UNFI
BETTER FOOD. BETTER FUTURE.

# Financial Results

## Fiscal 2021 | Third Quarter

**Sales**
$6.62 billion
(+6.7% on two-year stack)*

**Net Income**
$49 million

**Adjusted EBITDA***
$179 million

**GAAP EPS**
$0.80

**Adjusted EPS***
$0.94

**Net Debt Reduction**
$62 million

## Operational Highlights

**$73 million**
Capital investment to drive growth

**$35 million**
Incremental cross selling sales

**+21%**
eCommerce channel sales

### Community Marketplace
Launched innovative digital eCommerce solution to expand distribution options for emerging suppliers

### Whole Foods Contract
Extended two years through September 2027

### Better for All
53 solar-powered trucks hitting the road
Launched UNFI's first Diversity Council

"Our results reflect our unrelenting focus on efficiency and the profitability of our business, as we cycled the highest spikes of sales revenue from pantry loading in the prior year quarter. We continue to focus on helping our customers operate their businesses and meet the needs of their shoppers through our differentiated business model. As the industry and economic backdrop continue to evolve, UNFI remains well positioned for future growth. Fiscal 2020 was a record year for UNFI and fiscal 2021 is on-track to set another record. Looking ahead, we fully expect fiscal 2022 to be even better than this year."

— Steven L. Spinner, *Chairman and Chief Executive Officer*

**Better Food. Better Future.**

www.unfi.com

* The two-year stack is calculated by adding the percent change in sales in the current-year period to the percent change in sales in the prior-year period. Adjusted EBITDA and Adjusted EPS are non-GAAP financial measures. Please refer to the following page for the reconciliations of Adjusted EBITDA and Adjusted EPS to the most directly comparable financial measures calculated in accordance with GAAP.

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# Non-GAAP Reconciliations

## Fiscal 2021 | Third Quarter

## Adjusted EBITDA

| (In thousands) | | |
|---|---|---|
| Net income from continuing operations | $ | 48,299 |
| Adjustments to continuing operations net income: | | |
| Less net income attributable to noncontrolling interests | | (1,394) |
| Total other expense, net | | 25,383 |
| Provision for income taxes | | 16,812 |
| Depreciation and amortization | | 66,365 |
| Share-based compensation | | 11,668 |
| Restructuring, acquisition and integration related expenses | | 9,867 |
| Loss on sale of assets | | (25) |
| Other retail expense | | 355 |
| Adjusted EBITDA of continuing operations | | 177,330 |
| Adjusted EBITDA of discontinued operations | | 2,168 |
| Adjusted EBITDA | $ | 179,498 |
| Income from discontinued operations, net of tax | $ | 1,653 |
| Adjustments to discontinued operations net income: | | |
| Provision for income taxes | | 713 |
| Restructuring, store closure and other charges, net | | (198) |
| Adjusted EBITDA of discontinued operations | $ | 2,168 |

## Adjusted EPS

| | | |
|---|---|---|
| Net income attributable to UNFI per diluted common share | $ | 0.80 |
| Restructuring, acquisition, and integration related expenses | | 0.16 |
| Surplus property depreciation and interest expense | | 0.02 |
| Loss on debt extinguishment | | 0.01 |
| Other retail expense | | 0.01 |
| Tax impact of adjustments and adjusted effective tax rate | | (0.06) |
| Adjusted net income per diluted common share | $ | 0.94 |

## 13 WEEKS ENDED
## MAY 1, 2021



Statements herein regarding the company's business that are not historical facts are "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are subject to risks and uncertainties that could cause actual results to differ materially from the future results expressed or implied by such forward-looking statements. The risks and uncertainties that could cause actual results to differ materially are described in the company's filings with the Securities and Exchange Commission, including its annual report on Form 10-K for the year ended August 1, 2020.