



At the heart of
food and service

Fiscal Q2 2026 Earnings Results

January 27, 2026



Forward-Looking Statements

Statements made in this presentation include statements that are forward-looking or that express management's beliefs, expectations or hopes and are forward-looking statements under the Private Securities Litigation Reform Act of 1995. These statements include, among other things, our future financial performance and results, business strategy, plans, goals and objectives, including certain outlook, business trends, our dividend and share repurchase programs, our expectation of future macroeconomic conditions and other statements that are not historical facts, including our expectations regarding foot traffic and volume growth, and benefits to gross margins; and our expectations regarding our future growth, including growth in sales and earnings per share.

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, including those outside of Sysco's control. Risks and uncertainties include without limitation: the impact of geopolitical, economic and market conditions and developments, including changes in global trade policies and tariffs and foreign conflicts; risks related to our business initiatives; periods of significant or prolonged inflation or deflation and their impact on our product costs, volume, foot traffic, and profitability generally; risks related to our efforts to implement our transformation initiatives and meet our other long-term strategic objectives; risks of interruption of supplies and increase in product costs; risks related to changes in consumer eating habits; and impact of natural disasters or adverse weather conditions, public health crises, adverse publicity or lack of confidence in our products, and product liability claims. Should one or more of these risks or uncertainties materialize, or underlying assumptions prove incorrect, actual results may vary materially from those indicated in our forward-looking statements. Therefore, you should not place undue reliance on any of the forward-looking statements contained herein. For more information on these risks and other concerning factors that could cause actual results to differ from those expressed or forecasted, see our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and other filings with the SEC. We do not undertake to update our forward-looking statements, except as required by applicable law.



Kevin Hourican

**CHAIR OF THE BOARD AND
CHIEF EXECUTIVE OFFICER**

Q2: Strong Revenue Growth Across USFS, International, and SYGMA

Fiscal Q2 2026 Highlights

+3.0%

Sales growth to \$20.8 billion

+3.9%

Gross profit dollar growth to \$3.8 billion

+3.1%

Adjusted operating income¹ growth to \$807 million

+6.5%

Adjusted EPS¹ growth to \$0.99

+0.8%

USFS Total Case Growth YoY

+1.2%

USFS Local Case Growth YoY improved sequentially by +140 bps

\$259 million

Returned to shareholders via **dividends** in the quarter

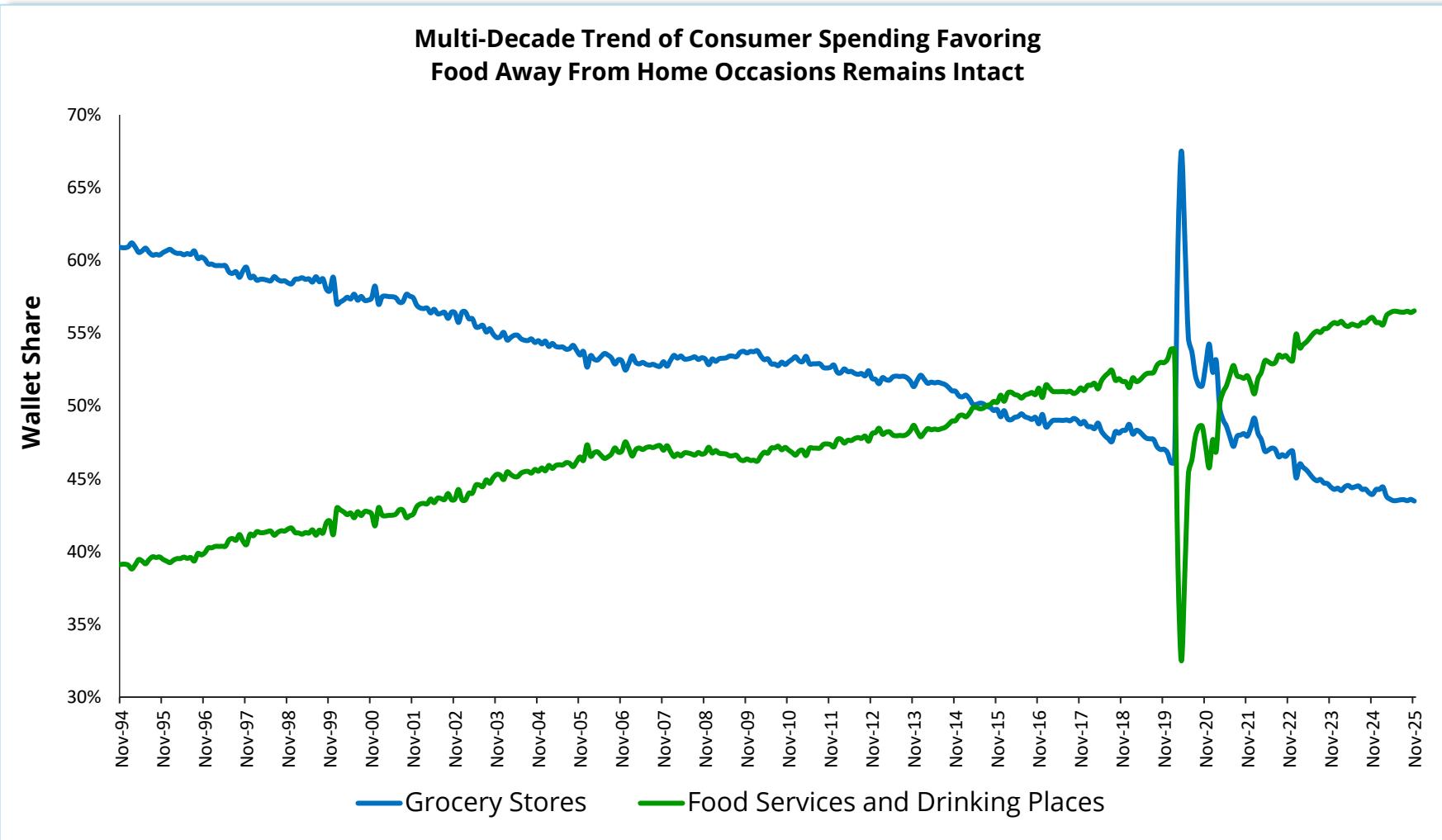
+9.9%

International segment revenue¹ growth adjusted for divestiture of Mexico JV in Q2 2025

+25.6%

International segment adjusted operating income¹ growth to \$162 million

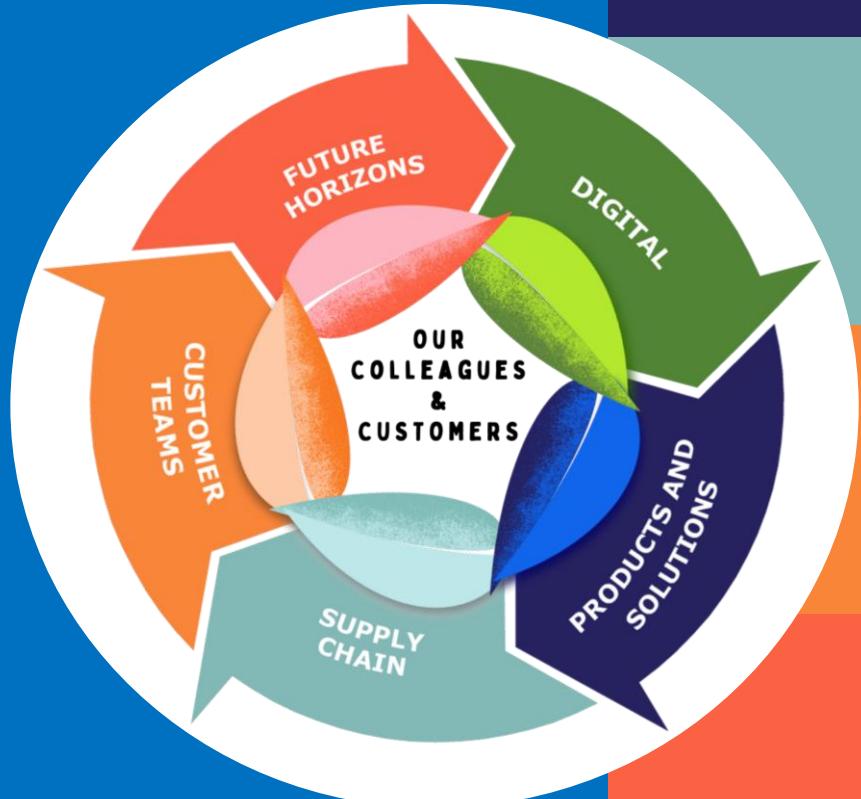
Food Away From Home Continues to Gain Share



Sysco is #1 in an Attractive, Growing Industry



Sysco's Recipe For Growth is Creating Multiple Vectors to Drive Long-term, Profitable Growth



