



United Natural Foods, Inc. Signs Definitive Agreement to Acquire Haddon House Food Products, Inc.

February 29, 2016

Acquisition to Expand High-Growth Ethnic and Gourmet Product Offerings and Distribution Capacity

Expected to be Accretive to Fiscal 2017 Earnings

PROVIDENCE, R.I.--(BUSINESS WIRE)--Feb. 29, 2016-- United Natural Foods, Inc. (Nasdaq: UNFI) (the "Company") today announced that it has entered into a definitive agreement to acquire all outstanding stock of Haddon House Food Products, Inc. ("Haddon") and certain affiliated entities as well as certain real estate, in a cash transaction for approximately \$217.5 million, subject to certain customary post-closing adjustments. Founded in 1960 by the Anderson family, Haddon is a well-respected distributor and merchandiser of natural and organic and gourmet ethnic products throughout the Eastern United States. Haddon has a diverse, multi-channel customer base including conventional supermarkets, gourmet food stores and independently owned product retailers.

"Haddon House has a unique product and service offering that we expect to play an important role in our ongoing strategy to build out UNFI's gourmet and ethnic product categories across the country," stated Steven Spinner, UNFI's President and Chief Executive Officer. "The Haddon House team has demonstrated exemplary customer service and growth over the last decade while also building a distinctive private label brands business. We are excited to have them join the UNFI family as we venture into new channels and markets together. I look forward to working with David Anderson, Sr. and David Anderson, Jr., both of whom will remain at the company in leadership roles, as we move this exciting service offering and product category across our companies and throughout the US."

"This transaction will provide us with greater operating scale and resources to further develop our product and service offering as we work with the UNFI team to broaden our geographic reach and route to market across complementary and new customer bases. We are excited about the opportunities this combination will create for consumers, employees, suppliers, and our stockholders," stated David Anderson, Sr., President, Haddon House Food Products, Inc.

Consummation of the transaction is subject to the satisfaction of customary closing conditions, including compliance with the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and is expected to close at the start of the fourth quarter of fiscal 2016. Upon closing, Haddon will be operated as a wholly-owned subsidiary of the Company. The transaction is expected to be accretive to the Company's earnings in fiscal 2017. The Company expects to finance the purchase price with a combination of available cash and borrowings under its revolving credit facility.

Conference Call & Webcast

The Company will host a conference call and audio webcast today, Monday, February 29, 2016 at 8:00 a.m. EST to discuss the proposed acquisition of Haddon House as well as its preliminary results and updated fiscal 2016 guidance, which was also announced in a separate release today. The audio webcast of the conference call will be available to the public, on a listen-only basis, via the Internet at the Investors section of the Company's website at www.unfi.com. The online archive of the webcast will be available on the Company's website for 30 days.

About United Natural Foods

United Natural Foods, Inc. carries and distributes more than 85,000 products to more than 40,000 customer locations throughout the United States and Canada. The Company serves a wide variety of retail formats including conventional supermarket chains, natural product superstores, independent retail operators and the food service channel. United Natural Foods, Inc. was ranked by Forbes Magazine in 2014 as one of "America's Best Managed Companies," ranked by Fortune in 2012 as one of its "Most Admired American Companies," and chosen by Food Logistics Magazine as one of its 2013 Top 20 Green Providers.

For more information on United Natural Foods, Inc., visit the Company's website at www.unfi.com.

About Haddon House Food Products

Haddon House Food Products (<http://www.haddonhouse.com>) is one of the country's finest distributors, importers and exporters of specialty, natural, organic, ethnic and kosher foods. For more than 50 years, Haddon House has provided the finest quality dry grocery, frozen and refrigerated products as well as outstanding service to thousands of retailers in the United States and abroad. Haddon House Food Products, Inc. was advised by Wells Fargo Securities, LLC.

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"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release regarding the Company's business that are not historical facts are "forward-looking statements" that involve risks 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 the Company's filings under the Securities Exchange Act of 1934, as amended, including its annual report on Form 10-K filed with the Securities and Exchange Commission ("SEC") on September 30, 2015, its quarterly report on Form 10-Q filed with the SEC on December 10, 2015 and other filings the Company makes with the SEC, and include, but are not limited to the occurrence of any event, change or other circumstance that could give rise to the termination of the acquisition agreement entered into by the parties in connection with the Company's proposed acquisition of Haddon; the ability of the Company to consummate the proposed acquisition of Haddon and retain Haddon's customers on terms similar to those in place with Haddon; the Company's ability to successfully deploy its operational initiatives to achieve synergies from the Haddon acquisition; the Company's dependence on principal customers; the Company's sensitivity to general economic conditions, including the current economic environment; changes in disposable income levels and consumer spending trends; the Company's ability to reduce its expenses in amounts sufficient to offset its increased focus on sales

to conventional supermarkets and the shift in the Company's product mix as a result of its acquisition of Tony's Fine Foods and the resulting lower gross margins on those sales; the Company's reliance on the continued growth in sales of natural and organic foods and non-food products in comparison to conventional products; increased competition in our 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; 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; the addition or loss of significant customers; volatility in fuel costs; 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; consumer demand for natural and organic products outpacing suppliers' ability to produce those products; decreased forward buying opportunities; union-organizing activities that could cause labor relations difficulties and increased costs; the ability to identify and successfully complete acquisitions of other natural, organic and specialty food and non-food products distributors; management's allocation of capital and the timing of capital expenditures; and the Company's ability to successfully deploy its operational initiatives to achieve synergies from the acquisition of Tony's Fine Foods and Haddon, if we consummate our acquisition. 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 projections 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 projections are subject to change and could differ materially from final reported results. The Company may from time to time update these publicly announced projections, but it is not obligated to do so.

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Source: United Natural Foods, Inc.

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