UNFI™

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Q4 Fiscal 2019

Supplemental Slides

October 1, 2019

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 regarding the Company’s business that are not historical facts are “forward looking statements” that involve risk 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 filings that United Natural Foods, Inc. (the “Company”) has made under the Securities Exchange Act of 1934, as amended, including its quarterly report on Form 10-Q for the period ended October 27, 2018 filed with the Securities and Exchange Commission (the "SEC") on December 6, 2018 and other filings the Company makes with the SEC, and include, but are not limited to the Company’s dependence on principal customers; the Company's sensitivity to general economic conditions, including changes in disposable income levels and consumer spending trends; the Company’s ability to realize anticipated benefits of its acquisitions and dispositions, in particular, its acquisition of SUPERVALU; the possibility that restructuring, asset impairment and other charges and costs we may incur in connection with the sale or closure of our retail operations will exceed our current expectations; the potential for additional goodwill impairment charges as a result of purchase accounting adjustments or otherwise; the Company's reliance on the continued growth in sales of higher margin natural and organic foods and non-food products in comparison to lower margin conventional grocery products; increased competition in the Company's industry as a result of increased distribution of natural, organic and specialty products by conventional grocery distributors and direct distribution of those products by large retailers and online distributors; increased competition as a result of continuing consolidation of retailers in the natural product industry and the growth of supernatural chains; the Company's ability to timely and successfully deploy its warehouse management system throughout its distribution centers and its transportation management system across the Company and to achieve efficiencies and cost savings from these efforts; the addition or loss of significant customers or material changes to the Company’s relationships with these customers; volatility in fuel costs; volatility in foreign exchange rates; the Company's sensitivity to inflationary and deflationary pressures; the relatively low margins and economic sensitivity of the Company's business; the potential for disruptions in the Company's supply chain by circumstances beyond its control; the risk of interruption of supplies due to lack of long-term contracts, severe weather, 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; and the ability to identify and successfully complete asset or business acquisitions. 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, and adjusted effective tax rate. The reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measure is presented in the appendix to this presentation. 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 underlying operating performance of the Company and understanding 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.

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Results and Strategic Progress

Fourth Quarter and Full Year Fiscal 2019

- Generated net sales of $6.4 billion and Adjusted EBITDA of $166 million in Q4
- Realized strong integration traction
    - Generated an estimated $70 million in cost synergies in FY19 compared to January outlook of more than $36 million
    - Opened Centralia, WA distribution center; transition out of Tacoma nearly complete with Portland transition expected to be complete in Q2 FY20
    - Expanded Ridgefield, WA distribution center; transitioned volume out of Auburn, WA
    - Affirming cost synergy outlook of more than $185 million by end of FY22
- Maintained focus on debt reduction
    - Paid down $166 million of outstanding net debt in Q4
    - Brings total net debt reduction since Q1 to $353 million
- Implemented new regional sales organization structure
    - Enhances our ability to accelerate cross-selling of UNFI's diverse products
- Hosted National Expo which brought together 6,000 customers and suppliers
- Very robust sales pipeline; cross-selling opportunities for 250,000 unique SKUs

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SUPERVALU Integration Progress

What We Have Said	Where We Are Now
Delivers Significant Synergies	On track; affirm $185M cost synergy figure by end of FY22
Enables Cross Selling Opportunities	Invigorated sales organization; will aggressively pursue cross-selling in FY20
Expands Market Reach and Scale	Now have ~60 DCs with 30M square feet supplying all U.S. states and Canadian provinces
Enhances Technology, Capacity and Systems	Evaluating and moving to common systems which will be leveraged over greater sales base
Diversifies Customer Base	Adds 5,000+ SUPERVALU supplied stores to UNFI customer roster

… scale will drive winners in food distribution.

Focused on Navigating Industry Changes

Sector-Wide Developments	UNFI Focus
INCREASED CONSOLIDATION	Have been a consolidator with six acquisitions since 2014 including SUPERVALU in October 2018 (1)
RETAIL SLUGGISHNESS	Diversified customer base that allows UNFI to grow with consumer-driven channels, strategically working to divest the two remaining retail banners
RISE OF E-COMMERCE	Focused on expanding store-level solutions for our customers to engage in E-commerce; exploring larger opportunities
SHIFT TOWARD NATURAL /ORGANIC	Favorable trends have fueled historical growth and should serve as future tailwind to cross-sell the deepest assortment of natural and organic products to conventional stores
MARGIN COMPRESSION	*Synergies and productivity opportunities expected to more than offset gross margin pressures*

(1) Excludes SUPERVALU's 2017 acquisitions of Unified Grocers and AG of Florida.

