

**Sysco Corporation and its Consolidated Subsidiaries**  
**Non-GAAP Reconciliation (Unaudited)**  
**Impact of Acquired Operations on Operating Expenses**  
(In Thousands, Except for Share and Per Share Data)

Sysco's operating expenses in the first quarter of fiscal 2014 contain expenses from acquired companies that were not a part of Sysco for all or a portion of the first quarter of fiscal 2013. As a result, the increase in Sysco's operating expenses has been significantly impacted by these acquired companies. Management believes that adjusting its operating expenses to remove these expenses provides an important perspective of operating expense management that provides meaningful supplemental information to both management and investors. Sysco believes the adjusted operating expense facilitates comparison on a year-over-year basis.

	<b>13-Week Period Ended Sep. 28, 2013</b>	<b>13-Week Period Ended Sep. 29, 2012</b>	<b>13-Week Period Change in Dollars</b>	<b>13-Week Period % Change</b>
<b>Operating expenses (GAAP)</b>	\$ 1,587,289	\$ 1,551,013	\$ 36,276	2.3 %
Operating expenses of acquired operations	(35,497)	-	(35,497)	NM
<b>Adjusted operating expenses (Non-GAAP)</b>	<u>\$ 1,551,792</u>	<u>\$ 1,551,013</u>	<u>\$ 779</u>	<u>0.1 %</u>

**Non-GAAP Reconciliation (Unaudited)**  
**Free Cash Flow**

(In Thousands)

Free cash flow represents net cash provided from operating activities less purchases of plant and equipment and includes proceeds from sales of plant and equipment. Sysco considers free cash flow to be a liquidity measure that provides useful information to management and investors about the amount of cash generated by the business after the purchases and sales of buildings, fleet, equipment and technology, which may potentially be used to pay for, among other things, strategic uses of cash including dividend payments, share repurchases and acquisitions. We do not mean to imply that free cash flow is necessarily available for discretionary expenditures, however, as it may be necessary that we use it to make mandatory debt service or other payments. Free cash flow should not be used as a substitute in assessing the company's liquidity for the periods presented. An analysis of any non-GAAP financial measure should be used in conjunction with results presented in accordance with GAAP. In the table that follows, free cash flow for each period presented is reconciled to net cash provided by operating activities.

	<b>13-Week Period Ended Sep. 28, 2013</b>	<b>13-Week Period Ended Sep. 29, 2012</b>	<b>13-Week Period Change in Dollars</b>	<b>13-Week Period % Change</b>
<b>Net cash provided by operating activities (GAAP)</b>	\$ 169,229	\$ 213,201	\$ (43,972)	-20.6 %
Additions to plant and equipment	(135,749)	(155,673)	19,924	12.8
Proceeds from sales of plant and equipment	10,573	1,393	9,180	659.0
<b>Free Cash Flow (Non-GAAP)</b>	<u>\$ 44,053</u>	<u>\$ 58,921</u>	<u>\$ (14,868)</u>	<u>-25.2 %</u>

**Sysco Corporation and its Consolidated Subsidiaries**  
**Non-GAAP Reconciliation (Unaudited)**  
**Impact of Certain Items and Underlying Business**  
(In Thousands, Except for Share and Per Share Data)

Sysco's results of operations are impacted by certain items which include charges from restructuring our executive retirement plans, severance charges and charges from facility closures. Management believes that adjusting its operating expenses, operating income, net earnings and diluted earnings per share to remove these certain items provides an important perspective with respect to our results and provides meaningful supplemental information to both management and investors that removes these items which are difficult to predict and are often unanticipated, and which, as a result are difficult to include in analyst's financial models and our investors' expectations with any degree of specificity. Sysco believes the adjusted totals facilitate comparison on a year-over-year basis.

Sysco's results of operations are further impacted by costs from our multi-year Business Transformation Project. Management believes that further adjusting its operating expenses, operating income, net earnings and diluted earnings per share to remove the impact of the Business Transformation Project expenses provides an important perspective with respect to underlying business trends and results and provides meaningful supplemental information to both management and investors that is indicative of the performance of the company's underlying operations and facilitates comparison on a year-over year basis.

The company uses these non-GAAP measures when evaluating its financial results as well as for internal planning and forecasting purposes. These financial measures should not be used as a substitute in assessing the company's results of operations for the periods presented. An analysis of any non-GAAP financial measure should be used in conjunction with results presented in accordance with GAAP. As a result, in the tables that follow, each period presented is adjusted to remove the certain items noted above. Each period has been further adjusted to remove expenses related to the Business Transformation Project.