DIGITAL

Enrich the customer experience through personalized digital tools that reduce friction in the purchase experience and introduce innovation to our customers

PRODUCTS AND SOLUTIONS

Customer focused marketing and merchandising solutions that inspire increased sales of our broad assortment of fair priced products and services

SUPPLY CHAIN

Efficiently and consistently serve our customers with the products they need, when and how they need them, through a flexible delivery framework

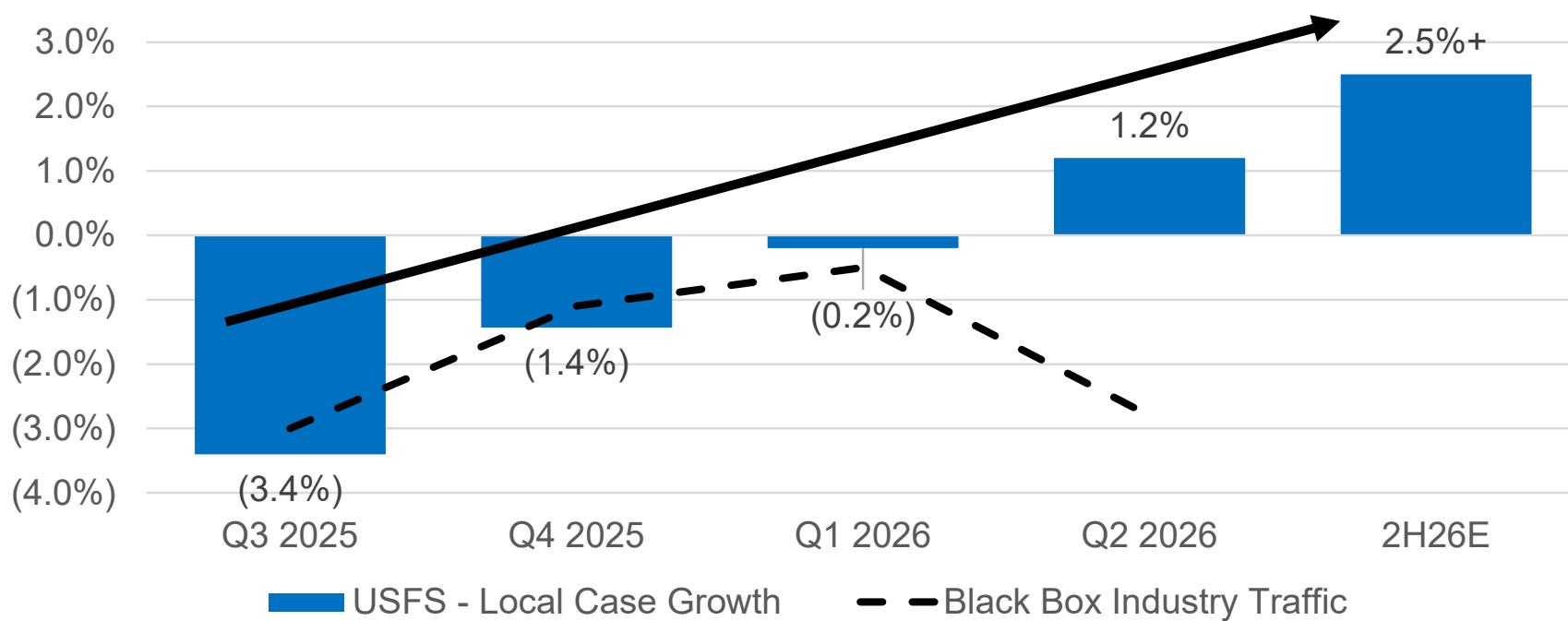
CUSTOMER TEAMS

Our greatest strength is our people. People who are passionate about food and food service. Our diverse team delivers expertise and differentiates services designed to help our customers grow their business

FUTURE HORIZONS

We are committed to responsible growth. We will cultivate new channels, segments, and capabilities while being stewards of our company and our planet for the long-term. We will fund our journey through cost-out and efficiency improvements

Sysco is Regaining Momentum Through Local Performance



In Q2 2026, Local Case Growth Improved +140 bps Sequentially

Projecting at least 100 bps of Sequential Organic Improvement in 2H Driven By:

- Sysco-Specific Initiatives
- Productivity Improvements
- Sequentially Improved New Account Penetration
- Sequentially Lower Customer Churn
- Strengthened Retention Levels

Targeting Local Volume Growth of 2.5%+ in 2H26

Local Volume Growth

2.5%+

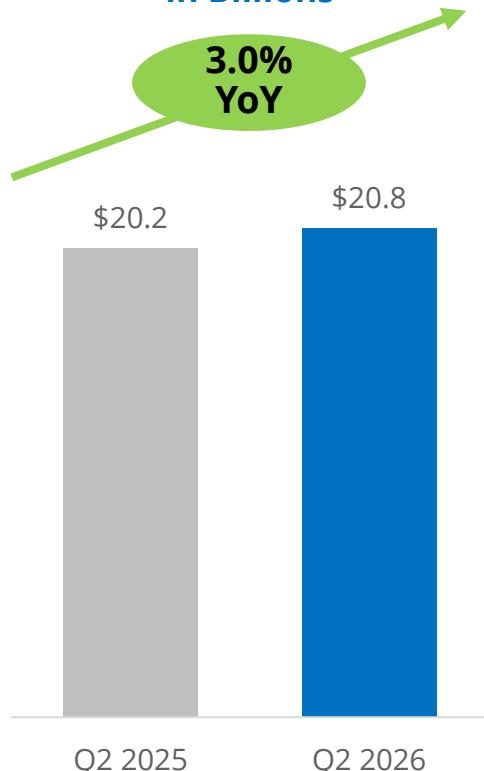
Customer First Growth Programs

- Sales-focused investments and higher retention
- Improved customer churn and attrition
- Customer personalization initiatives

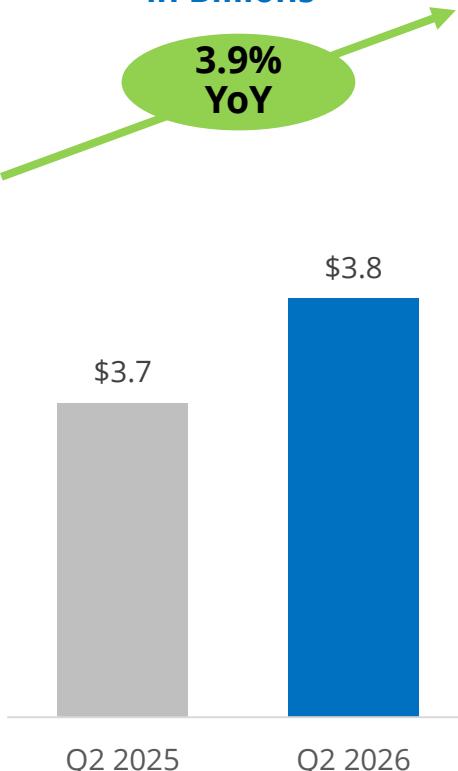


Q2 2026 Consolidated Results

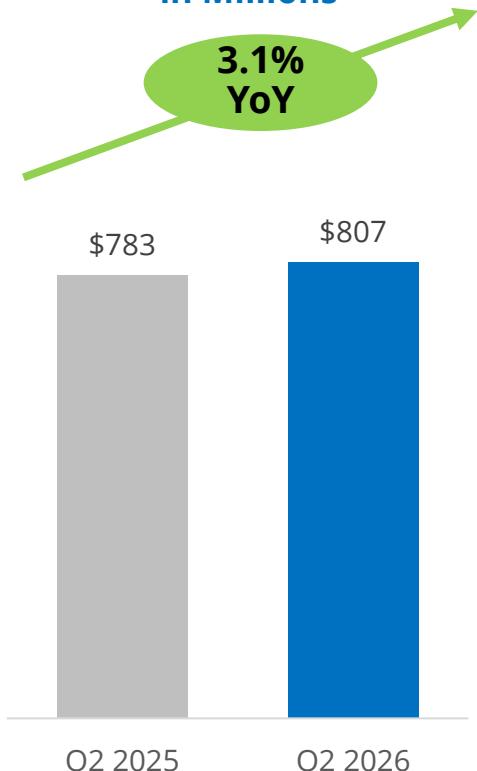
Net Sales in Billions



Gross Profit in Billions



Adj. Operating Income¹ in Millions



- Sales growth of 3.0% YoY
 - USFS sales growth +2.4%
 - International sales¹ growth +7.3% YoY; +9.9% adjusted for divestiture of Mexico JV
 - SYGMA sales growth +0.5%
- Gross profit dollar growth of 3.9% was driven by effective management of product cost inflation and strategic sourcing efficiencies
- Adj. EPS¹ of \$0.99 increased 6.5% YoY