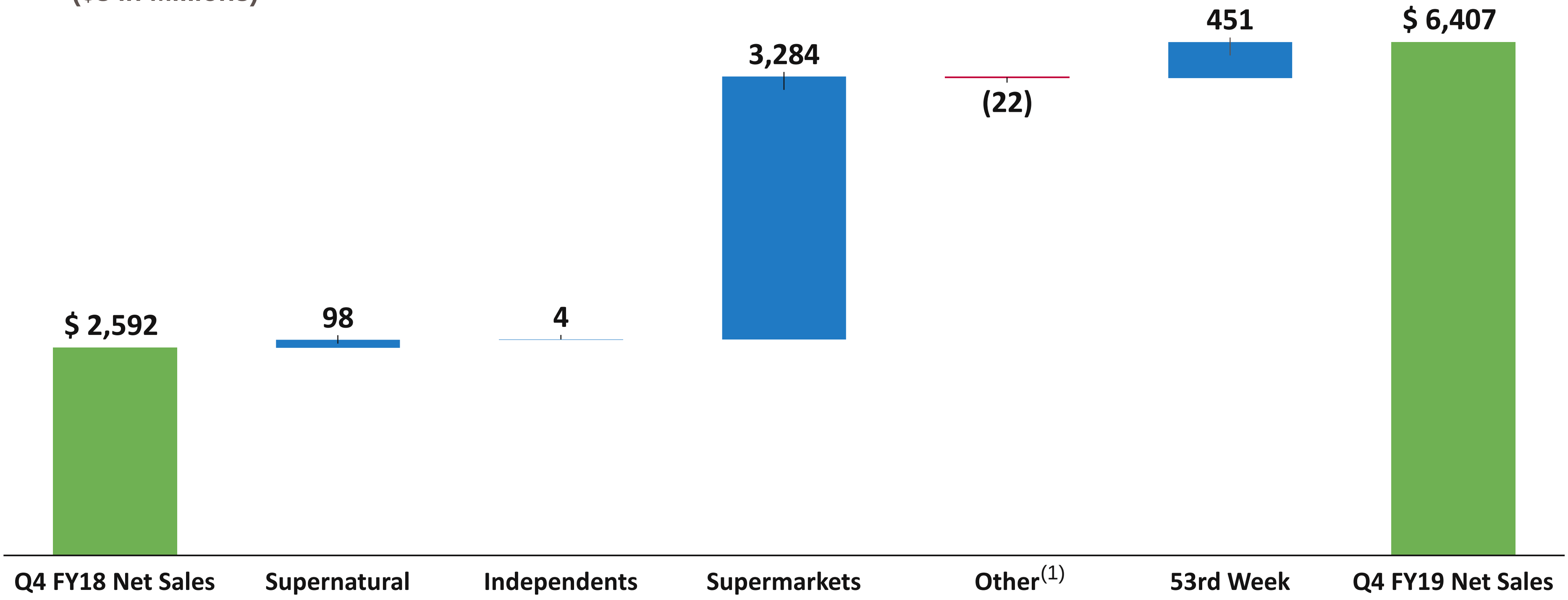
Fourth Quarter Fiscal 2019

Financial Results

Sales: Q4 FY18 to Q4 FY19

Legacy UNFI YOY sales +2.8% excluding additional week

($s in Millions)



(1) Other includes E-commerce, Food Service, and Military.

