

**Sysco Corporation and its Consolidated Subsidiaries**

**Non-GAAP Reconciliation (Unaudited)**

**Impact of Certain Items**

(In Thousands, Except for Share and Per Share Data)

Sysco's results of operations are impacted by certain items which include severance charges, US Foods merger and integration planning costs, charges from facility closures and amortization of US Foods related financing costs (collectively referred to as "Certain Items"). Management believes that adjusting its operating expenses, operating income, interest expense, 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.

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 for GAAP measures 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.

	<b>13-Week Period Ended Sep. 27, 2014</b>	<b>13-Week Period Ended Sep. 28, 2013</b>	<b>13-Week Period Change in Dollars</b>	<b>13-Week Period % Change</b>
<b>Operating expenses (GAAP)</b>	\$ 1,723,104	\$ 1,587,289	\$ 135,815	8.6 %
Impact of severance charges	(1,804)	(1,582)	(222)	14.0
Impact of US Foods merger and integration planning costs	(40,481)	-	(40,481)	NM
Impact of facility closure charges	(1,150)	(739)	(411)	55.6
<b>Operating expenses adjusted for certain items (Non-GAAP)</b>	<u>\$ 1,679,669</u>	<u>\$ 1,584,968</u>	<u>\$ 94,701</u>	<u>6.0 %</u>
<b>Operating Income (GAAP)</b>	\$ 465,613	\$ 478,198	\$ (12,585)	-2.6 %
Impact of severance charges	1,804	1,582	222	14.0
Impact of US Foods merger and integration planning costs	40,481	-	40,481	NM
Impact of facility closure charges	1,150	739	411	55.6
<b>Operating income adjusted for certain items (Non-GAAP)</b>	<u>\$ 509,048</u>	<u>\$ 480,519</u>	<u>\$ 28,529</u>	<u>5.9 %</u>
<b>Interest Expense (GAAP)</b>	\$ 30,934	\$ 30,528	\$ 406	1.3 %
Impact of US Foods financing costs	(3,703)	-	(3,703)	NM
<b>Interest Expense (GAAP)</b>	<u>\$ 27,231</u>	<u>\$ 30,528</u>	<u>\$ (3,297)</u>	<u>-10.8 %</u>
<b>Net earnings (GAAP)</b>	\$ 278,813	\$ 285,590	\$ (6,777)	-2.4 %
Impact of severance charges (net of tax)	1,151	1,000	151	15.1
Impact of US Foods merger and integration planning costs (net of tax)	25,835	-	25,835	NM
Impact of facility closure charges (net of tax)	734	467	267	57.2
Impact of US Foods financing costs (net of tax)	2,363	-	2,363	NM
<b>Net earnings adjusted for certain items (Non-GAAP)</b>	<u>\$ 308,896</u>	<u>\$ 287,057</u>	<u>\$ 21,839</u>	<u>7.6 %</u>
<b>Diluted earnings per share (GAAP)</b>	\$ 0.47	\$ 0.48	\$ (0.01)	-2.1 %
Impact of severance charges	-	-	-	NM
Impact of US Foods merger and integration planning costs	0.04	-	0.04	NM
Impact of facility closure charges	-	-	-	NM
Impact of US Foods financing costs	-	-	-	NM
<b>Diluted EPS adjusted for certain items (Non-GAAP) (2)</b>	<u>\$ 0.52</u>	<u>\$ 0.49</u>	<u>\$ 0.03</u>	<u>6.1 %</u>
Diluted shares outstanding	593,309,750	591,458,948		

<sup>(1)</sup> Tax impact of adjustments for severance charges, US Foods merger and integration planning costs, charges from facility closures and amortization of US Foods financing costs was \$17,054 and \$855 for the 13-week periods ended September 27, 2014 and September 28, 2013, 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

**Sysco Corporation and its Consolidated Subsidiaries**  
**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 are reconciled to net cash provided by operating activities.

	<b>13-Week Period Ended Sep. 27, 2014</b>	<b>13-Week Period Ended Sep. 28, 2013</b>	<b>13-Week Period Change in Dollars</b>	<b>13-Week Period % Change</b>
<b>Net cash provided by operating activities (GAAP)</b>	\$ 62,618	\$ 169,229	\$ (106,611)	-63.0 %
Additions to plant and equipment	(118,821)	(135,749)	16,928	12.5
Proceeds from sales of plant and equipment	1,126	10,573	(9,447)	-89.4
<b>Free Cash Flow (Non-GAAP)</b>	\$ (55,077)	\$ 44,053	\$ (99,130)	NM %