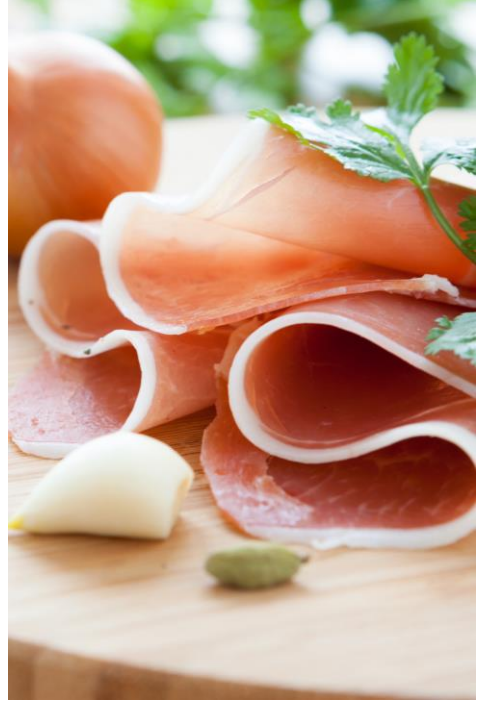
2nd Quarter Fiscal 2025

March 11, 2025











Disclaimer

Certain information in this presentation and discussed on the conference call which this presentation accompanies constitutes forward-looking information within the meaning of the Private Securities Litigation Reform Act of 1995. Statements in this presentation regarding the Company's business that are not historical facts are "forward-looking statements" that involve risks and uncertainties and are based on current expectations and management estimates; actual results may differ materially. The risks and uncertainties which could impact these statements are described in the Company's filings under the Securities Exchange Act of 1934, as amended, including its annual report on Form 10-K for the year ended August 3, 2024 filed with the Securities and Exchange Commission (the "SEC") on October 1, 2024 and other filings the Company makes with the SEC, and include, but are not limited to, our dependence on principal customers; the relatively low margins of our business, which are sensitive to inflationary and deflationary pressures and intense competition, including as a result of the continuing consolidation of retailers and the growth of consumer choices for grocery and consumable purchases; our ability to realize the anticipated benefits of our strategic initiatives; changes in relationships with our suppliers; our ability to operate, and rely on third parties to operate, reliable and secure technology systems; labor and other workforce shortages and challenges; the addition or loss of significant customers or material changes to our relationships with these customers; our ability to realize anticipated benefits of strategic transactions; our ability to continue to grow sales, including of our higher margin natural and organic foods and non-food products; our ability to maintain sufficient volume in our wholesale distribution and services businesses to support our operating infrastructure; our ability to access additional capital; increases in healthcare, pension and other costs under our single employer benefit plan and multiemployer benefit plans; the potential for additional asset impairment charges; our sensitivity to general economic conditions including inflation, changes in disposable income levels and consumer purchasing habits; our ability to timely and successfully deploy our warehouse management system throughout our distribution centers and our transportation management system across the Company and to achieve efficiencies and cost savings from these efforts; the potential for disruptions in our supply chain or our distribution capabilities from circumstances beyond our control, including due to lack of long-term contracts, severe weather, labor shortages or work stoppages or otherwise; moderated supplier promotional activity, including decreased forward buying opportunities; union-organizing activities that could cause labor relations difficulties and increased costs; our ability to maintain food quality and safety; and volatility in fuel costs. Any forward-looking statements are made pursuant to the Private Securities Litigation Reform Act of 1995 and, as such, speak only as of the date made. The Company is not undertaking to update any information in the foregoing reports until the effective date of its future reports required by applicable laws. Any estimates of future results of operations are based on a number of assumptions, many of which are outside the Company's control and should not be construed in any manner as a guarantee that such results will in fact occur. These estimates are subject to change and could differ materially from final reported results. The Company may from time to time update these publicly announced estimates, but it is not obligated to do so.

This presentation also contains the non-GAAP financial measures Adjusted EBITDA, Adjusted EPS, Adjusted EBITDA leverage ratio, Adjusted EBITDA margin rate, free cash flow, adjusted effective tax rate and capital and cloud implementation expenditures. The reconciliation of these non-GAAP financial measures (except for capital and cloud implementation expenditures) to the most directly comparable GAAP financial measure is presented in the appendix to this presentation. The components of capital and cloud implementation expenditures for fiscal 2025 will be primarily dependent on the nature of certain contracts to be executed. The presentation of non-GAAP financial measures is not intended to be considered in isolation or as a substitute for any measure prepared in accordance with GAAP. The Company believes that presenting non-GAAP financial measures aids in making period-to-period comparisons, assessing the performance of our business and understanding the underlying operating performance and core business trends, and is a meaningful indication of its actual and estimated operating performance. The Company's management utilizes and plans to utilize this non-GAAP financial information to compare the Company's operating performance during certain fiscal periods to the comparable periods in the other fiscal years and, in certain cases, to internally prepared projections.