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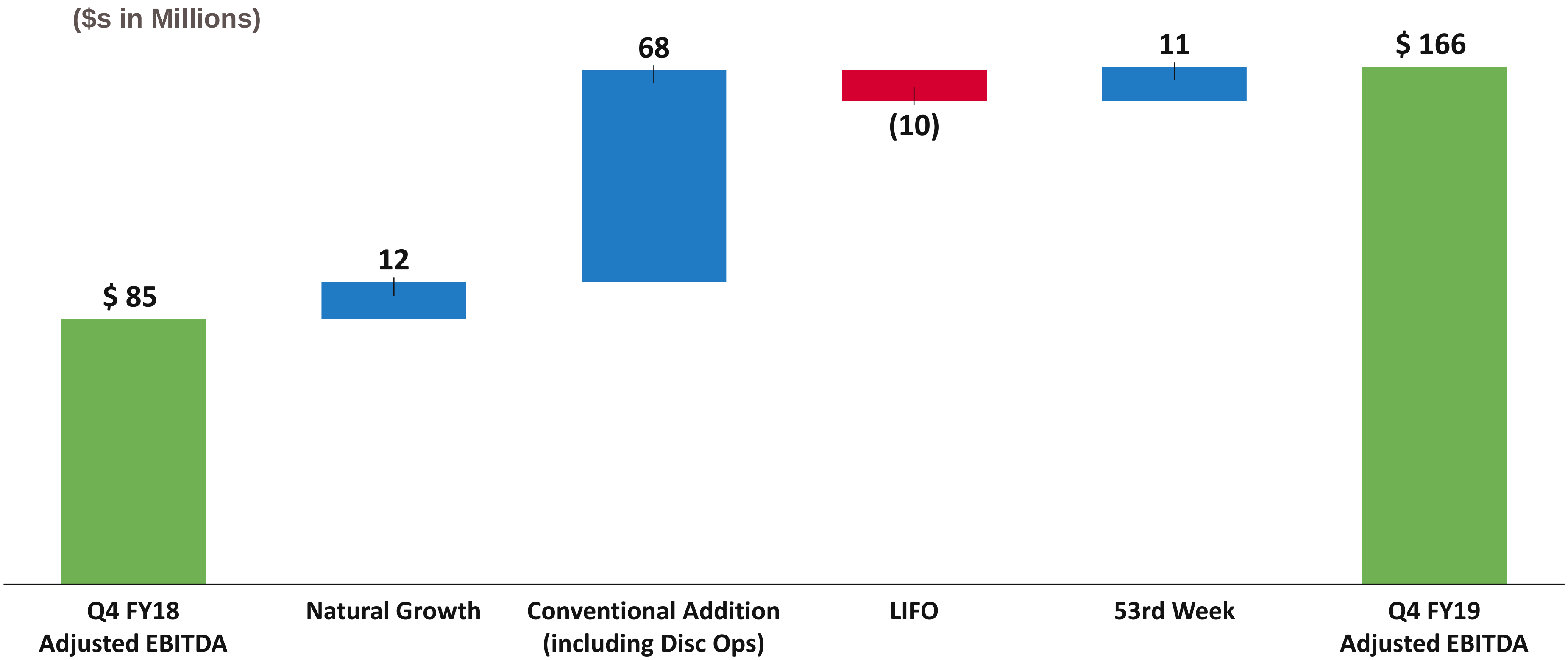
Adjusted EBITDA[1]: Q4 FY18 to Q4 FY19