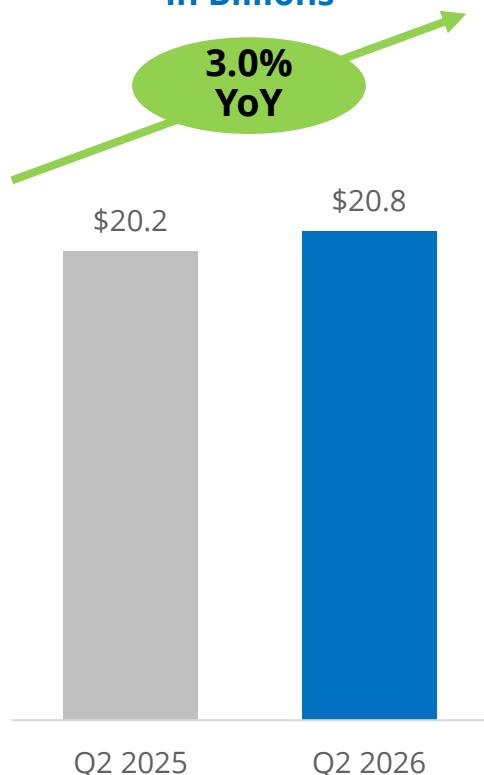


Kenny Cheung

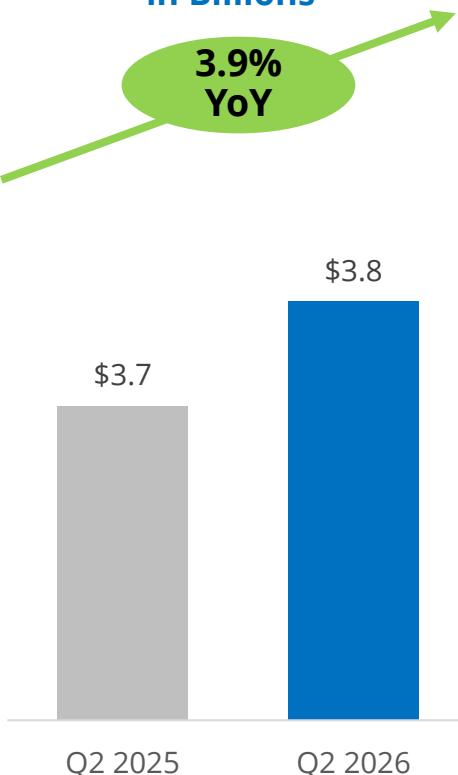
EXECUTIVE VICE PRESIDENT AND
CHIEF FINANCIAL OFFICER

Q2 2026 Consolidated Results

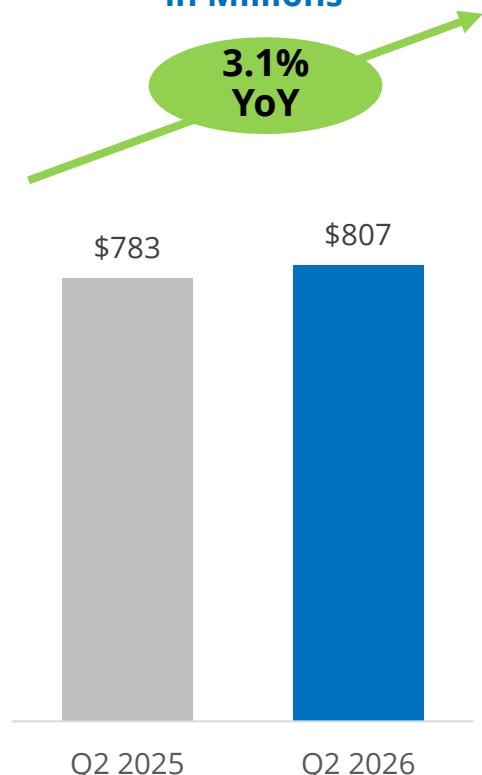
Net Sales in Billions



Gross Profit in Billions

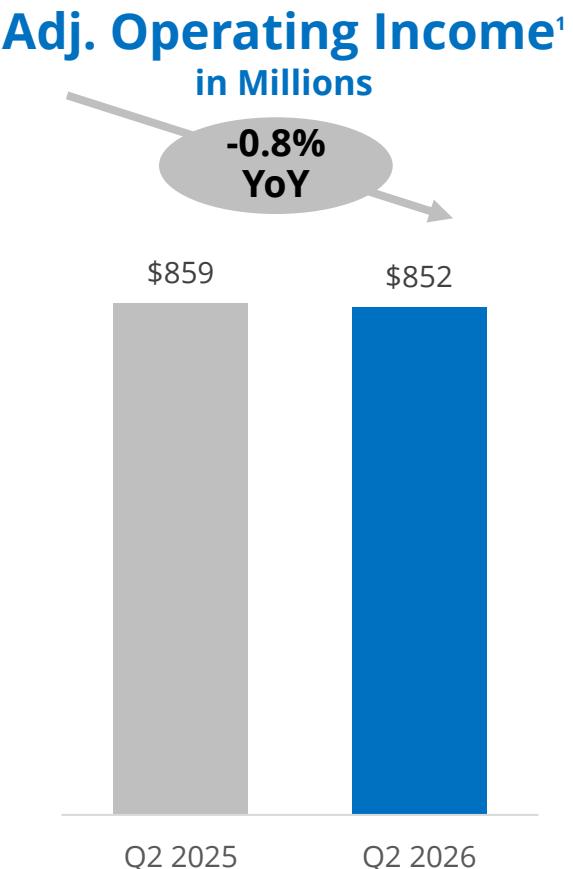


Adj. Operating Income¹ in Millions



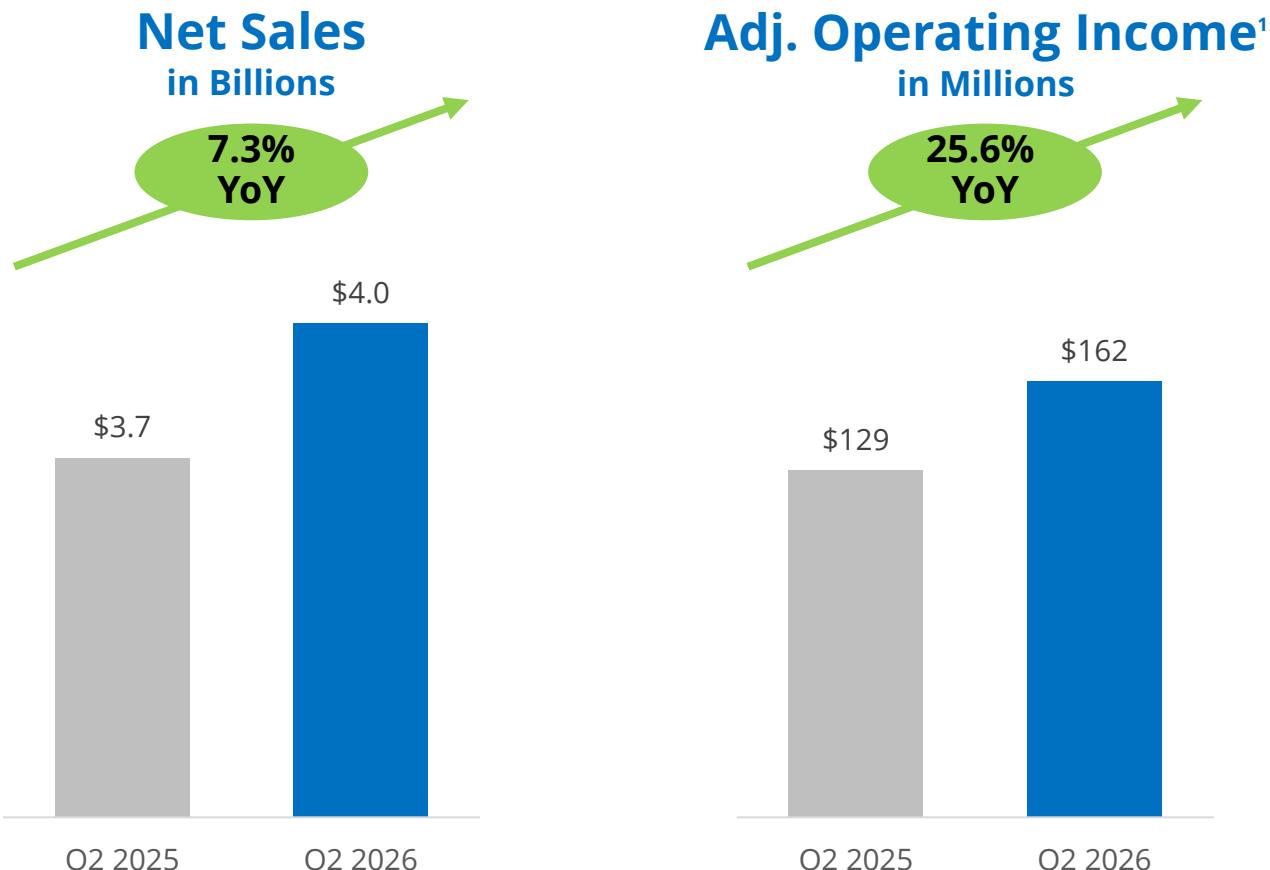
- Sales growth of 3.0% YoY
 - USFS sales growth +2.4%
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- Gross profit dollar growth of 3.9% was driven by effective management of product cost inflation and strategic sourcing efficiencies
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Q2 2026 U.S. Foodservice Results