Agenda

Introduction	**Steve Bloomquist** *Vice President, Investor Relations*
Opening Remarks	**Sandy Douglas** *Chief Executive Officer*
Financial Results	**Matteo Tarditi** *President and Chief Financial Officer*
Q&A	



$ in Millions, except for per share data.

Results Summary

	Q2 FY25	Q2 FY24	% Change
Net Sales	$8,158	$7,775	4.9% ▲
Adjusted EBITDA	$145	$128	13.3% ▲
Adjusted EPS	$0.22	$0.07	214.3% ▲
Free Cash Flow	$193	$116	66.4% ▲

Key Notes:

- Net sales increase for the second quarter includes volume increase of approximately 3% and inflation/mix.
- Adjusted EBITDA increase reflects higher wholesale gross profit dollars, driven by higher volumes, increased supplier programs, reduced shrink and solid execution and management of operating expenses.
- Adjusted EPS increase reflects higher Adjusted EBITDA.
- Higher free cash flow primarily reflects increasing profitability and efficiencies in working capital and capital expenditures.

Definitions and reconciliations for non-GAAP measures are provided at the end of the presentation.

Opening Remarks

Sandy Douglas

Chief Executive Officer



Solid Start to Fiscal 2025

Driving enhanced effectiveness, efficiency and strengthening service levels



Improvement opportunity is large and growing; continue to identify new areas to add value and increase effectiveness and efficiency.

Delivering strategic plan to add value to customers and suppliers while improving efficiency and free cash flow generation.

Improving free cash flow generation and deleveraging the balance sheet.

