	0.78
Business acquisition and integration related costs and other (7)	0.04	0.12
Income tax impact of adjustments (8)	0.03	(0.15)
Adjusted Diluted EPS (Non-GAAP) (9)	**$0.12**	**$0.15**
Weighted-average diluted shares outstanding (GAAP)	**220,713,683**	**219,138,692**

(1)-(9) footnotes located on next slide

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

1. Consists primarily of severance and related costs, organizational realignment costs and asset impairment charges.
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9. Adjusted Diluted EPS is calculated as Adjusted net income divided by weighted average diluted shares outstanding.

Non-GAAP reconciliation - Net Debt and Net Leverage Ratios

($ in millions, except ratios)	(unaudited) April 3, 2021	January 2, 2021	March 28, 2020
Total Debt (GAAP)	**$5,738**	**$5,748**	**$5,915**
Cash, cash equivalents and restricted cash	(912)	(828)	(1,085)
Net Debt (Non-GAAP)	**$4,826**	**$4,920**	**$4,830**
Adjusted EBITDA [1]	$643	$648	$1,139
Net Leverage Ratio [2]	**7.5**	**7.6**	**4.2**

1. Trailing Twelve Months (TTM) Adjusted EBITDA
2. Net debt / TTM Adjusted EBITDA

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