UNFI™

BETTER FOOD. BETTER FUTURE.

Q4 Fiscal 2020

Supplemental Slides

SEPTEMBER 28, 2020

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 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 filings that United Natural Foods, Inc. (the "Company") has made under the Securities Exchange Act of 1934, as amended, including its annual report on Form 10-K for the year ended August 3, 2019 filed with the Securities and Exchange Commission (the "SEC") on October 1, 2019, as updated in its quarterly report on Form 10-Q for the quarter ended May 2, 2020 and other filings the Company makes with the SEC, and include, but are not limited to, the impact and duration of the COVID-19 outbreak, 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 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 and direct distribution of those products by large retailers and online distributors; 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; increased competition as a result of continuing consolidation of retailers in the natural product industry and the growth of supernatural chains; the addition or loss of significant customers or material changes to the Company's relationships with these customers; union-organizing activities that could cause labor relations difficulties and increased costs; the Company's ability to operate, and rely on third parties to operate reliable and secure technology systems; the relatively low margins of the Company's business; moderated supplier promotional activity, including decreased forward buying opportunities; 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 potential for additional asset impairment charges; the Company's sensitivity to inflationary and deflationary pressures; the potential for disruptions in the Company's supply chain or its distribution capabilities by circumstances beyond its control, including a health epidemic; the risk of interruption of supplies due to lack of long-term contracts, severe weather, work stoppages or otherwise; volatility in fuel costs; volatility in foreign exchange rates; and our 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.

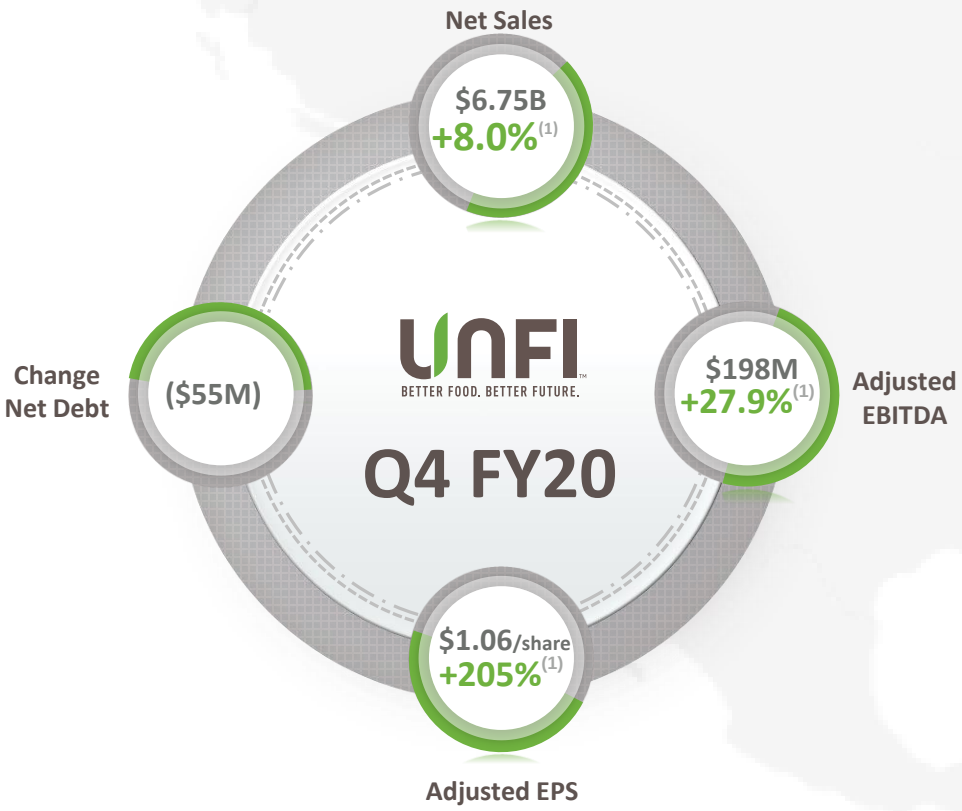
This presentation also contains the non-GAAP financial measures adjusted EBITDA, adjusted EPS, and adjusted effective tax rate. The reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measure is presented in the appendix to this presentation. The presentation 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 performance of our business and understanding the underlying operating performance and 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.