Fourth quarter Adjusted EBITDA increase driven by addition of SUPERVALU

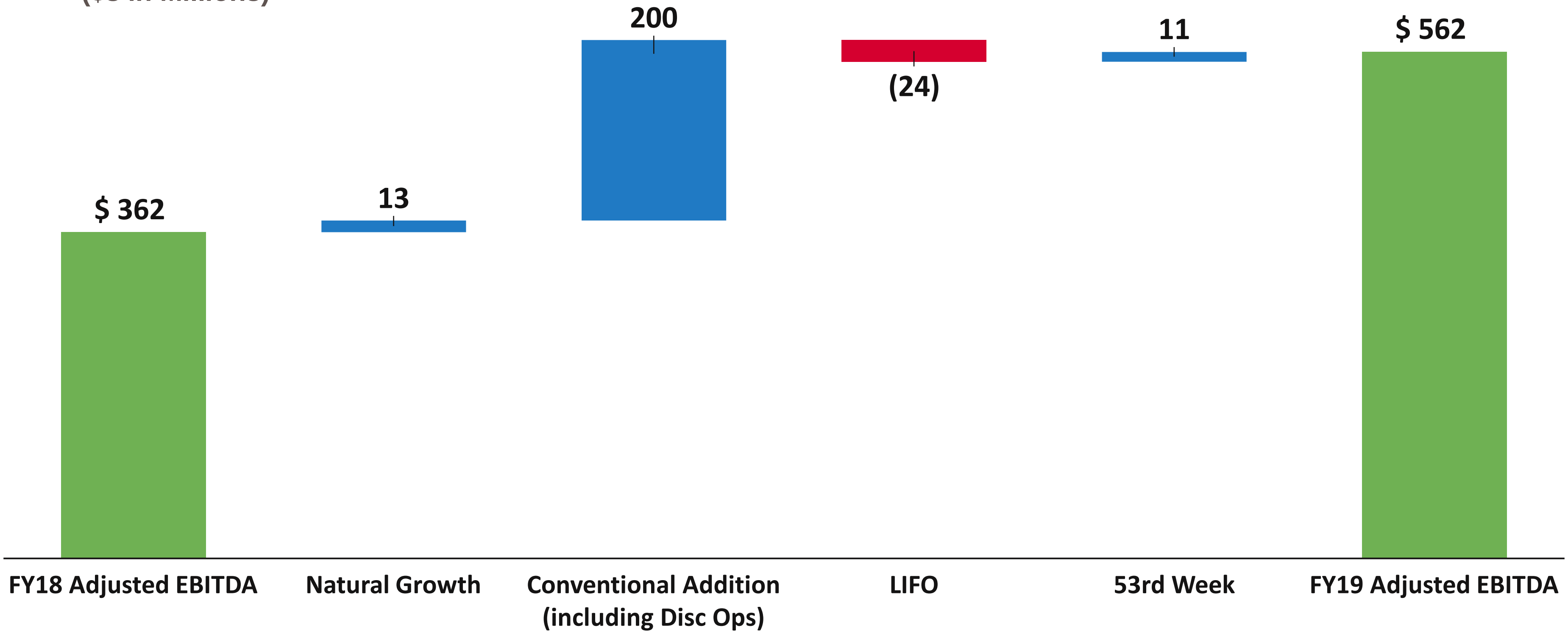


(1) Adjusted EBITDA is defined as net income / (loss) plus provision for income taxes, depreciation and amortization, total other expense including interest), share based compensation expense, and certain adjustments determined by management. See Reconciliation in appendix.

Adjusted EBITDA[1]: Full Year FY18 to FY19

Adjusted EBITDA increase driven by addition of SUPERVALU

($s in Millions)



(1) Adjusted EBITDA is defined as net income / (loss) plus provision for income taxes, depreciation and amortization, total other expense including interest), share based compensation expense, and certain adjustments determined by management. See Reconciliation in appendix.

Q4 Capital Structure

Face value of net debt reduced by over $360 million over the past three quarters

($'s in Millions)			Amount Outstanding			
	Maturity	Rate	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19
Secured term loan B-1	October 2025	L + 4.25%	$ 1,800	$ 1,800	$ 1,795	$ 1,791
Secured term loan B-2	October 2019	L + 2.00%	150	103	94	74
$2.1B ABL revolver	October 2023	L + 1.25% / Prime + 0.25%	1,327	1,242	1,217	1,080
Unsecured bonds & premium (SVU) (1)		7.41%	547	-	-	-
Capital leases	Various	Various	211	153	149	133
Equipment loans	Various	Various	42	40	46	57
Total Debt (face value)			**$ 4,077**	**$ 3,338**	**$ 3,301**	**$ 3,135**
Restricted cash - SVU notes (2)			(566)	-	-	-
Balance sheet cash (3)			(59)	(54)	(41)	(45)
Total Debt Net of Cash (face value)			**$ 3,452**	**$ 3,284**	**$ 3,260**	**$ 3,090**
Cumulative Net Debt Reduction Since Q1 FY19				$ (168)	$ (192)	$ (362)

(1) Includes $530M of SVU note principal and $17M of prepayment premiums (classified as debt on Q1 FY19 balance sheet)

(2) There was an additional $19M of Restricted cash on the Q1 FY19 balance sheet set aside to pay accrued interest on the SVU notes redeemed on 11/21/18

(3) Includes cash of Discontinued Operations. There is no debt in Discontinued Operations.