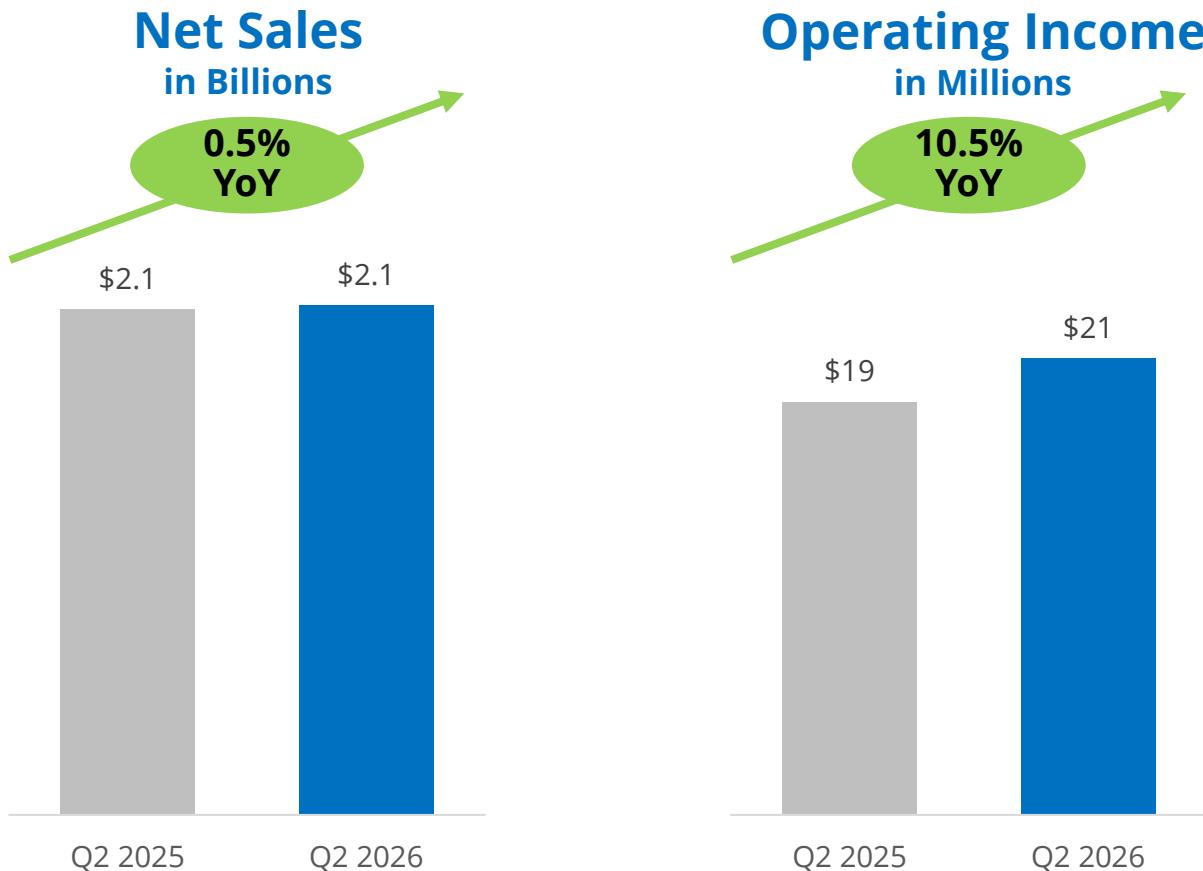
- **USFS sales growth +2.4%**
 - **Total case volume +0.8%**
 - **Local case volume +1.2%, a 140-basis point sequential improvement**
- **Gross profit dollar growth of 2.5% to \$2.7 billion driven by effective management of product cost inflation and strategic sourcing efficiencies**
- **Adj. operating income¹ decreased 0.8% YoY, GAAP operating income declined 1.7% YoY**

Q2 2026 International Results



- Sales increased 7.3% YoY; increased 3.6% on a constant currency basis¹
- Excluding the impact of the Mexico joint venture divestiture in Q2 2025, sales¹ grew 9.9%
- Gross profit dollar growth of 9.5% to \$832 million
- Adj. operating income¹ increased 25.6%; GAAP operating income increased 23.2%
- Broad-based momentum across every major market, in addition to investments in new facilities in Northern Ireland, Sweden, and Great Britain

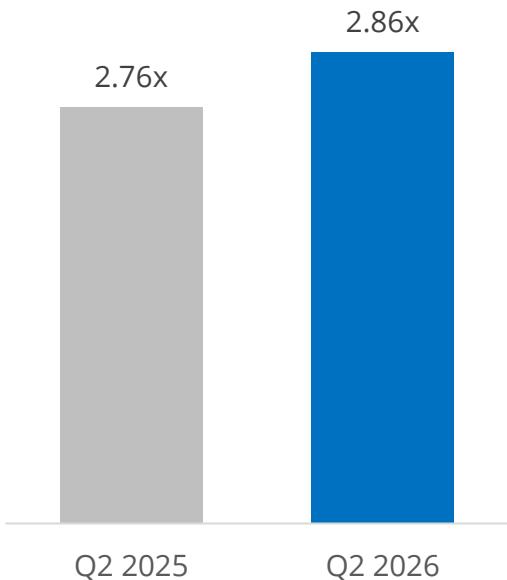
Q2 2026 SYGMA Results



- Sales growth of 0.5% YoY despite negative foot traffic for chains
- Strong sales growth in Food Service Management, travel and entertainment, and healthcare businesses

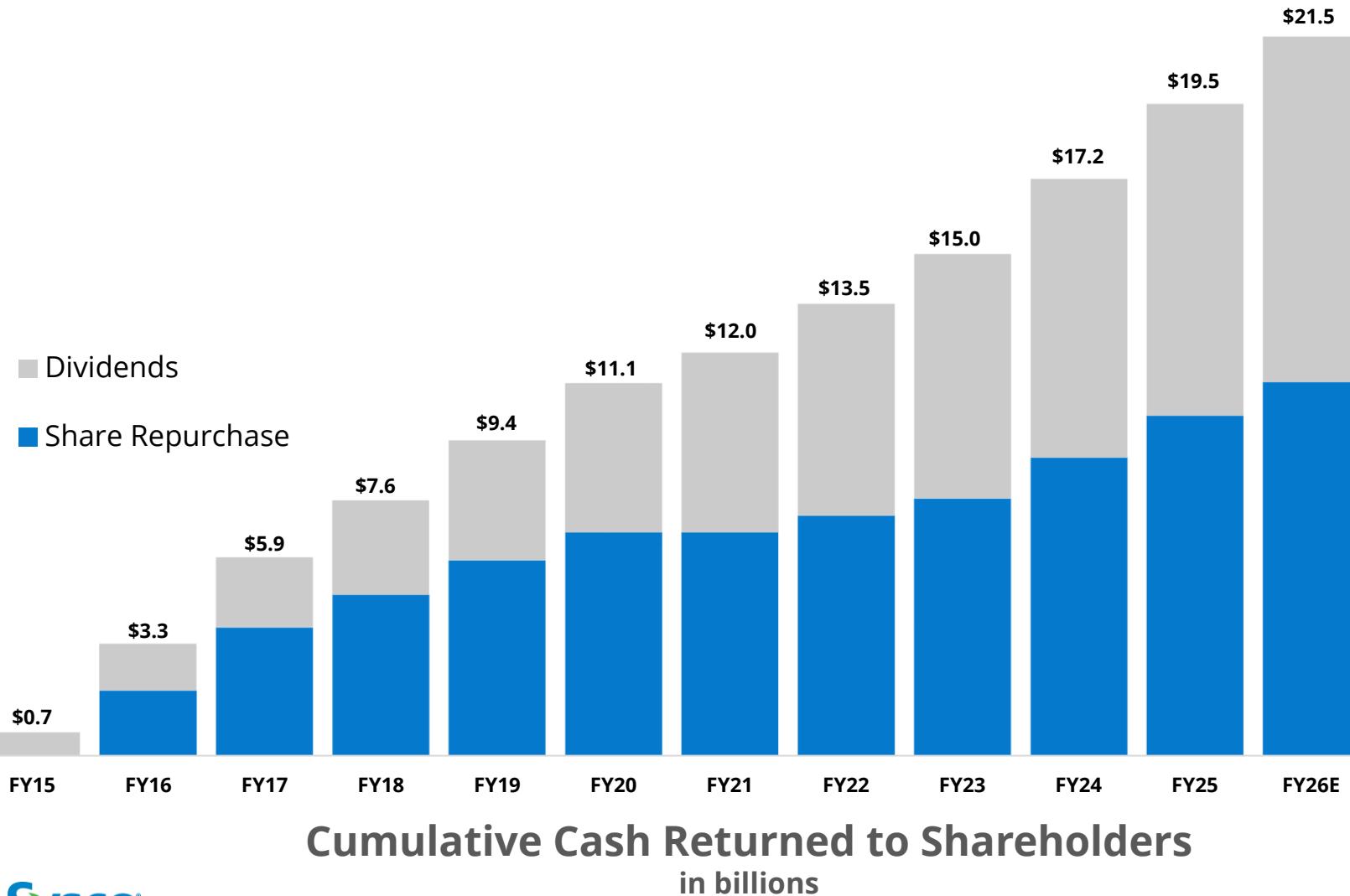
Strong Balance Sheet, Strong Investment Grade Credit Rating