	<b>13-Week Period Ended Sep. 28, 2013</b>	<b>13-Week Period Ended Sep. 29, 2012</b>	<b>13-Week Period Change in Dollars</b>	<b>13-Week Period % Change</b>
<b>Operating expenses (GAAP)</b>	\$ 1,587,289	\$ 1,551,013	\$ 36,276	2.3 %
Impact of Restructuring Executive Retirement Plans	(516)	-	(516)	NM
Impact of Severance charges	(1,582)	(6,077)	4,495	-74.0
Impact of Facility Closure charges	(739)	(388)	(351)	90.5
<b>Operating expenses adjusted for certain items (Non-GAAP)</b>	<u>\$ 1,584,452</u>	<u>\$ 1,544,548</u>	<u>\$ 39,904</u>	<u>2.6 %</u>
Impact of Business Transformation Project costs	(66,628)	(77,682)	11,054	-14.2
<b>Adjusted operating expenses underlying bus. (Non-GAAP)</b>	<u>\$ 1,517,824</u>	<u>\$ 1,466,866</u>	<u>\$ 50,958</u>	<u>3.5 %</u>
<b>Operating Income (GAAP)</b>	\$ 478,198	\$ 478,782	\$ (584)	-0.1 %
Impact of Restructuring Executive Retirement Plans	516	-	516	NM
Impact of Severance charges	1,582	6,077	(4,495)	-74.0
Impact of Facility Closure charges	739	388	351	90.5
<b>Operating income adjusted for certain items (Non-GAAP)</b>	<u>\$ 481,035</u>	<u>\$ 485,247</u>	<u>\$ (4,212)</u>	<u>-0.9 %</u>
Impact of Business Transformation Project costs	66,628	77,682	(11,054)	-14.2
<b>Adjusted operating income underlying bus. (Non-GAAP)</b>	<u>\$ 547,663</u>	<u>\$ 562,929</u>	<u>\$ (15,266)</u>	<u>-2.7 %</u>
<b>Net earnings (GAAP)</b>	\$ 285,590	\$ 286,598	\$ (1,008)	-0.4 %
Impact of Restructuring Executive Retirement Plans (net of tax)	326	-	326	NM
Impact of Severance charges (net of tax)	999	3,867	(2,868)	-74.2
Impact of Facility Closure charges (net of tax)	467	247	220	89.1
<b>Net earnings adjusted for certain items (Non-GAAP)</b>	<u>\$ 287,382</u>	<u>\$ 290,712</u>	<u>\$ (3,330)</u>	<u>-1.1 %</u>
Impact of Business Transformation Project costs (net of tax)	42,079	49,432	(7,353)	-14.9
<b>Adjusted net earnings underlying business (Non-GAAP) (1)</b>	<u>\$ 329,461</u>	<u>\$ 340,144</u>	<u>\$ (10,683)</u>	<u>-3.1 %</u>
<b>Diluted earnings per share (GAAP)</b>	\$ 0.48	\$ 0.49	\$ (0.01)	-2.0 %
Impact of Restructuring Executive Retirement Plans	-	-	-	0.0
Impact of Severance charges	-	0.01	(0.01)	-100.0
Impact of Facility Closure charges	-	-	-	0.0
<b>Diluted EPS adjusted for certain items (Non-GAAP) (2)</b>	<u>\$ 0.49</u>	<u>\$ 0.49</u>	<u>\$ -</u>	<u>0.0 %</u>
Impact of Business Transformation Project costs	0.07	0.08	(0.01)	-12.5
<b>Adjusted diluted EPS underlying business (Non-GAAP) (2)</b>	<u>\$ 0.56</u>	<u>\$ 0.58</u>	<u>\$ (0.02)</u>	<u>-3.4 %</u>

Diluted shares outstanding 591,458,948 589,838,819

<sup>(1)</sup> Tax impact of adjustments for executive retirement plans restructuring, MEPP charge, severance charges, charges from facility closures and Business Transformation expenses was \$25,594 and \$30,602 for the 13-week periods ended September 28, 2013 and September 29, 2012, respectively. Amounts are calculated by multiplying the operating income impact of each item by each quarter's effective tax rate.

<sup>(2)</sup> Individual components of diluted earnings per share may not add to the total presented due to rounding. Total diluted earnings per share is calculated using adjusted net earnings for certain items and adjusted net earnings - underlying business, both divided by diluted shares outstanding.

NM represents that the percentage change is not meaningful