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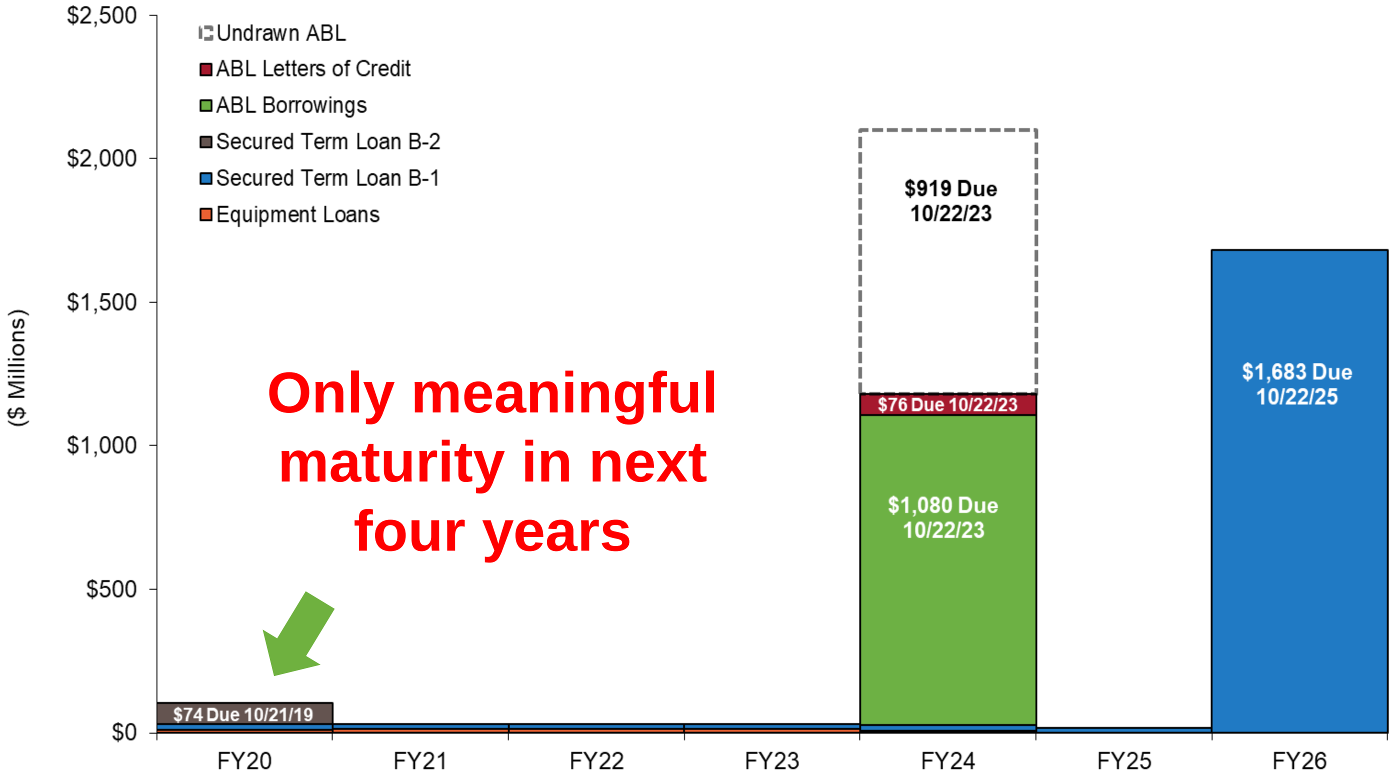
Debt Maturity Profile [1]

We have very manageable debt maturities, strong liquidity position and will apply asset-sale proceeds to pay down debt



(1) As of 8/3/19; excludes capital leases

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Retail Divestiture

Two remaining banners being operated (reported in Discontinued Operations)

SHOPPERS®

Pursuing several transactions each involving multiple stores. Anticipate closing in early calendar 2020 on store sales.

Cub®

Looking to sell Cub banner in its entirety with closing expected prior to end of fiscal 2020.

Any net proceeds realized from banner sales will be used to reduce debt

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Fiscal 2020

Full Year Outlook

Fiscal 2020 Overview

The outlook for FY20 (52 weeks ending August 1, 2020) reflects the current business environment and operating trends while incorporating the following key elements:

- The additional contribution from SUPERVALU which was acquired in the 13^{th} week of FY19
- Incremental cost synergies from the SUPERVALU acquisition
- Continued gross margin compression reflecting the current competitive state of the industry
- Normalized incentive compensation levels (which are higher than FY19) given the company did not meet all FY19 incentive compensation targets
- The adoption of ASC 842, which is expected to increase rent expense (decreasing Adjusted EBITDA) while reducing depreciation/amortization and interest expense (increasing net income / EPS)
  - Note depreciation/amortization and interest expense will both increase in FY20 compared to FY19 based on FY20 having a full year of acquisition related costs associated with each.
- A reduction in service revenue from Albertsons following the contractually scheduled wind down of that agreement

The impact of these elements appears on the following walk from FY19 actual Adjusted EBITDA to the midpoint of the outlook for FY20. These are then carried forward onto the following slide that walks from FY19 actual adjusted EPS to the midpoint of the outlook for FY20 EPS (reconciliations to U.S. GAAP appear in the appendix).