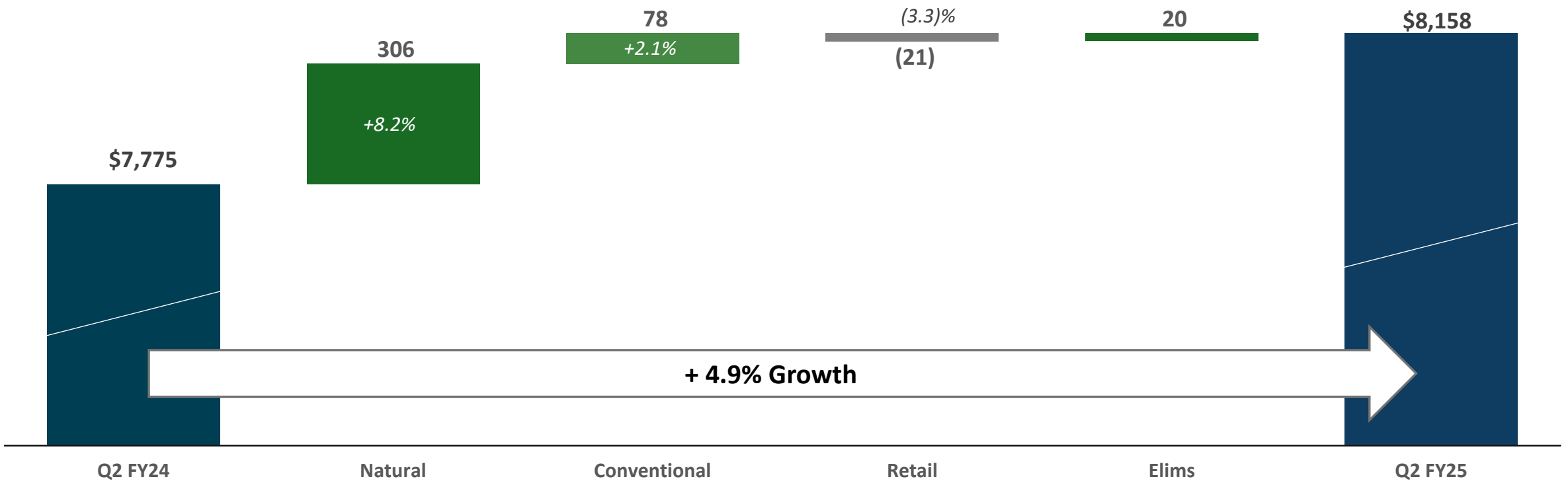
Financial Results

Matteo Tarditi
President and Chief Financial Officer



$ in Millions

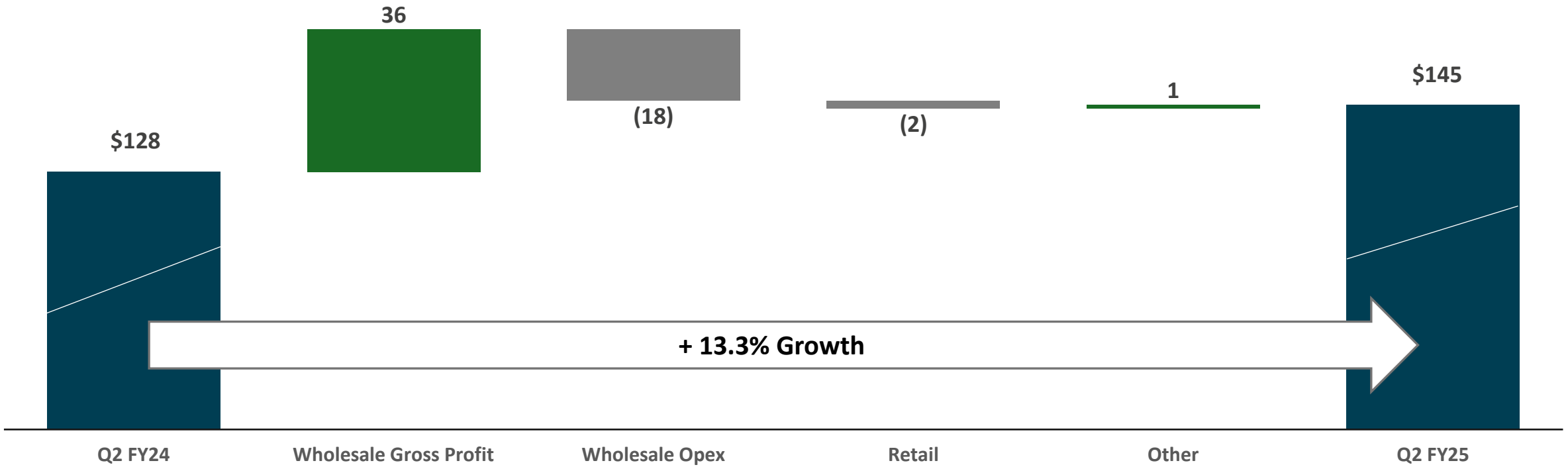
Q2 FY25 Net Sales



- Wholesale sales change reflects positive unit volumes, including new business with new and existing customers, and inflation.

$ in Millions

Q2 FY25 Adjusted EBITDA



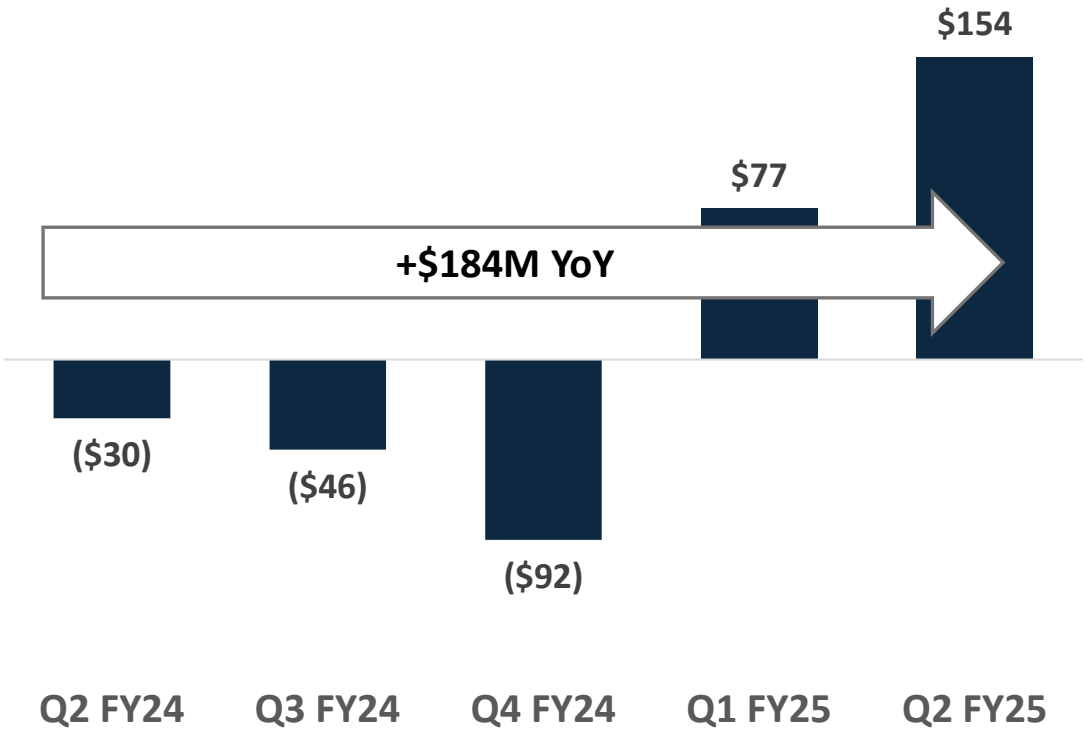
- Increasing adjusted EBITDA primarily reflects higher wholesale gross profit dollars driven by higher volumes, increased supplier programs and reduced shrink.
- Complemented by solid execution and management of operating expenses, which improved by approximately 40 basis points as a percent of net sales.

