



UNFI Announces Q1 Results

December 5, 2000

Reports First Quarter Net Income of \$0.18 Per Share

Dayville, Connecticut – December 5, 2000 -- United Natural Foods, Inc. (Nasdaq: UNFI) today announced results for the first quarter of fiscal 2001, ending October 31, 2000, in line with the Company's previous guidance.

Net sales for fiscal year 2001's first quarter totaled \$244.1 million, an 11.8% increase over the \$218.5 million recorded in the first quarter a year ago. The improvement in revenue was attributable to increased sales to the Company's existing customer base, sales to new customers and increased market penetration in the Company's Eastern Region. Net income for the current quarter was \$3.3 million, or \$0.18 per diluted share, compared to a net loss of \$1.0 million or \$(0.06) per share, for the prior year. The Company's gross profit increased 18.8% to \$48.1 million from \$40.5 million for the same period in fiscal 2000 and operating expenses as a percentage of sales were reduced to 16.8% compared to 18.7% a year ago, despite significant fuel price increases this year and higher expenses related to a tight labor market.

Chief Executive Officer Michael Funk said, "It was a productive quarter for United Natural from both a financial and operational perspective, as demonstrated by the continued improvement in our operating results, strict control over expenses and the achievement of our previously stated goal of producing low double digit revenue growth rates. Accordingly, we believe that we are well positioned to achieve our operating and financial goals and deliver solid margins and strong top and bottom line results for the long term."

Mr. Funk added, "We expect to see our quarter over quarter net income improvement from the first to second quarters to be approximately 20%. Further, we remain comfortable with our previously reported 2001 net income guidance, which could range from \$0.95 to \$1.00 per share. In summary, United Natural Foods continues to get stronger in 2001 as we continue to focus on enhancing our areas of strategic advantage."

The Company also announced today that Mr. Richard Youngman, President of UNFI and a Director, has advised the Board that he will retire his positions effective December 6, 2000 to pursue other interests. Mr. Youngman co-founded Stow Mills in 1978 and served as its President until the merger with UNFI in 1997. Since December of 1999 Mr. Youngman has served as President of UNFI and has focused on restoring historical service levels and customer confidence in the Company's Eastern Region. The Board and the Company are deeply grateful to Richard for his many contributions and wish him continued success in his new endeavors. Mr. Youngman will remain as an active consultant to the Company's leadership team.

Succeeding Mr. Youngman as President will be Mr. Steve Townsend, currently President of the Eastern Region and the Company's former Chief Financial Officer. Mr. Townsend has been with UNFI and the Company's predecessor for over 20 years. The appointment of Mr. Townsend as President recognizes the value he adds to the organization as his keen leadership abilities have positioned the Eastern Region to once again contribute significantly to the success of the Company.

Conference Call

United Natural Foods management will host a conference call to discuss its first quarter results at 11:00 a.m. (Eastern Standard Time) on December 5, 2000. The conference call may be accessed by dialing 703-871-3021, just prior to the scheduled start time. The call may also be accessed via the Internet, on a listen-only basis, at www.vcall.com or at www.streetevents.com.

On a separate note, the Company announced that its Annual Meeting of Shareholders will be held on Wednesday, December 6, 2000 at 10:00 a.m. PST at the Hyatt Regency Sacramento at Capitol Park, 1209 L Street, Sacramento, CA 95814.

About United Natural Foods

United Natural Foods, Inc. distributes over 30,000 products to more than 7,000 customers in 50 states. The Company serves a wide variety of retail formats including conventional supermarket chains, natural product superstores and independent retail operators.

Financial Tables Follow

For more information on United Natural Foods, Inc., via fax at no charge, please dial 1-800-PRO-INFO and enter the Company's ticker symbol, UNFI. Or, visit the Company's web-site at www.unfi.com.

AT THE COMPANY: AT THE FINANCIAL RELATIONS BOARD:

Thomas Simone	Joseph Calabrese	Vanessa Schwartz
Chairman of the Board	General Information	Analyst Information
(707) 537-9872	(212) 445-8434	(212) 445-8433

This press release contains forward-looking statements relating to the operations, financial condition and operating results of the Company and such statements involve a number of risks and uncertainties. Actual results may differ materially from those projected in the forward-looking statements. Additional information concerning factors that could cause actual results to materially differ from those in the forward-looking statements is contained in the Company's SEC filings, including its periodic reports filed under the Securities Exchange Act of 1934, as amended (copies of which are available

upon request from the Company's investor relations department).

[Supplementary Financial Tables](#)