

Sysco Corporation Announces Early Tender Results And Upsizing of its Pending Cash Tender Offer to Purchase Certain Outstanding Senior Notes and Debentures

Jun 04, 2021

HOUSTON, June 04, 2021 (GLOBE NEWSWIRE) -- Sysco Corporation (NYSE: SY) ("Sysco" or the "Company") today announced the early tender results as of the Early Tender Time (as defined below) in connection with Sysco's previously announced cash tender offer (the "Offer") to purchase its 7.160% Debentures due 2027 (the "7.160% Debentures"), 6.500% Debentures due 2028 (the "6.500% Debentures"), 6.625% Senior Notes due 2039 (the "6.625% Senior Notes"), 5.950% Senior Notes due 2030 (the "5.950% Senior Notes"), 6.600% Senior Notes due 2040 (the "6.600% Senior Notes due 2040") and 6.600% Senior Notes due 2050 (the "6.600% Senior Notes due 2050" and together with the 7.160% Debentures, the 6.500% Debentures, the 6.625% Senior Notes, the 5.950% Senior Notes and the 6.600% Senior Notes due 2040, the "Securities," and each, a "series" of Securities). Sysco also announced that it has increased the previously announced maximum amount of Securities that will be purchased in the Offer from a combined aggregate principal amount of Securities that could be purchased for a combined aggregate purchase price, determined in accordance with the procedures set forth in the Offer to Purchase (as defined below) and excluding Accrued Interest (as defined in the Offer to Purchase), of \$750,000,000 to \$1,000,000,000 (subject to further increase, in its sole discretion, the "Total Tender Cap"), subject to the terms and conditions set forth in the Offer to Purchase. Except as described in this press release, all other terms of the Offer, as described in the Offer to Purchase, remain unchanged.

On May 20, 2021, Sysco commenced the Offer in accordance with the terms and conditions set forth in the offer to purchase, dated May 20, 2021 (the "Offer to Purchase"), sent to holders of the Securities. As of 5:00 p.m., New York City time, on June 3, 2021 (the "Early Tender Time"), Securities were validly tendered and not validly withdrawn as set forth in the table below:

Title of Security	CUSIP Number	Principal Amount Outstanding Prior to the Tender Offer	Tender Subcap (principal amount)	Principal Amount Tendered as of the Early Tender Time	Percentage of Outstanding Principal Amount Tendered ⁽¹⁾	Acceptance Priority Level
7.160% Debentures due 2027	871829 AD9	\$44,276,000	N/A	\$1,100,000	2.48%	1
6.500% Debentures due 2028	871829 AF4	\$163,054,000	N/A	\$7,639,000	4.68%	1
6.625% Senior Notes due 2039	871829 AN7	\$203,007,000	N/A	\$507,000	0.25%	1
5.950% Senior Notes due 2030*	871829 BL0	\$1,250,000,000	\$250,000,000	\$742,465,000	59.40%	2
6.600% Senior Notes due 2040*	871829 BM8	\$750,000,000	N/A	\$395,026,000	52.67%	3
6.600% Senior Notes due 2050*	871829 BN6	\$1,250,000,000	N/A	\$612,508,000	49.00%	4

(1) Rounded to the nearest one hundredth of one percent.

* Denotes Securities for which the Full Tender Offer Consideration will be calculated using a yield to the par call date of such Securities

The amount of each series of Securities accepted for purchase will be determined pursuant to the terms of the Offer, as set forth in the Offer to Purchase.

As set forth in the Offer to Purchase, holders who validly tendered and did not validly withdraw their Securities at or prior to the Early Tender Time and whose Securities are accepted for purchase will receive the Full Tender Offer Consideration, which will be determined at or about 10:00 a.m., New York City time, today, June 4, 2021, and which includes an early tender payment of \$50 per \$1,000 principal amount of Securities. Holders of such Securities accepted for purchase will receive accrued and unpaid interest from, and including, the last interest payment date for their tendered Securities to, but not including, the early settlement date, which is expected to be June 7, 2021, rounded to the nearest cent.

In accordance with the terms of the Offer, the withdrawal deadline for the Offer was 5:00 p.m., New York City time, on June 3, 2021, and has not been extended for any series of Securities. Securities tendered may no longer be withdrawn unless otherwise required by law. The Offer will expire at 11:59 p.m., New York City time, on June 17, 2021, unless extended or earlier terminated by Sysco, with respect to any or all series of Securities. Although the Offer is scheduled to expire at 11:59 p.m., New York City time, on June 17, 2021, because holders of Securities subject to the Offer validly tendered and did not validly withdraw Securities at or prior to the Early Tender Time in an amount greater than the Total Tender Cap, Sysco does not expect to accept for purchase any tenders of Securities after the Early Tender Time.