Improving Free Cash Flow Drives Leverage Below 4x

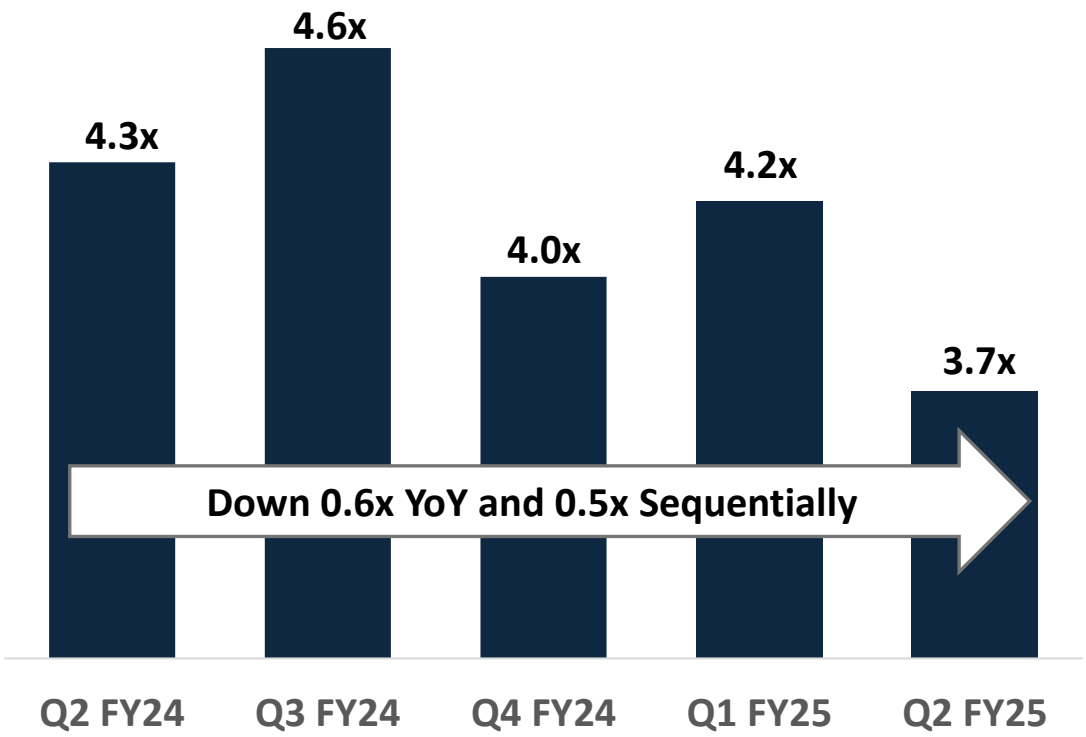
Remain firmly on track to realize longer-term deleveraging goals

Trailing Twelve Month Free Cash Flow

($ in millions)



Net Debt to Trailing Twelve Month Adj. EBITDA



Definitions and reconciliations for non-GAAP measures are provided at the end of the presentation.

Raising Fiscal 2025 Outlook[(1)]

Net Sales	Adjusted EBITDA[(2)]	Adjusted EPS[(2)(3)]	Capital and Cloud Implementation Expenditures[(4)]	Free Cash Flow[(4)]
$31.3 - $31.7B (Increase of 3.6% on 52-week basis)	**$550 - $580M** (Increase of 11.2% on 52-week basis)	**$0.70 - $0.90** (Increase of over 5-times)	**~ $300M** (Decrease of ~ $70M)	**≥ $150M** (Increase of ~ $250M)
Prior: $30.6 - $31.0B	**Prior: $530 - $580M**	**Prior: $0.40 - $0.80**	**Unchanged**	**Prior: > $100M**

Updated outlook balances operating momentum with further efficiency initiatives to drive financial performance and overall customer experience.

(1) The outlook provided above is for fiscal 2025, which is a 52-week fiscal year. This outlook is forward looking, is based on management's current estimates and expectations and is subject to several risks, including many that are outside of management's control. See cautionary language on slide 2 and the risk factors contained in the Company's Annual Report on Form 10-K for the year ended August 3, 2024 and other filings the Company makes with the SEC.
(2) The Company is unable to provide a full reconciliation to the most comparable GAAP measure without unreasonable effort due to the difficulty in predicting the amounts for certain adjustment items.
(3) Reflects approximately $500 million of below-the-line impacts including net interest expense, stock compensation, net periodic benefit income, depreciation and amortization and other expenses.
(4) The components of capital and cloud implementation expenditures for fiscal 2025 will be primarily dependent on the nature of certain contracts to be executed. As such, the Company is unable to reconcile the outlook for free cash flow as well as capital and cloud implementation expenditures in fiscal 2025 to the most comparable GAAP measure.

Definitions for non-GAAP measures are provided at the end of the presentation.

