



Announcement of FY2000 Q4 Results

September 12, 2000

Reports Fourth Quarter Net Income of \$0.14 Per Share

Dayville, Connecticut – September 12, 2000 -- United Natural Foods, Inc. (Nasdaq: UNFI) today announced results for the fourth quarter of fiscal 2000, ending July 31, 2000, in line with the Company's previous guidance.

Net sales for fiscal year 2000's fourth quarter totaled \$229.7 million, a 7.1% increase over the \$214.5 million recorded in the fourth quarter a year ago. The improvement in revenue is 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 \$2.6 million, or \$0.14 per share, compared to a net loss of \$1.3 million or \$(0.07) per share, for the prior year. Prior year results included \$0.9 million, net of tax, of restructuring charges. Excluding these charges, net loss was \$0.4 million, or \$(0.02) per share. The Company's gross profit increased 15.4% to \$46.1 million from \$39.9 million for the same period last year, and operating expenses as a percentage of sales were reduced to 17.4% compared to 18.6% a year ago, even though the Company experienced significant fuel price increases this year and higher expenses related to a tight labor market.

Commenting on the Company's fourth quarter performance, Chief Executive Officer Michael Funk said, "We are very pleased with the continuation of the Company's improved performance and the achievement of our fourth quarter earnings targets. We were especially pleased with the sales growth in the Eastern Region, which showed an approximate 2% increase over last year's fourth quarter and a significant increase in the growth rate versus the 2000 third quarter. The Company's other divisions continue to average low double digit growth. Committed to building on this momentum, we are focused on the continuation of our sales and marketing efforts designed to bring the entire company into low double digit growth rates over the near-term."

Year End Results

For the twelve months ended July 31, 2000, net sales totaled \$908.7 million versus \$857.0 million for the same period last year. Net income before non-recurring and special charges for fiscal 2000 totaled \$2.3 million, or \$0.12 per share, compared to \$15.2 million, or \$0.82 per share, for fiscal 1999. These charges included restructuring and asset impairment charges in both years, severance, write-down of certain Eastern Region current assets, and costs associated with the closing of a facility in fiscal 2000. The Company reported a net loss, including these items, of \$1.2 million, or \$(0.07) per share for fiscal 2000, compared to net income of \$13.5 million, or \$0.74 per share, for fiscal 1999.

Comments on Fiscal 2001

"Looking forward, we remain confident in achieving our operating and financial goals and delivering excellent margins and strong top and bottom line results for the long term. 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 enters 2001 a stronger Company and we continue to focus on enhancing our areas of strategic advantage."

About United Natural Foods

United Natural Foods, Inc. distributes over 30,000 products to more than 6,500 customers in 50 states. The Company serves a wide variety of retail formats including conventional supermarket chains, natural product superstores and independent retail operators.

Conference Call

United Natural Foods management will host a conference call to discuss its fourth quarter and year-end results at 11:00 a.m. (Eastern Standard Time) on September 12, 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 on the Internet at www.vcall.com.

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.

AT THE COMPANY: AT THE FINANCIAL RELATIONS BOARD:

Thomas Simone	Joseph Calabrese	Vanessa Schwartz
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This press release contains forward-looking statements relating to the operations 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](#)