Net Debt to Adj. EBITDA¹



- Ended the quarter with a **2.86x¹ net debt leverage ratio¹** and continue to target a range of 2.5-2.75
- Committed to **Investment Grade debt rating**
- Ended the quarter with **\$12.4 billion in net debt¹** and approximately **\$2.9 billion in total liquidity**, providing substantial headroom above our minimum threshold
- **Debt is well-laddered**

Strong Cash Generation Drives Shareholder Returns

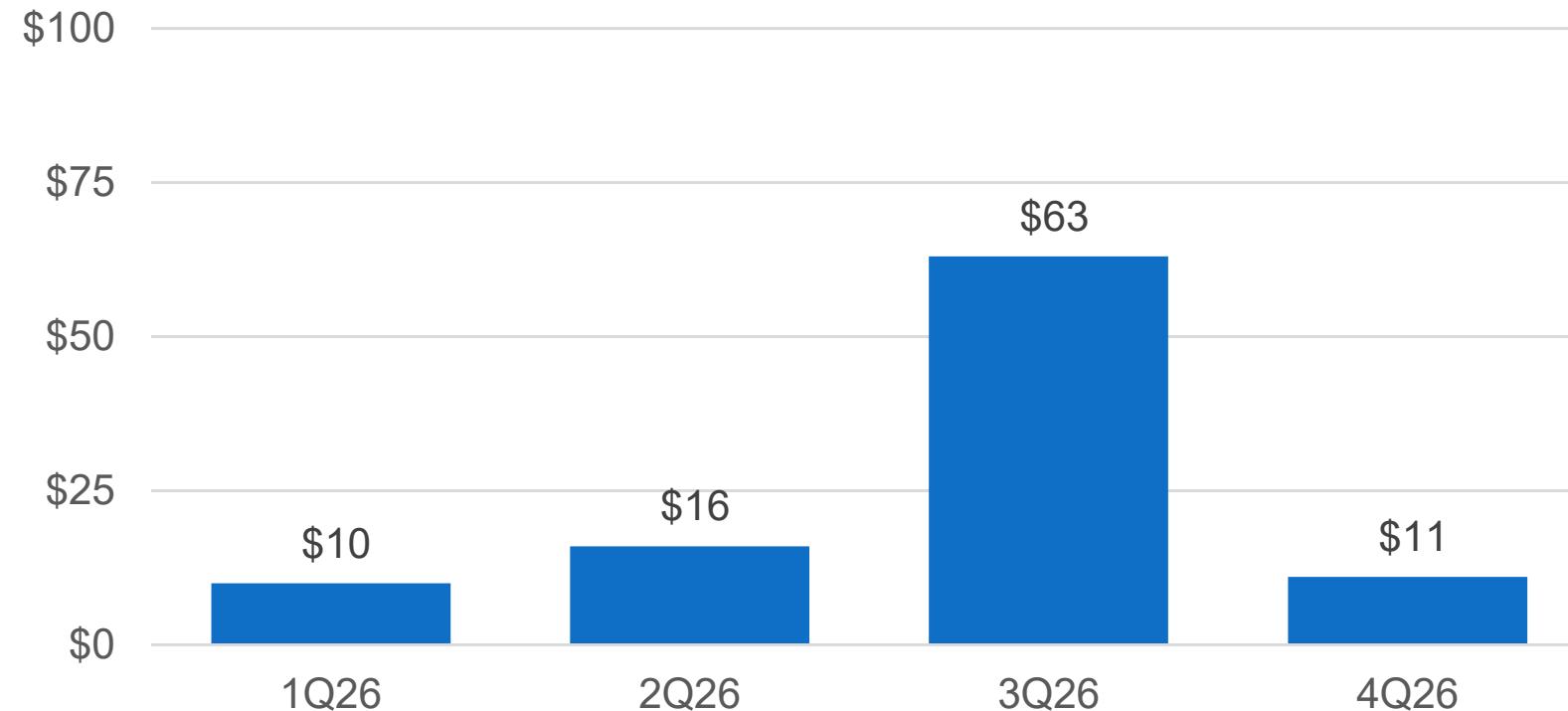


On-Track to return approximately \$21.5 billion in cumulative cash to shareholders over 12 years

Fiscal Year 2026 Guidance

Modeling Details

Incentive Compensation Headwind By Quarter¹



- FY26 adjusted EPS¹ guidance includes approximately \$100 million in carry over impact from incentive comp for the year, impacting year over year comparability
- Excluding this impact, our outlook reflects adjusted EPS growth at the high end of the range of approximately 5% to 7%, in-line with our long-term growth algorithm



NON-GAAP RECONCILIATIONS



Impact of Certain Items

The discussion of our results includes certain non-GAAP financial measures, including EBITDA and adjusted EBITDA, that we believe provide important perspective with respect to underlying business trends. Other than EBITDA and free cash flow, any non-GAAP financial measures will be denoted as adjusted measures to remove (1) restructuring charges; (2) expenses associated with our various transformation initiatives; (3) severance charges; and (4) acquisition-related costs consisting of: (a) intangible amortization expense and (b) acquisition costs and due diligence costs related to our acquisitions.

The results of our operations can be impacted due to changes in exchange rates applicable in converting local currencies to U.S. dollars. We measure our results on a constant currency basis. Constant currency operating results are calculated by translating current-period local currency operating results with the currency exchange rates used to translate the financial statements in the comparable prior-year period to determine what the current-period U.S. dollar operating results would have been if the currency exchange rate had not changed from the comparable prior-year period. We also measure our sales growth excluding the impact of our joint venture in Mexico which was divested in the second quarter of fiscal year 2025.

Management believes that adjusting its operating expenses, operating income, operating margin, net earnings and diluted earnings per share to remove these Certain Items, presenting its results on a constant currency basis, and adjusting its sales results to exclude the impact of its joint venture in Mexico provides an important perspective with respect to our underlying business trends and results. It provides meaningful supplemental information to both management and investors that (1) is indicative of the performance of the company's underlying operations and (2) facilitates comparisons on a year-over-year basis.

Sysco has a history of growth through acquisitions and excludes from its non-GAAP financial measures the impact of acquisition-related intangible amortization, acquisition costs and due-diligence costs for those acquisitions. We believe this approach significantly enhances the comparability of Sysco's results for fiscal year 2026 and fiscal year 2025.

Set forth below is a reconciliation of sales, operating expenses, operating income, net earnings and diluted earnings per share to adjusted results for these measures for the periods presented. Individual components of diluted earnings per share may not be equal to the total presented when added due to rounding. Adjusted diluted earnings per share is calculated using adjusted net earnings divided by diluted shares outstanding.