In Summary

- Adjusted EBITDA growth of over 13% driven by solid topline performance, operating momentum and lean management.
- Implementing our new strategy built upon delivering value for our customers and suppliers, while improving free cash flow generation and reducing net leverage.
- Saw meaningful improvement in Q2 free cash flow compared to prior year.
- Focused on strengthening customer and supplier value add proposition while driving effectiveness and efficiencies across the business.
- Raising full-year outlook for all financial metrics other than capital spending.

On or above plan across key financial metrics underlying strategic plan, which is focused on delivering our value to our stakeholders and deleveraging our balance sheet.

Appendix



Capital Structure

$ in millions	Maturity	Rate [1]	Q4 FY20	Q4 FY21	Q4 FY22	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25
Secured term loan B [2]	May 2031	S + 4.75%	$ 1,773	$ 1,002	$ 800	$ 670	$ 670	$ 645	$ 645	$ 499	$ 498	$ 496
$2.6B ABL revolver [2]	June 2027	S + 1.0% / Prime + 0.0%	757	701	840	812	1,152	1,054	1,026	983	1,146	970
ABL FILO tranche [2]	June 2027	S + 2.5%	-	-	-	-	-	-	-	130	130	130
Senior unsecured notes	October 2028	6.75%	-	500	500	500	500	500	500	500	500	500
Finance leases	Various	Various	156	142	36	23	21	15	19	19	18	19
Equipment loans	October 2024	4.43%	49	37	23	9	5	4	3	1	-	-
Original issue discount / deferred finance fees			(81)	(52)	(40)	(28)	(26)	(23)	(23)	(28)	(27)	(25)
Total Debt and Finance Leases (GAAP)			**$ 2,654**	**$ 2,330**	**$ 2,159**	**$ 1,986**	**$ 2,322**	**$ 2,195**	**$ 2,170**	**$ 2,104**	**$ 2,265**	**$ 2,090**
Balance sheet cash			(47)	(41)	(44)	(37)	(37)	(34)	(39)	(40)	(37)	(44)
Net Debt (GAAP)			**$ 2,607**	**$ 2,289**	**$ 2,115**	**$ 1,949**	**$ 2,285**	**$ 2,161**	**$ 2,131**	**$ 2,064**	**$ 2,228**	**$ 2,046**
LTM Adjusted EBITDA			**$ 691**	**$ 770**	**$ 829**	**$ 640**	**$ 550**	**$ 497**	**$ 468**	**$ 518**	**$ 535**	**$ 552**
Net Debt / Adjusted EBITDA [3]			**3.8x**	**3.0x**	**2.6x**	**3.0x**	**4.2x**	**4.3x**	**4.6x**	**4.0x**	**4.2x**	**3.7x**
Available Liquidity [4]			**$ 1,235**	**$ 1,321**	**$ 1,671**	**$ 1,517**	**$ 1,285**	**$ 1,430**	**$ 1,264**	**$ 1,275**	**$ 1,174**	**$ 1,312**

(1) As of February 1, 2025.

(2) Refinanced and paid down the Term Loan to $500M, extended the maturity to May 2031 with a rate of S + 4.75% and executed a $130M FILO ("First In, Last Out") tranche of the ABL at S + 2.50% in Q4 FY24.

(3) Net debt, as shown, divided by Adjusted EBITDA.

(4) Balance sheet cash plus unused capacity under the revolving ABL facility.

Definitions and reconciliations for non-GAAP measures are provided at the end of the presentation.

Free Cash Flow Performance

$ in millions	Q2 FY25	Y/Y Change	YTD Q2 FY25	Y/Y Change
Net loss including non-controlling interests	(2)	12	(22)	31
Depreciation and amortization	81	7	161	9
Changes in operating assets and liabilities				
Accounts and notes receivable	71	49	(78)	26
Inventories	171	(160)	(59)	(26)
Accounts payable	(141)	84	83	140
Other operating assets and liabilities	55	77	30	49
Other non-cash adjustments[(1)]	12	(5)	22	(21)
Cash flow from operations	247	64	137	208
Payments for capital expenditures	(54)	13	(103)	38
Free cash flow	193	77	34	246

Q2 FY25 YoY Dynamics

- Improving net loss primarily reflects benefits of higher sales as well as cost control and efficiency initiatives
- Working capital improvements primarily reflect strategic optimization efforts:
  - Accounts receivable driven by improving days sales outstanding offset by higher sales
  - Inventories supporting higher sales, partially offset by more efficient procurement
  - Accounts payable driven by more timely product purchases
  - Other operating assets and liabilities reflects higher accrued compensation and other liabilities
- Lower capital expenditures driven by moving to utilization-based approach to maintenance spending and overall strengthening of capital allocation processes
  - Expect higher spending in second half associated with automation and supply chain investments

(1) Includes other non-cash adjustments to net income including non-controlling interests under the indirect method of cash flow accounting, which includes share-based compensation, gain or loss on sale of assets, asset impairment charges, net pension and other post-retirement benefit income, LIFO charge or benefit, non-cash interest expense and other adjustments.

Definitions and reconciliations for non-GAAP measures are provided at the end of the presentation.