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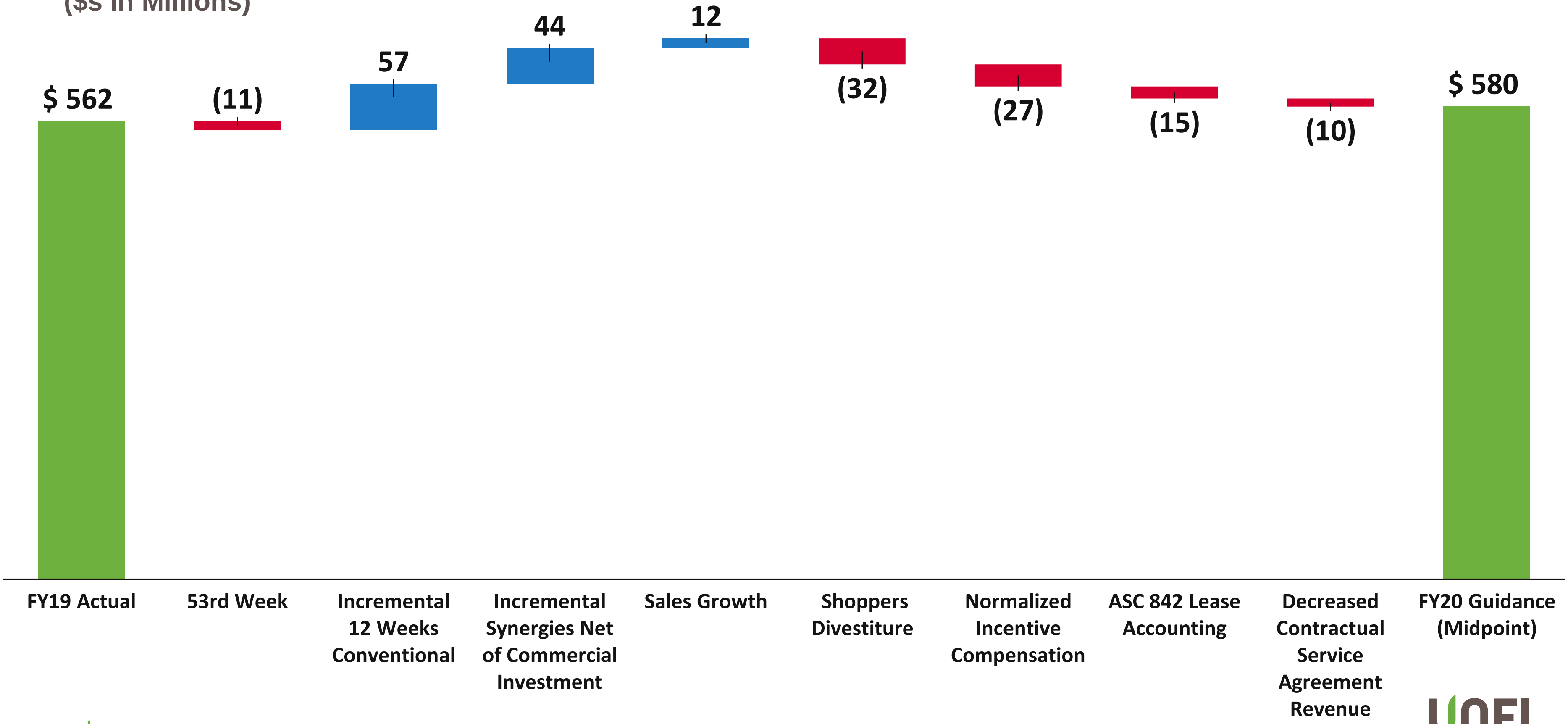
Adjusted EBITDA: FY19 to FY20 Guidance (Midpoint)[1]