The Offer is subject to the satisfaction or waiver of certain conditions, as specified in the Offer to Purchase.

Capitalized terms used in this press release and not defined herein have the meanings given to them in the Offer to Purchase.

BofA Securities, Inc., TD Securities (USA) LLC and Deutsche Bank Securities Inc. are acting as lead dealer managers for the Offer. For additional information regarding the terms of the Offer, please contact: BofA Securities, Inc. toll-free at (888) 292-0070 or collect at (980) 387-3907, TD Securities (USA) LLC toll-free at (866) 584-2096 or collect at (212) 827-7795 or Deutsche Bank Securities Inc. toll-free at (866) 627-0391 or collect at (212) 250-2955. Requests for the Offer to Purchase may be directed to D. F. King & Co., Inc., which is acting as the Tender Agent and Information Agent for the Offer, at (866) 796-7182 (toll-free), or by email at syy@dfking.com.

THIS PRESS RELEASE IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT AN OFFER OR SOLICITATION TO PURCHASE SECURITIES. THE OFFER IS BEING MADE SOLELY PURSUANT TO THE OFFER TO PURCHASE, WHICH SETS FORTH THE COMPLETE TERMS OF THE OFFER AND SHOULD BE READ CAREFULLY PRIOR TO MAKING ANY DECISION WITH RESPECT TO THE OFFER.

NONE OF SYSCO, THE BOARD OF DIRECTORS OF SYSCO, THE DEALER MANAGERS, THE TENDER AGENT, THE INFORMATION AGENT, THE APPLICABLE TRUSTEE UNDER THE INDENTURE GOVERNING THE SECURITIES OR ANY OF THEIR RESPECTIVE AFFILIATES MAKES ANY RECOMMENDATION AS TO WHETHER HOLDERS SHOULD TENDER SECURITIES PURSUANT TO THE OFFER.

THE OFFER TO PURCHASE DOES NOT CONSTITUTE AN OFFER OR SOLICITATION TO PURCHASE SECURITIES IN ANY JURISDICTION IN WHICH, OR TO OR FROM ANY PERSON TO OR FROM WHOM, IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION UNDER APPLICABLE SECURITIES OR BLUE SKY LAWS. IN ANY JURISDICTION IN WHICH THE SECURITIES, BLUE SKY OR OTHER LAWS REQUIRE THE OFFER TO BE MADE BY A LICENSED BROKER OR DEALER, THE OFFER WILL BE DEEMED TO BE MADE ON BEHALF OF SYSCO BY A DEALER MANAGER, IF SUCH DEALER MANAGER IS A LICENSED BROKER OR DEALER UNDER THE LAWS OF SUCH JURISDICTION, OR BY ONE OR MORE REGISTERED BROKERS OR DEALERS THAT ARE LICENSED UNDER THE LAWS OF SUCH JURISDICTION.

Forward-Looking Statements

Statements made in this news release that look forward in time or that express management's beliefs, expectations or hopes are forward-looking statements. Such forward-looking statements reflect the views of management at the time such statements are made and are subject to a number of risks, uncertainties, estimates, and assumptions that may cause actual results to differ materially from current expectations. These statements include expectations regarding the completion and timing of the Offer. For a discussion of additional factors impacting Sysco's business, see the Company's Annual Report on Form 10-K for the year ended June 27, 2020, as filed with the Securities and Exchange Commission (the "SEC"), and the Company's subsequent filings with the SEC. Sysco does not undertake to update its forward-looking statements, except as required by applicable law.

About Sysco

Sysco is the global leader in selling, marketing and distributing food products to restaurants, healthcare and educational facilities, lodging establishments and other customers who prepare meals away from home. Its family of products also includes equipment and supplies for the foodservice and hospitality industries. With more than 57,000 associates, the company operates 326 distribution facilities worldwide and serves more than 625,000 customer locations. For fiscal 2020 that ended June 27, 2020, the company generated sales of more than \$52 billion. Information about our CSR program, including Sysco's 2020 Corporate Social Responsibility Report, can be found at www.sysco.com/csr2020report.

For more information, visit www.sysco.com or connect with Sysco on Facebook at www.facebook.com/SyscoFoods or Twitter at <https://twitter.com/Sysco>. For important news and information regarding Sysco, visit the Investor Relations section of the company's Internet home page at www.investors.sysco.com which Sysco plans to use as a primary channel for publishing key information to its investors, some of which may contain material and previously non-public information. In addition, investors should continue to review our news releases and filings with the SEC. It is possible that the information we disclose through any of these channels of distribution could be deemed to be material information.

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Source: Sysco Corporation