Non-GAAP Metric Definitions

Adjusted EPS: The non-GAAP adjusted earnings per diluted common share measure is a consolidated measure, which the Company reconciles by adding Net income attributable to UNFI plus the LIFO charge or benefit, goodwill impairment benefits and charges, restructuring, acquisition, and integration related expenses, gains and losses on sales of assets, certain legal charges and gains, surplus property depreciation and interest expense, losses on debt extinguishment, the impact of diluted shares when GAAP earnings is presented as a loss and non-GAAP earnings represent income, and the tax impact of adjustments and the adjusted effective tax rate, which tax impact is calculated using the adjusted effective tax rate, and certain other non-cash charges or items, as determined by management.

Adjusted EBITDA: The non-GAAP Adjusted EBITDA measure is a consolidated measure which the Company reconciles by adding Net (loss) income including noncontrolling interests, less Net income attributable to noncontrolling interests, plus Non-operating income and expenses, including Net periodic benefit income, excluding service cost, Interest expense, net and Other (income) expense, net, plus (Benefit) provision for income taxes and Depreciation and amortization all calculated in accordance with GAAP, plus adjustments for Share-based compensation, non-cash LIFO charge or benefit, Restructuring, acquisition and integration related expenses, Goodwill impairment charges, Loss (gain) on sale of assets and other asset charges, certain legal charges and gains, certain other non-cash charges or other items, as determined by management.

Adjusted EBITDA margin: The percentage that results from dividing Adjusted EBITDA by net sales.

Net debt to Adjusted EBITDA leverage ratio: The non-GAAP adjusted EBITDA leverage ratio is defined as the total carrying (GAAP) value of outstanding short-and long-term debt and finance lease liabilities less net cash and cash equivalents, the sum of which is divided by the trailing four quarters adjusted EBITDA.

Free cash flow: The non-GAAP free cash flow measure is defined as net cash provided by (used in) operating activities less payments for capital expenditures.

Capital and cloud implementation expenditures: The non-GAAP capital and cloud implementation expenditures measure is defined as the sum of payments for capital expenditures and cloud technology implementation expenditures.

Reconciliation – Adjusted EBITDA

(in millions)	13-Week Period Ended		26-Week Period Ended	
	February 1, 2025	January 27, 2024	February 1, 2025	January 27, 2024
Net loss including noncontrolling interests	$ (2)	$ (14)	$ (22)	$ (53)
Adjustments to net loss including noncontrolling interests:				
Less net income attributable to noncontrolling interests	(1)	(1)	(2)	(1)
Net periodic benefit income, excluding service cost	(5)	(4)	(10)	(7)
Interest expense, net	38	40	74	75
Other income, net	(1)	(1)	(3)	(1)
Benefit for income taxes	(3)	(5)	(7)	(14)
Depreciation and amortization	81	74	161	152
Share-based compensation	11	10	18	16
LIFO charge	3	6	10	13
Restructuring, acquisition and integration related expenses	9	4	21	8
Loss on sale of assets and other asset charges [(1)]	5	5	11	24
Business transformation costs [(2)]	8	14	26	29
Other adjustments [(3)]	2	—	2	4
Adjusted EBITDA	$ 145	$ 128	$ 279	$ 245

(1) Fiscal 2024 primarily includes a $21 million non-cash asset impairment charge related to one of our corporate-owned office locations.

(2) Reflects costs associated with business transformation initiatives, primarily including third-party consulting costs and licensing costs, which are included within Operating expenses in the Condensed Consolidated Statements of Operations.

(3) Fiscal 2025 primarily reflects certain estimated accrued legal-related costs, which are included within Operating expenses in the Condensed Consolidated Statements of Operations. Fiscal 2024 primarily reflects third-party professional service fees related to shareholder negotiations, which are included within Operating expenses in the Condensed Consolidated Statements of Operations.

Reconciliation – Adjusted EPS

(in millions, except per share amounts)	13-Week Period Ended		26-Week Period Ended	
	February 1, 2025	January 27, 2024	February 1, 2025	January 27, 2024
Net loss attributable to United Natural Foods, Inc.	$ (3)	$ (15)	$ (24)	$ (54)
Restructuring, acquisition and integration related expenses	9	4	21	8
Loss on sale of assets and other asset charges other than losses on sales of receivables [1]	1	—	2	14
LIFO charge	3	6	10	13
Surplus property depreciation and interest expense [2]	1	1	1	2
Business transformation costs [3]	8	14	26	29
Other adjustments [4]	2	—	2	4
Tax impact of adjustments and adjusted effective tax rate [5]	(8)	(6)	(15)	(14)
Adjusted net income	$ 13	$ 4	$ 23	$ 2
Diluted weighted average shares outstanding	61.7	60.0	61.4	59.9
Adjusted EPS [6]	$ 0.22	$ 0.07	$ 0.38	$ 0.03

(1) Loss on sale of assets and other asset charges, as reflected here, does not include losses on sales of receivables under the accounts receivable monetization program, which are included in Loss on sale of assets and other asset charges on the Condensed Consolidated Statements of Operations and are not adjusted in the calculation of Adjusted EPS. Fiscal 2024 primarily includes a $21 million non-cash asset impairment charge related to one of our corporate-owned office locations.