Growth of ~5.3% expected in FY20 on comparable 52-week basis

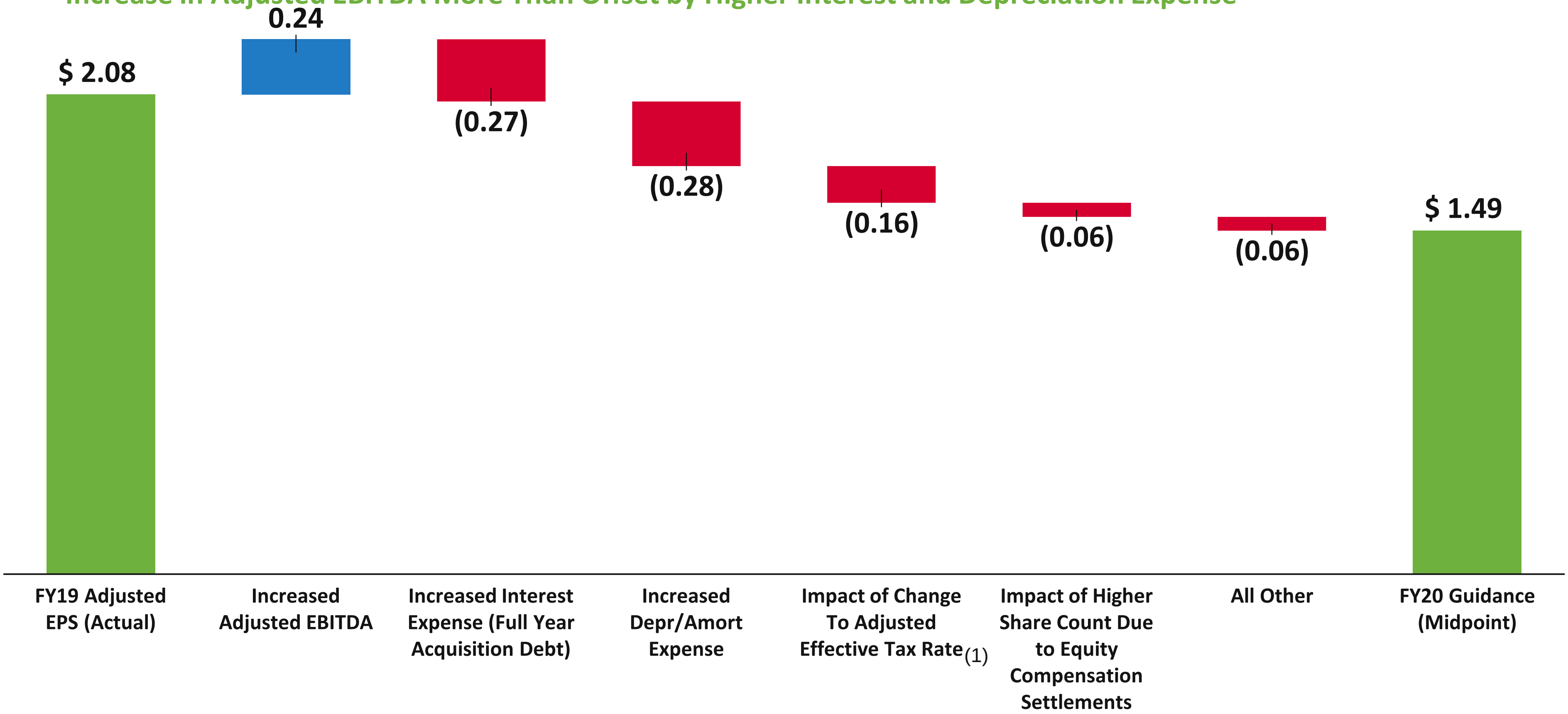
($s in Millions)



(1) In light of performance in FY19 and our outlook for FY20, we no longer expect to meet our previously issued long-term outlook.

Adjusted EPS: FY19 to FY20 Guidance (Midpoint)[(1) (2)]

Increase in Adjusted EBITDA More Than Offset by Higher Interest and Depreciation Expense



(1) Beginning in fiscal 2020, the Company will use an adjusted effective tax rate in calculating adjusted EPS which excludes the impact of changes to various uncertain tax positions and valuation allowances as well as stock compensation accounting.

(2) In light of performance in FY19 and our outlook for FY20, we no longer expect to meet our previously issued long-term outlook.

Appendix

Reconciliation – Q4 FY19 and Q4 FY18 Adjusted EBITDA

($'s in Thousands)

	Fourth Quarter Ended		Fiscal Year Ended	
	August 3, 2019 (14 weeks)	July 28, 2018 (13 weeks)	August 3, 2019 (53 weeks)	July 28, 2018 (52 weeks)
Net income (loss) from continuing operations[1]	$ 1,207	$ 32,788	$ (350,683)	$ 165,670
Adjustments to continuing operations net income (loss):				
Total other expense, net	45,591	3,725	144,280	14,480
Provision (benefit) for income taxes	19,482	13,244	(84,609)	47,075
Depreciation and amortization	77,045	21,649	246,825	87,631
Share-based compensation	11,116	4,071	38,879	25,783
Restructuring, acquisition, and integration related expenses	18,972	9,587	153,539	9,738
Goodwill and asset impairment (benefit) charges	(39,851)	—	292,770	11,242
Inventory fair value adjustment	—	—	10,463	—
Legal settlement income, net of reserve adjustment	(3,590)	—	(1,390)	—
Adjusted EBITDA of discontinued operations[2]	35,570	—	112,410	$ —
Adjusted EBITDA	$ 165,542	$ 85,064	$ 562,484	$ 361,619
Income from discontinued operations, net of tax[1]	$ 17,953	$ —	$ 65,800	$ —
Adjustments to discontinued operations net income:				
Less net (income) loss attributable to noncontrolling interests[1]	(223)	—	(107)	—
Total other expense, net	3,335	—	2,378	—
Provision for income taxes	8,081	—	21,840	—
Other expense	31		860	—
Share-based compensation	310	—	1,616	—
Restructuring, store closure and other charges, net[3]	6,083	—	20,023	—
Adjusted EBITDA of discontinued operations[2]	$ 35,570	$ —	$ 112,410	$ —

(1) In the third quarter of fiscal 2019, UNFI expanded its GAAP reconciliations to provide additional supplemental information regarding its adjustments within discontinued operations to arrive at the consolidated measure of Adjusted EBITDA. Previously, these line items were presented together as Net (loss) income attributable to United Natural Foods, Inc. These lines have been separated to provide for a separate presentation of the adjustments included within Adjusted EBITDA related to discontinued operations. This additional information had no impact on the previously presented calculation and definition of Adjusted EBITDA. For additional information regarding our discontinued operations, refer to UNFI's Quarterly Report on Form 10-Q filed on June 5, 2019.