Sysco Corporation and its Consolidated Subsidiaries
Non-GAAP Reconciliation (Unaudited)
Impact of Certain Items Q2 FY26 vs. Q2 FY25
(Dollars in Millions, Except for Share and Per Share Data)

	13-Week Period Ended Dec. 27, 2025	13-Week Period Ended Dec. 28, 2024	Change in Dollars	%/bps Change
Sales (GAAP)	\$ 20,762	\$ 20,151	\$ 611	3.0%
Impact of Mexico joint venture sales	-	(90)	90	0.5%
Comparable sales excluding Mexico joint venture (Non-GAAP)	<u><u>\$ 20,762</u></u>	<u><u>\$ 20,061</u></u>	<u><u>\$ 701</u></u>	<u><u>3.5%</u></u>
Sales (GAAP)	\$ 20,762	\$ 20,151	\$ 611	3.0%
Impact of currency fluctuations (1)	(138)	(138)	(138)	-0.7%
Comparable sales using a constant currency basis (Non-GAAP)	<u><u>\$ 20,624</u></u>	<u><u>\$ 20,151</u></u>	<u><u>\$ 473</u></u>	<u><u>2.3%</u></u>
Cost of sales (GAAP)	\$ 16,970	\$ 16,501	\$ 469	2.8%
Gross profit (GAAP)	\$ 3,792	\$ 3,650	\$ 142	3.9%
Impact of currency fluctuations (1)	(34)	(34)	(34)	-0.9%
Comparable gross profit adjusted for Certain Items using a constant currency basis (Non-GAAP)	<u><u>\$ 3,758</u></u>	<u><u>\$ 3,650</u></u>	<u><u>\$ 108</u></u>	<u><u>3.0%</u></u>
Gross margin (GAAP)	18.26%	18.11%		15 bps
Impact of currency fluctuations (1)	-0.04%	(0.04%)		-4 bps
Comparable gross margin adjusted for Certain Items using a constant currency basis (Non-GAAP)	<u><u>18.22%</u></u>	<u><u>18.11%</u></u>		<u><u>11 bps</u></u>
Operating expenses (GAAP)	\$ 3,100	\$ 2,938	\$ 162	5.5%
Impact of restructuring and transformational project costs (2)	(57)	(31)	(26)	-83.9%
Impact of acquisition-related costs (3)	(58)	(40)	(18)	-45.0%
Operating expenses adjusted for Certain Items (Non-GAAP)	2,985	2,867	118	4.1%
Impact of currency fluctuations (1)	(29)	(29)	(29)	-1.0%
Comparable operating expenses adjusted for Certain Items using a constant currency basis (Non-GAAP)	<u><u>\$ 2,956</u></u>	<u><u>\$ 2,867</u></u>	<u><u>\$ 89</u></u>	<u><u>3.1%</u></u>
Operating expense as a percentage of sales (GAAP)	14.93%	14.58%		35 bps
Impact of certain items adjustments	-0.55%	(0.55%)		-20 bps
Adjusted operating expense as a percentage of sales (Non-GAAP)	<u><u>14.38%</u></u>	<u><u>14.23%</u></u>		<u><u>15 bps</u></u>
Operating income (GAAP)	\$ 692	\$ 712	\$ (20)	-2.8%
Impact of restructuring and transformational project costs (2)	57	31	26	83.9%
Impact of acquisition-related costs (3)	58	40	18	45.0%
Operating income adjusted for Certain Items (Non-GAAP)	807	783	24	3.1%
Impact of currency fluctuations (1)	(5)	(5)	(5)	-0.7%
Comparable operating income adjusted for Certain Items using a constant currency basis (Non-GAAP)	<u><u>\$ 802</u></u>	<u><u>\$ 783</u></u>	<u><u>\$ 19</u></u>	<u><u>2.4%</u></u>

Sysco Corporation and its Consolidated Subsidiaries

Non-GAAP Reconciliation (Unaudited)

Impact of Certain Items Q2 FY26 vs. Q2 FY25

(Dollars in Millions, Except for Share and Per Share Data) continued

Operating margin (GAAP)		3.33%	3.53%		-20 bps
Operating margin adjusted for Certain Items (Non-GAAP)		3.89%	3.89%		0 bps
Operating margin adjusted for Certain Items on a constant currency basis (Non-GAAP)		3.89%	3.89%		0 bps
Net earnings (GAAP)	\$ 389	\$ 406	\$ (17)		-4.2%
Impact of restructuring and transformational project costs (2)	57	31	26		83.9%
Impact of acquisition-related costs (3)	58	40	18		45.0%
Tax impact of restructuring and transformational project costs (4)	(14)	(8)	(6)		-75.0%
Tax impact of acquisition-related costs (4)	(14)	(11)	(3)		-27.3%
Net earnings adjusted for Certain Items (Non-GAAP)	\$ 476	\$ 458	\$ 18		3.9%
Diluted earnings per share (GAAP)	\$ 0.81	\$ 0.82	\$ (0.01)		-1.2%
Impact of restructuring and transformational project costs (2)	0.12	0.06	0.06		100.0%
Impact of acquisition-related costs (3)	0.12	0.08	0.04		50.0%
Tax impact of restructuring and transformational project costs (4)	(0.03)	(0.02)	(0.01)		-50.0%
Tax impact of acquisition-related costs (4)	(0.03)	(0.02)	(0.01)		-50.0%
Diluted earnings per share adjusted for Certain Items (Non-GAAP) (5)	\$ 0.99	\$ 0.93	\$ 0.06		6.5%
Diluted shares outstanding	480,662,627	492,803,849			

(1) Represents a constant currency adjustment, which eliminates the impact of foreign currency fluctuations on the current year results.

(2) Fiscal 2026 includes \$10 million related to restructuring and severance charges and \$47 million related to various transformation initiative costs, primarily consisting of supply chain transformation costs and changes to our business technology strategy. Fiscal 2025 includes \$12 million related to restructuring and severance charges and \$19 million related to various transformation initiative costs, primarily consisting of supply chain transformation costs and changes to our business technology strategy.

(3) Fiscal 2026 includes \$35 million of intangible amortization expense and \$23 million in acquisition-related costs. Fiscal 2025 includes \$32 million of intangible amortization expense and \$8 million in acquisition-related costs.

(4) The tax impact of adjustments for Certain Items is calculated by multiplying the pretax impact of each Certain Item by the statutory rates in effect for each jurisdiction where the Certain Item was incurred.

(5) Individual components of diluted earnings per share may not add up to the total presented due to rounding. Total diluted earnings per share is calculated using adjusted net earnings divided by diluted shares outstanding.

Sysco Corporation and its Consolidated Subsidiaries

Segment Results

Non-GAAP Reconciliation (Unaudited)

Impact of Certain Items Q2 FY26 vs Q2 FY25

(Dollars in Millions)

	13-Week Period Ended Dec. 27, 2025	13-Week Period Ended Dec. 28, 2024	Change in Dollars	% / bps Change
U.S. FOODSERVICE OPERATIONS				
Sales (GAAP)	\$ 14,383	\$ 14,044	\$ 339	2.4%
Gross Profit (GAAP)	\$ 2,720	\$ 2,654	\$ 66	2.5%
Gross Margin (GAAP)	18.91%	18.90%		1 bp
Operating expenses (GAAP)	\$ 1,900	\$ 1,820	\$ 80	4.4%
Impact of restructuring and transformational project costs (1)	(8)	(5)	(3)	-60.0%
Impact of acquisition-related costs (2)	(24)	(20)	(4)	-20.0%
Operating expenses adjusted for Certain Items (Non-GAAP)	<u>\$ 1,868</u>	<u>\$ 1,795</u>	<u>\$ 73</u>	<u>4.1%</u>
Operating income (GAAP)	\$ 820	\$ 834	\$ (14)	-1.7%
Impact of restructuring and transformational project costs (1)	8	5	3	60.0%
Impact of acquisition-related costs (2)	24	20	4	20.0%
Operating income adjusted for Certain Items (Non-GAAP)	<u>\$ 852</u>	<u>\$ 859</u>	<u>\$ (7)</u>	<u>-0.8%</u>
INTERNATIONAL FOODSERVICE OPERATIONS				
Sales (GAAP)	\$ 3,999	\$ 3,728	\$ 271	7.3%
Impact of Mexico joint venture sales	-	(90)	90	2.6%
Comparable sales excluding Mexico joint venture (Non-GAAP)	<u>\$ 3,999</u>	<u>\$ 3,638</u>	<u>\$ 361</u>	<u>9.9%</u>
Sales (GAAP)	\$ 3,999	\$ 3,728	\$ 271	7.3%
Impact of currency fluctuations (3)	(137)	(137)	(137)	-3.7%
Comparable sales using a constant currency basis (Non-GAAP)	<u>\$ 3,862</u>	<u>\$ 3,728</u>	<u>\$ 134</u>	<u>3.6%</u>
Gross Profit (GAAP)	\$ 832	\$ 760	\$ 72	9.5%
Impact of currency fluctuations (3)	(34)	(34)	(34)	-4.5%
Comparable gross profit using a constant currency basis (Non-GAAP)	<u>\$ 798</u>	<u>\$ 760</u>	<u>\$ 38</u>	<u>5.0%</u>
Gross Margin (GAAP)	20.81%	20.39%		42 bps
Impact of currency fluctuations (3)	-0.15%			-15 bps
Comparable gross margin using a constant currency basis (Non-GAAP)	<u>20.66%</u>	<u>20.39%</u>		<u>27 bps</u>
Operating expenses (GAAP)	\$ 715	\$ 665	\$ 50	7.5%
Impact of restructuring and transformational project costs (4)	(30)	(15)	(15)	-100.0%
Impact of acquisition-related costs (2)	(15)	(19)	4	21.1%
Operating expenses adjusted for Certain Items (Non-GAAP)	<u>670</u>	<u>631</u>	<u>39</u>	<u>6.2%</u>
Impact of currency fluctuations (3)	(29)		(29)	-4.6%
Comparable operating expenses adjusted for Certain Items using a constant currency basis (Non-GAAP)	<u>\$ 641</u>	<u>\$ 631</u>	<u>\$ 10</u>	<u>1.6%</u>
Operating income (GAAP)	\$ 117	\$ 95	\$ 22	23.2%
Impact of restructuring and transformational project costs (4)	30	15	15	100.0%
Impact of acquisition-related costs (2)	15	19	(4)	-21.1%
Operating income adjusted for Certain Items (Non-GAAP)	<u>162</u>	<u>129</u>	<u>33</u>	<u>25.6%</u>
Impact of currency fluctuations (3)	(5)		(5)	-3.9%
Comparable operating income adjusted for Certain Items using a constant currency basis (Non-GAAP)	<u>\$ 157</u>	<u>\$ 129</u>	<u>\$ 28</u>	<u>21.7%</u>