(2) Reflects surplus, non-operating property depreciation and interest expense.

(3) Reflects costs associated with business transformation initiatives, primarily including third-party consulting costs and licensing costs, which are included within Operating expenses in the Condensed Consolidated Statements of Operations.

(4) Fiscal 2025 primarily reflects certain estimated accrued legal-related costs, which are included within Operating expenses in the Condensed Consolidated Statements of Operations. Fiscal 2024 primarily reflects third-party professional service fees related to shareholder negotiations, which are included within Operating expenses in the Condensed Consolidated Statements of Operations.

(5) Represents the tax effect of the pre-tax adjustments using an adjusted effective tax rate. The adjusted effective tax rate is calculated based on adjusted net income before tax, and its impact reflects the exclusion of changes to uncertain tax positions, valuation allowances, tax impacts related to the vesting of share-based compensation awards and discrete GAAP tax items which could impact the comparability of the operational effective tax rate. The Company believes using this adjusted effective tax rate will provide better consistency across the interim reporting periods since each of these discrete items can cause volatility in the GAAP tax rate that is not indicative of the underlying ongoing operations of the Company. By providing this non-GAAP measure, management intends to provide investors with a meaningful, consistent comparison of the Company's effective tax rate on ongoing operations.

(6) Adjusted earnings per share amounts are calculated using actual unrounded figures.

Reconciliation – Adjusted EBITDA By Quarter

	Adjusted EBITDA Reconciliation by Quarter											
(in millions)	Q1 FY2023	Q2 FY2023	Q3 FY2023	Q4 FY2023	FY2023	Q1 FY2024	Q2 FY2024	Q3 FY2024	Q4 FY2024	FY2024	Q1 FY2025	Q2 FY2025
Net income (loss) from continuing operations	$ 67	$ 22	$ 8	$ (67)	$ 30	$ (39)	$ (14)	$ (20)	$ (37)	$ (110)	$ (20)	$ (2)
Adjustments to net income (loss) from continuing operations:												
Less net income attributable to noncontrolling interests	(1)	(3)	(1)	(1)	(6)	—	(1)	(1)	—	(2)	(1)	(1)
Net periodic benefit income, excluding service cost	(7)	(7)	(8)	(7)	(29)	(3)	(4)	(4)	(4)	(15)	(5)	(5)
Interest expense, net	35	39	35	35	144	35	40	37	50	162	36	38
Other income, net	(1)	—	(1)	—	(2)	—	(1)	(1)	—	(2)	(2)	(1)
Provision (benefit) for income taxes	5	9	(1)	(36)	(23)	(9)	(5)	(6)	(7)	(27)	(4)	(3)
Depreciation and amortization	74	73	77	80	304	78	74	76	91	319	80	81
Share-based compensation	12	11	10	5	38	6	10	10	11	37	7	11
LIFO charge (benefit)	21	29	33	36	119	7	6	6	(12)	7	7	3
Restructuring, acquisition and integration related expenses (benefits)	2	3	(4)	7	8	4	4	9	19	36	12	9
(Gain) loss on sale of assets and other asset charges	(5)	1	4	30	30	19	5	13	20	57	6	5
Multiemployer pension plan withdrawal charges	—	—	—	1	1	—	—	—	—	—	—	—
Other retail expense	—	—	—	1	1	—	—	—	—	—	—	—
Business transformation costs	5	4	7	9	25	15	14	11	12	52	18	8
Other adjustments	—	—	—	—	—	4	—	—	—	4	—	2
Adjusted EBITDA	$ 207	$ 181	$ 159	$ 93	$ 640	$ 117	$ 128	$ 130	$ 143	$ 518	$ 134	$ 145

