



United Natural Foods, Inc. Announces Acquisition of Gourmet Guru, Inc.

August 11, 2016

Strategic Acquisition of Emerging Brands Cultivator and Distributor

Transaction Expected to be Neutral to Fiscal 2017 Earnings and Modestly Accretive in Fiscal 2018

PROVIDENCE, R.I.--(BUSINESS WIRE)--Aug. 11, 2016-- United Natural Foods, Inc. (Nasdaq: UNFI) ("UNFI") today announced that it has acquired all of the outstanding stock of Gourmet Guru for an undisclosed amount, in an all cash transaction. Founded in 1996, Gourmet Guru is a distributor and merchandiser of fresh and organic food focusing on new and emerging brands. The acquisition enhances UNFI's strength in finding and cultivating emerging fresh and organic brands and further expands UNFI's presence in key urban markets. Gourmet Guru had \$50 million in net sales for the twelve months ended June 30, 2016. The transaction is expected to be neutral to UNFI's fiscal 2017 earnings and modestly accretive to UNFI's earnings in Fiscal 2018.

"We are excited to strengthen our expertise in identifying new and fast-growing health and wellness brands with the strategic acquisition of Gourmet Guru," commented Steven Spinner, UNFI's President and Chief Executive Officer. "We look forward to working with Jeff Lichtenstein, CEO of Gourmet Guru, who will remain at the company in a leadership role."

"Gourmet Guru brings diverse skills in merchandising and service, targeting cities and high traffic locations, which will enhance UNFI's unique ability to deliver on the most innovative and local brands," said Kirsten Hogan, UNFI's National Vice President of Retail Services.

"UNFI recognizes the importance of helping exciting and new producers of fresh and organic foods and Gourmet Guru is proud to become a part of UNFI," said Mr. Lichtenstein. "We look forward to helping UNFI bring exciting and differentiated products to market."

About United Natural Foods

UNFI carries and distributes more than 90,000 products to more than 45,000 customer locations throughout the United States and Canada. UNFI serves a wide variety of retail formats including conventional supermarket chains, natural product superstores, independent retail operators and the food service channel. UNFI was ranked by Forbes Magazine in 2014 as one of "America's Best Managed Companies."

For more information on UNFI, visit the Company's website at www.unfi.com.

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, including statements related to the Company's estimated financial results, 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 (the "SEC") on September 30, 2015, its quarterly reports on Form 10-Q filed with the SEC on December 10, 2015, March 10, 2016 and June 9, 2016 and other filings the Company makes with the SEC, and include, but are not limited to, the ability of the Company to retain customers of businesses acquired by the Company, including Gourmet Guru on terms similar to those in place prior to our acquisition of these businesses; 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 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; 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 supplier promotional activity including 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 acquisitions of Tony's Fine Foods, Global Organic, Nor-Cal, Haddon House and Gourmet Guru. 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 or any forward looking statements in this release 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.

Source: United Natural Foods, Inc.

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