Sysco Corporation and its Consolidated Subsidiaries

Segment Results

Non-GAAP Reconciliation (Unaudited)

Impact of Certain Items Q2 FY26 vs Q2 FY25

(Dollars in Millions) continued

SYGMA							
Sales (GAAP)	\$ 2,126	\$ 2,116	\$ 10				0.5%
Gross Profit (GAAP)	\$ 163	\$ 163	-				0.0%
Gross Margin (GAAP)	7.67%	7.70%					-3 bp
Operating expenses (GAAP)	\$ 142	\$ 144	(2)				-1.4%
Operating income (GAAP)	21	19	2				10.5%
OTHER							
Sales (GAAP)	\$ 254	\$ 263	(9)				-3.4%
Gross Profit (GAAP)	\$ 66	\$ 65	1				1.5%
Gross Margin (GAAP)	25.98%	24.71%					127 bps
Operating expenses (GAAP)	\$ 60	\$ 61	(1)				-1.6%
Operating income (GAAP)	6	4	2				50.0%
GLOBAL SUPPORT CENTER							
Gross profit (GAAP)	\$ 11	\$ 8	3				37.5%
Operating expenses (GAAP)	\$ 283	\$ 248	35				14.1%
Impact of restructuring and transformational project costs (5)	(19)	(11)	(8)				-72.7%
Impact of acquisition related costs	(19)	(1)	(18)				NM
Operating expenses adjusted for Certain Items (Non-GAAP)	\$ 245	\$ 236	9				3.8%
Operating loss (GAAP)	\$ (272)	\$ (240)	(32)				-13.3%
Impact of restructuring and transformational project costs (5)	19	11	8				72.7%
Impact of acquisition related costs	19	1	18				NM
Operating loss adjusted for Certain Items (Non-GAAP)	\$ (234)	\$ (228)	(6)				-2.6%
TOTAL SYSCO							
Sales (GAAP)	\$ 20,762	\$ 20,151	\$ 611				3.0%
Gross Profit (GAAP)	\$ 3,792	\$ 3,650	142				3.9%
Gross Margin (GAAP)	18.26%	18.11%					15 bps
Operating expenses (GAAP)	\$ 3,100	\$ 2,938	162				5.5%
Impact of restructuring and transformational project costs (1)(4)(5)	(57)	(31)	(26)				-83.9%
Impact of acquisition-related costs (2)	(58)	(40)	(18)				-45.0%
Operating expenses adjusted for Certain Items (Non-GAAP)	\$ 2,985	\$ 2,867	118				4.1%
Operating income (GAAP)	\$ 692	\$ 712	(20)				-2.8%
Impact of restructuring and transformational project costs (1)(4)(5)	57	31	26				83.9%
Impact of acquisition-related costs (2)	58	40	18				45.0%
Operating income adjusted for Certain Items (Non-GAAP)	\$ 807	\$ 783	24				3.1%

(1) Primarily represents severance and transformation initiative costs.

(2) Fiscal 2026 and fiscal 2025 include intangible amortization expense and acquisition costs.

(3) Represents a constant currency adjustment, which eliminates the impact of foreign currency fluctuations on current year results.

(4) Includes restructuring and transformation initiative costs primarily in Europe.

(5) Includes various transformation initiative costs, primarily consisting of changes to our business technology strategy.

NM represents that the percentage change is not meaningful.

Earnings Before Interest, Taxes, Depreciation and Amortization

EBITDA represents net earnings (loss) plus (i) interest expense, (ii) income tax expense and benefit, (iii) depreciation and (iv) amortization. The net earnings (loss) component of our EBITDA calculation is impacted by Certain Items that we do not consider representative of our underlying performance. As a result, in the non-GAAP reconciliations below for each period presented, adjusted EBITDA is computed as EBITDA plus the impact of Certain Items, excluding certain items related to interest expense, income taxes, depreciation and amortization. Sysco's management considers growth in this metric to be a measure of overall financial performance that provides useful information to management and investors about the profitability of the business, as it facilitates comparison of performance on a consistent basis from period to period by providing a measurement of recurring factors and trends affecting our business. Additionally, it is a commonly used component metric used to inform on capital structure decisions. Adjusted EBITDA should not be used as a substitute for the most comparable GAAP financial measure in assessing the company's financial performance 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 tables that follow, adjusted EBITDA for each period presented is reconciled to net earnings.

Sysco Corporation and its Consolidated Subsidiaries

Non-GAAP Reconciliation (Unaudited)

Impact of Certain Items on Earnings Before Interest, Taxes, Depreciation and Amortization (Q2 FY26 vs. Q2 FY25)

(Dollars in Millions)

	13-Week Period Ended Dec. 27, 2025	13-Week Period Ended Dec. 28, 2024	Change in Dollars	%/bps Change
Net earnings (GAAP)	\$ 389	\$ 406	\$ (17)	-4.2%
Interest (GAAP)	173	160	13	8.1%
Income taxes (GAAP)	121	127	(6)	-4.7%
Depreciation and amortization (GAAP)	240	238	2	0.8%
EBITDA (Non-GAAP)	\$ 923	\$ 931	\$ (8)	-0.9%
Certain Item adjustments:				
Impact of restructuring and transformational project costs (1)	55	30	25	83.3%
Impact of acquisition-related costs	23	8	15	NM
EBITDA adjusted for Certain Items (Non-GAAP) (2)	\$ 1,001	\$ 969	\$ 32	3.3%
Other expense (income), net	9	19	(10)	-52.6%
Depreciation and amortization, as adjusted (Non-GAAP) (3)	(203)	(205)	2	1.0%
Operating income adjusted for Certain Items (Non-GAAP)	<u>\$ 807</u>	<u>\$ 783</u>	<u>\$ 24</u>	<u>3.1%</u>

⁽¹⁾ Fiscal 2026 and fiscal 2025 include charges related to restructuring and severance, as well as various transformation initiative costs, primarily consisting of supply chain transformation costs and changes to our business technology strategy, excluding charges related to accelerated depreciation.

⁽²⁾ In arriving at adjusted EBITDA, Sysco does not adjust out interest income of \$5 million and \$7 million or non-cash stock compensation expense of \$33 million and \$30 million in fiscal 2026 and fiscal 2025, respectively.

⁽³⁾ Fiscal 2026 includes \$240 million in GAAP depreciation and amortization expense, less \$37 million of Non-GAAP depreciation and amortization expense primarily related to acquisitions. Fiscal 2025 includes \$238 million in GAAP depreciation and amortization expense, less \$33 million of Non-GAAP depreciation and amortization expense primarily related to acquisitions.

NM represents that the percentage change is not meaningful.

Sysco Corporation and its Consolidated Subsidiaries

Non-GAAP Reconciliation (Unaudited)

Net Debt to Adjusted EBITDA

(In Millions)

Net Debt to Adjusted EBITDA is a non-GAAP financial measure frequently used by investors and credit rating agencies. It is an important measure used by management to evaluate our access to liquidity, and we believe it is a representation of our financial strength. Our Net Debt to Adjusted EBITDA ratio is calculated using a numerator of our debt minus cash and cash equivalents, divided by the sum of the most recent four quarters of Adjusted EBITDA. In the table that follows, we have provided the calculation of our debt and net debt as a ratio of Adjusted EBITDA.