Reconciliation – Trailing Twelve Months Adjusted EBITDA

	Last Four Quarters Adjusted EBITDA Reconciliation by Quarter							
(in millions)	April 29, 2023 (52 weeks)	July 29, 2023 (52 weeks)	October 28, 2023 (52 weeks)	January 27, 2024 (52 weeks)	April 27, 2024 (52 weeks)	August 3, 2024 (53 weeks)	November 2, 2024 (53 weeks)	February 1, 2025 (53 weeks)
Net income (loss) from continuing operations	$ 138	$ 30	$ (76)	$ (112)	$ (140)	$ (110)	$ (91)	$ (79)
Adjustments to net income (loss) from continuing operations:								
Less net income attributable to noncontrolling interests	(7)	(6)	(5)	(3)	(3)	(2)	(3)	(3)
Net periodic benefit income, excluding service cost	(32)	(29)	(25)	(22)	(18)	(15)	(17)	(18)
Interest expense, net	143	144	144	145	147	162	163	161
Other income, net	(2)	(2)	(1)	(2)	(2)	(2)	(4)	(4)
Provision (benefit) for income taxes	16	(23)	(37)	(51)	(56)	(27)	(22)	(20)
Depreciation and amortization	299	304	308	309	308	319	321	328
Share-based compensation	43	38	32	31	31	37	38	39
LIFO charge	139	119	105	82	55	7	7	4
Restructuring, acquisition and integration related expenses	6	8	10	11	24	36	44	49
Loss on sale of assets and other asset charges	—	30	54	58	67	57	44	44
Multiemployer pension plan withdrawal charges	—	1	1	1	1	—	—	—
Other retail expense	1	1	1	1	1	—	—	—
Business transformation costs	16	25	35	45	49	52	55	49
Other adjustments	—	—	4	4	4	4	—	2
Adjusted EBITDA	$ 760	$ 640	$ 550	$ 497	$ 468	$ 518	$ 535	$ 552

Reconciliation – Adjusted EBITDA by Segment

	Adjusted EBITDA by Segment							
(in millions)	FY2023	Q1 FY2024	Q2 FY2024	Q3 FY2024	Q4 FY2024	FY2024	Q1 FY2025	Q2 FY2025
Wholesale	$ 540	$ 117	$ 118	$ 125	$ 116	$ 476	$ 131	$ 136
Retail	70	(1)	8	(3)	4	8	—	6
Other	31	3	4	7	16	30	1	5
Eliminations	(1)	(2)	(2)	1	7	4	2	(2)
Adjusted EBITDA	$ 640	$ 117	$ 128	$ 130	$ 143	$ 518	$ 134	$ 145
Total net sales	30,272	7,552	7,775	7,498	8,155	30,980	7,871	8,158
Adjusted EBITDA margin rate	2.11 %	1.55 %	1.65 %	1.73 %	1.75 %	1.67 %	1.70 %	1.78 %

Reconciliation – Free Cash Flow

(in millions)	13-Week Period Ended		26-Week Period Ended	
	February 1, 2025	January 27, 2024	February 1, 2025	January 27, 2024
Net cash provided by (used in) operating activities	$ 247	$ 183	$ 137	$ (71)
Payments for capital expenditures	(54)	(67)	(103)	(141)
Free cash flow	$ 193	$ 116	$ 34	$ (212)

Reconciliation – Net Leverage

Calculation of Net Debt to Adjusted EBITDA Leverage Ratio (unaudited)

(in millions, except ratios)	Q4 FY2022	Q1 FY2023	Q2 FY2023	Q3 FY2023	Q4 FY2023	Q1 FY2024	Q2 FY2024	Q3 FY2024	Q4 FY2024	Q1 FY2025	Q2 FY2025
Long-term debt	$ 2,109	$ 2,485	$ 2,065	$ 2,022	$ 1,956	$ 2,296	$ 2,176	$ 2,148	$ 2,081	$ 2,244	$ 2,068
Long-term finance lease liabilities	23	20	18	15	12	10	7	11	12	11	13
Current portion of long-term debt and finance lease liabilities	27	27	23	21	18	16	12	11	11	10	9
Less: Cash and cash equivalents	(44)	(39)	(40)	(38)	(37)	(37)	(34)	(39)	(40)	(37)	(44)
Net carrying value of debt and finance lease liabilities	2,115	2,493	2,066	2,020	1,949	2,285	2,161	2,131	2,064	2,228	2,046
Adjusted EBITDA[(1)]	$ 829	$ 836	$ 797	$ 760	$ 640	$ 550	$ 497	$ 468	$ 518	$ 535	$ 552
Adjusted EBITDA leverage ratio	2.6x	3.0x	2.6x	2.7x	3.0x	4.2x	4.3x	4.6x	4.0x	4.2x	3.7x

(1) Adjusted EBITDA reflects the summation of the trailing four quarters.

Reconciliation – Trailing Twelve Month Free Cash Flow

Trailing Twelve Month Free Cash Flow Reconciliation

	Q2 FY2024 (52-week period ended January 27, 2024)	Q3 FY2024 (52-week period ended April 27, 2024)	Q4 FY2024[1] (52-week period ended August 3, 2024)	Q1 FY2025 (53-week period ended November 2, 2024)	Q2 FY2025 (53-week period ended February 1, 2025)
Net cash provided by operating activities	$ 283	$ 276	$ 253	$ 389	$ 453
Payments for capital expenditures	(313)	(322)	(345)	(312)	(299)
Free cash flow	$ (30)	$ (46)	$ (92)	$ 77	$ 154

(1) Certain amounts in fiscal 2024 have been reclassified from Cloud technology implementation expenditures to Payments for capital expenditures and as a result, fiscal 2024 quarterly amounts will not sum to full-year totals. These reclassifications had no impact on total Free cash flow.

Thank you

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