(2) Adjusted EBITDA of discontinued operations excludes $7.9 million, $0.0 million, and $32.2 million and $0.0 million, respectively, as presented in this table, of operating lease rent expense related to stores within discontinued operations, but for which GAAP requires the expense to be included within continuing operations, as we expect to remain primarily obligated under these leases. We expect to assign these leases with the obligation to pay this rent expense to buyers of our retail discontinued operations upon sale. Due to these GAAP requirements to show rent expense, along with other administrative expenses of discontinued operations within continuing operations, UNFI believes the inclusion of discontinued operations results within Adjusted EBITDA provides UNFI and investors a meaningful measure of performance.

(3) Amounts represent store closure charges and costs, and an inventory fair value adjustment related to discontinued operations, net of the effect of fees received from credit card companies related to a settlement.

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Reconciliation – FY20 Guidance Adjusted Net Income Per Diluted Share (EPS)

FISCAL 2020 GUIDANCE

Reconciliation of 2020 Guidance for Estimated GAAP Net Income per Diluted Common Share to Estimated Non-GAAP Adjusted Net Income per Diluted Common Share (unaudited)

	Fiscal Year Ending August 1, 2020	
	Low Range	High Range
Net income attributable to United Natural Foods, Inc. per diluted common share	$ 0.35	$ 0.89
Estimated restructuring, acquisition and integration related expenses	1.05	1.05
Tax impact of adjustments	(0.18)	(0.18)
Adjusted net income per diluted common share [(1) (2)]	$ 1.22	$ 1.76

(1) Fiscal year ending August 1, 2020 Adjusted net income per diluted common share includes results reflected in our discontinued operations related to a certain retail business. Management expects to divest that retail business during fiscal 2020 and will update guidance accordingly.

(2) The estimated adjusted effective tax rate excludes the potential impact of changes in uncertain tax positions (FIN 48), tax impacts related to ASU 2006-09 regarding stock compensation and valuation allowances. Refer to the below reconciliation for adjusted effective tax rate.

Reconciliation – FY20 Guidance for Adjusted EBITDA

Reconciliation of 2020 Guidance for Net Income Attributable to United Natural Foods, Inc. to Adjusted EBITDA
(unaudited)

(in thousands)

	Fiscal Year Ending August 1, 2020		
	Low Range	Estimate	High Range
Net income attributable to United Natural Foods, Inc.	$ 19,000		$ 48,000
Provision for income taxes	17,000		28,000
Restructuring, acquisition and integration related costs[1]		56,000	
Net interest expense		196,000	
Total other (income) expense, net		(2,000)	
Depreciation and amortization		268,000	
Share-based compensation		48,000	
Net periodic benefit income, excluding service costs		(42,000)	
Adjusted EBITDA [2]	$ 560,000		$ 600,000

(1) Excludes potential costs and charges associated with divestiture of retail banners.

(2) Fiscal year ending August 1, 2020 Adjusted EBITDA includes results reflected in our Discontinued Operations related to a certain retail business. Management expects to divest that retail business during fiscal 2020 and will update guidance accordingly.

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Reconciliation – Tax Rate

Reconciliation of 2020 U.S. GAAP Effective Tax Rate to Adjusted Tax Rate (unaudited)

	Estimated Fiscal 2020
U.S. GAAP Effective Tax Rate	44 %
Discrete quarterly recognition of GAAP items [1]	(10)%
Tax impact of other charges and adjustments [2]	(2)%
Changes in valuation allowances [3]	(3)%
Adjusted Effective Tax Rate	29 %

Note: As part of the year-end reconciliation, we will update the reconciliation of the GAAP effective tax rate for actual results.

(1) Reflects changes in tax laws, uncertain tax positions, the impact of stock-based compensation under ASU 2016-09 (*Improvements to Employee Share Based Payment Accounting)* and any prior-year audit adjustments.

(2) Reflects the tax impact of pre-tax adjustments, that are excluded from pre-tax income when calculating adjusted earnings per share.

(3) Reflects changes in valuation allowances related to changes in judgment regarding the realizability of deferred tax assets or current year operations.