	December 27, 2025
Current maturities of long-term debt	\$ 1,150
Long-term debt	12,440
Total Debt (GAAP)	<hr/> 13,590
Cash & Cash Equivalents	(1,222)
Net Debt (Non-GAAP)	<hr/> \$ 12,368
 Net Earnings for the previous 12 months (GAAP)	\$ 1,797
Adjusted EBITDA for the previous 12 months (Non-GAAP) ⁽¹⁾	\$ 4,326
 Total Debt/Net Earnings Ratio (GAAP)	7.56
Total Debt/Adjusted EBITDA Ratio (Non-GAAP)	3.14
Net Debt/Adjusted EBITDA Ratio (Non-GAAP)	2.86

(1) Refer to Impact of Certain Items on Earnings Before Interest, Taxes, Depreciation and Amortization (Trailing Twelve Months) Non-GAAP Reconciliation

Sysco Corporation and its Consolidated Subsidiaries

Non-GAAP Reconciliation (Unaudited)

Impact of Certain Items on Earnings Before Interest, Taxes, Depreciation and Amortization (Trailing Twelve Months)

(In Millions)

	13-Week Period Ended Dec. 27, 2025	13-Week Period Ended Sep. 27, 2025	13-Week Period Ended Jun. 28, 2025	13-Week Period Ended Mar. 29, 2025	Total
Net earnings (GAAP)	\$ 389	\$ 476	\$ 531	\$ 401	\$ 1,797
Interest (GAAP)	173	172	166	149	660
Income taxes (GAAP)	121	124	186	122	553
Depreciation and amortization (GAAP)	240	233	234	238	945
EBITDA (Non-GAAP)	\$ 923	\$ 1,005	\$ 1,117	\$ 910	\$ 3,955
Certain Item adjustments:					
Impact of restructuring and transformational project costs (1)	55	54	74	49	232
Impact of acquisition-related costs	23	11	3	10	47
Impact of goodwill impairment	-	-	92	-	92
EBITDA adjusted for Certain Items (Non-GAAP) (2)	<u>\$ 1,001</u>	<u>\$ 1,070</u>	<u>\$ 1,286</u>	<u>\$ 969</u>	<u>\$ 4,326</u>

⁽¹⁾ Includes charges related to restructuring and severance, as well as various transformation initiative costs, primarily consisting of supply chain transformation costs and changes to our business technology strategy, excluding charges related to accelerated depreciation.

⁽²⁾ In arriving at adjusted EBITDA, Sysco does not adjust out interest income of \$5 million or non-cash stock compensation expense of \$33 million in Q2 fiscal 2026, interest income of \$6 million or non-cash stock compensation expense of \$31 million in Q1 fiscal 2026, interest income of \$8 million or non-cash stock compensation expense of \$19 million in Q4 fiscal 2025, and interest income of \$7 million or non-cash stock compensation expense of \$15 million in Q3 fiscal 2025.

Sysco Corporation and its Consolidated Subsidiaries

Non-GAAP Reconciliation (Unaudited)

Net Debt to Adjusted EBITDA

(In Millions)

Net Debt to Adjusted EBITDA is a non-GAAP financial measure frequently used by investors and credit rating agencies. It is an important measure used by management to evaluate our access to liquidity, and we believe it is a representation of our financial strength. Our Net Debt to Adjusted EBITDA ratio is calculated using a numerator of our debt minus cash and cash equivalents, divided by the sum of the most recent four quarters of Adjusted EBITDA. In the table that follows, we have provided the calculation of our debt and net debt as a ratio of Adjusted EBITDA.

	December 28, 2024
Current Maturities of long-term debt	\$ 1,222
Long-term debt	11,393
Total Debt (GAAP)	12,615
Cash & Cash Equivalents	(793)
Net Debt (Non-GAAP)	\$ 11,822
 Net Earnings for the previous 12 months (GAAP)	 \$ 1,933
Adjusted EBITDA for the previous 12 months (Non-GAAP) ⁽¹⁾	\$ 4,278
 Total Debt/Net Earnings Ratio (GAAP)	 6.53
Total Debt/Adjusted EBITDA Ratio (Non-GAAP)	2.95
Net Debt/Adjusted EBITDA Ratio (Non-GAAP)	2.76

(1) Refer to Impact of Certain Items on Earnings Before Interest, Taxes, Depreciation and Amortization (Trailing Twelve Months) Non-GAAP Reconciliation

Sysco Corporation and its Consolidated Subsidiaries

Non-GAAP Reconciliation (Unaudited)

Impact of Certain Items on Earnings Before Interest, Taxes, Depreciation and Amortization (Trailing Twelve Months)

(In Millions)

	13-Week Period Ended Dec. 28, 2024	13-Week Period Ended Sep. 28, 2024	13-Week Period Ended Jun. 29, 2024	13-Week Period Ended Mar. 30, 2024	Total
Net earnings (GAAP)	\$ 406	\$ 490	\$ 612	\$ 425	\$ 1,933
Interest (GAAP)	160	160	165	158	643
Income taxes (GAAP)	127	152	192	129	600
Depreciation and amortization (GAAP)	238	235	226	221	920
EBITDA (Non-GAAP)	<u>\$ 931</u>	<u>\$ 1,037</u>	<u>\$ 1,195</u>	<u>\$ 933</u>	<u>\$ 4,096</u>
Certain Item adjustments:					
Impact of restructuring and transformational project costs (1)	30	26	60	27	143
Impact of acquisition-related costs	8	6	8	17	39
EBITDA adjusted for Certain Items (Non-GAAP) (2)	<u><u>\$ 969</u></u>	<u><u>\$ 1,069</u></u>	<u><u>\$ 1,263</u></u>	<u><u>\$ 977</u></u>	<u><u>\$ 4,278</u></u>

⁽¹⁾ Includes charges related to restructuring and severance, as well as various transformation initiative costs, primarily consisting of supply chain transformation costs and changes to our business technology strategy, excluding charges related to accelerated depreciation.

⁽²⁾ In arriving at adjusted EBITDA, Sysco does not adjust out interest income of \$7 million or non-cash stock compensation expense of \$30 million in Q2 fiscal 2025, interest income of \$7 million or non-cash stock compensation expense of \$30 million in Q1 fiscal 2025, interest income of \$10 million or non-cash stock compensation expense of \$27 million in Q4 fiscal 2024, and interest income of \$7 million or non-cash stock compensation expense of \$24 million in Q3 fiscal 2024.

Projected Adjusted EBITDA Guidance

Adjusted EBITDA is a non-GAAP financial measure; however, we cannot predict with certainty the particular certain items that would be excluded from the calculation of this measure for future periods. Due to these uncertainties, we cannot provide a quantitative reconciliation of this non-GAAP financial measure to the most directly comparable GAAP financial measure without unreasonable effort. However, we expect to calculate adjusted EBITDA for future periods in the same manner as the reconciliations provided for the historical periods herein.

Net Debt to Adjusted EBITDA Leverage Ratio Targets

We expect to target our net debt to adjusted EBITDA leverage ratio forecast in fiscal 2026. We cannot predict with certainty when we will achieve these results or whether the calculation of our EBITDA will be on an adjusted basis in future periods to exclude the effect of certain items. Due to these uncertainties, we cannot provide a quantitative reconciliation of these potentially non-GAAP measures to the most directly comparable GAAP measure without unreasonable effort. However, we expect to calculate these adjusted results, if applicable, in the same manner as the reconciliations provided for the historical periods that are presented herein.

Form of calculation:

Current maturities of long-term debt

Long term debt

Total Debt (GAAP)

Less cash and cash equivalents

Net Debt (Non-GAAP)

Net earnings (GAAP)

Interest (GAAP)

Income taxes (GAAP)

Depreciation and amortization (GAAP)

EBITDA (Non-GAAP)

Certain Item adjustments:

Impact of restructuring and transformational project costs

Impact of acquisition-related intangible amortization

EBITDA adjusted for Certain Items (Non-GAAP)

Total Debt to Net Earnings Ratio (GAAP)

Total Debt to Adjusted EBITDA Ratio (Non-GAAP)

Net Debt to Adjusted EBITDA Ratio (Non-GAAP)

Projected Adjusted EPS Guidance

Adjusted earnings per share is a non-GAAP financial measure; however, we cannot predict with certainty the magnitude or scope of certain items that would be included in the most directly comparable GAAP measure for the relevant future periods, and such items may be significant. Due to these uncertainties, we cannot provide a quantitative reconciliation of projected adjusted EPS to the most directly comparable GAAP financial measure without unreasonable effort. However, we expect to calculate adjusted earnings per share for future periods in the same manner as the reconciliations provided for the historical periods herein.