Key Fiscal 2020 Accomplishments

- Leveraged strong third and fourth quarter sales to produce record full year adjusted EBITDA of $673 million.
- Reduced outstanding net debt by $388 million; leverage reduced to 4.0x.
- Assumed continuing leadership role in supplying America's supermarkets since onset of COVID-19.
- Recruited and onboarded several new key leaders including Chief Information Officer, Chief Supply Chain Officer, and Chief Marketing Officer.

Strong Fourth Quarter Finish to Year

Leveraged 8% sales growth to 28% growth in Adjusted EBITDA [1]



Full Year Fiscal 2020 Results

Net Sales
$26.51B

Adjusted EBITDA [2]
$673M

Adjusted EPS [2]
$2.72/share

Change in Net Debt
($388M)

Ending Adjusted EBITDA leverage [2]
4.0x

(1) On a 13-week comparable basis to last year (fiscal 2019 was a 53-week year and its fourth quarter was a 14-week quarter). Fiscal 2019 included results from SUPERVALU for 41 of 53 weeks; as such no YOY percent comparisons shown. See appendix for reconciliations for non-GAAP figures.

(2) See appendix for reconciliations for non-GAAP figures.

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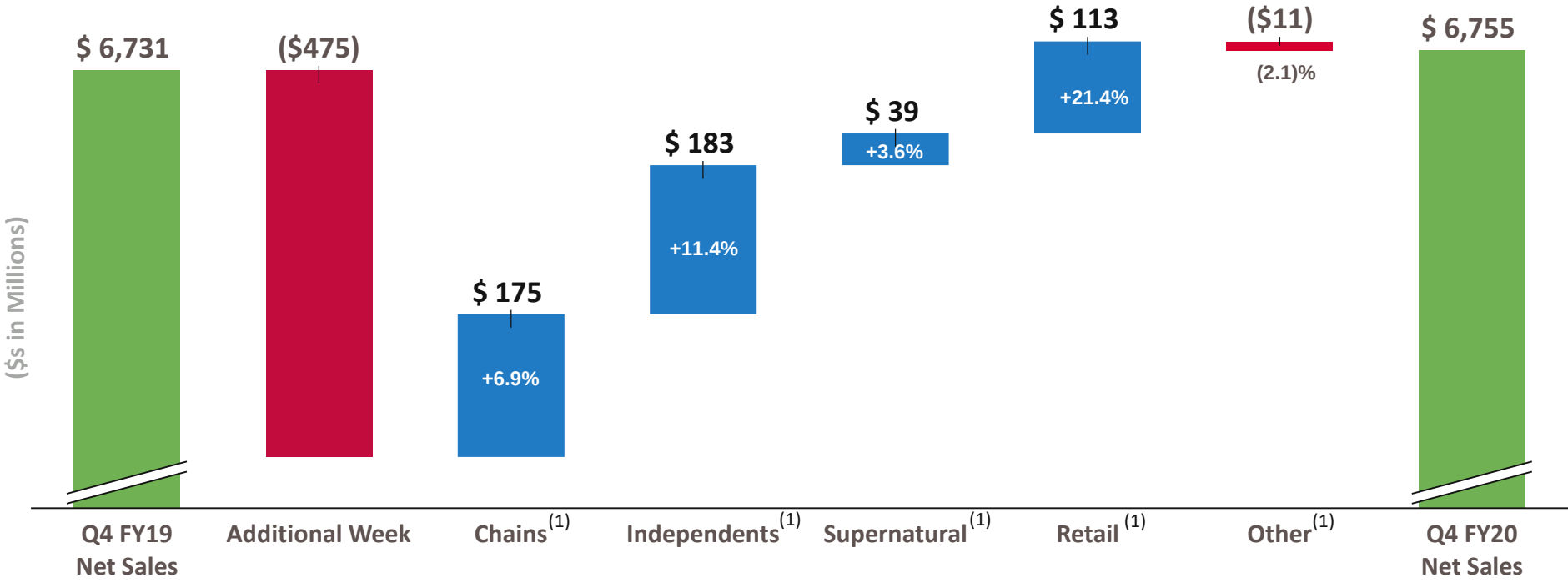
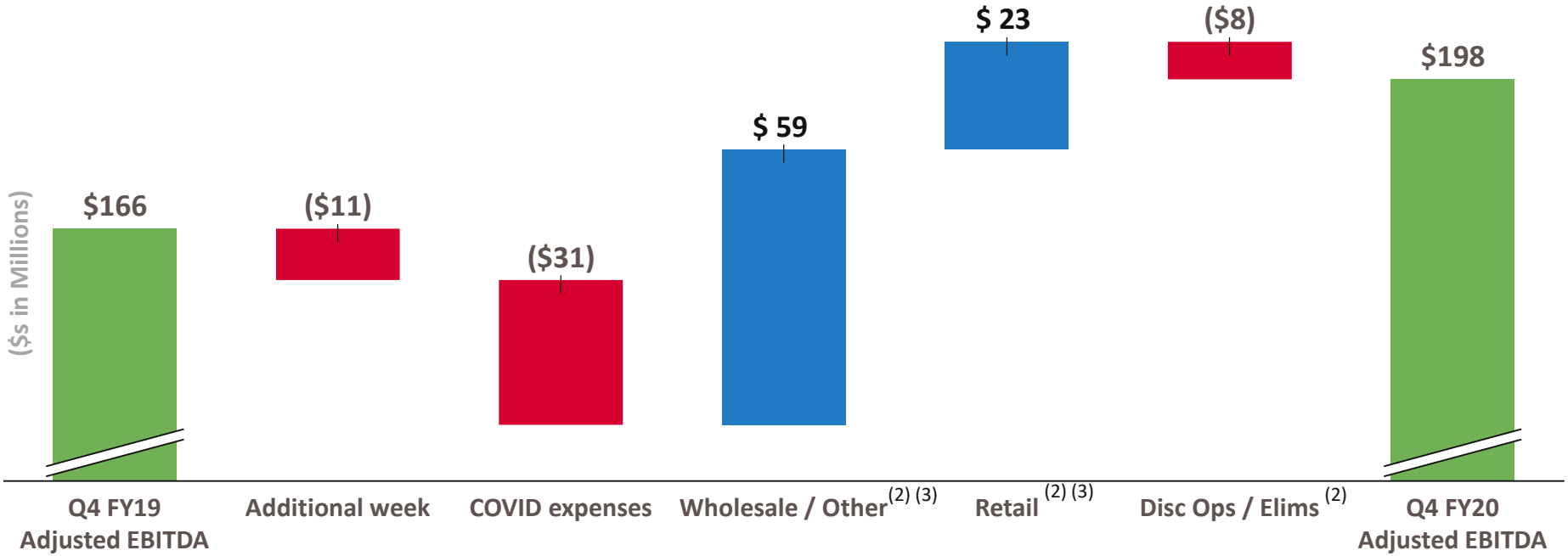
Q4 Consolidated Sales +8%[1] Driven Primarily by Chains & Independents



(1) Percent sales changes are on a 13-week comparable basis to last year (fiscal 2019 was a 53-week year and its fourth quarter was a 14-week quarter). For the fourth quarter of fiscal 2020, the presentation of net sales by customer channel has been recast to be presented on a basis consistent with customer size. The main effect of the change was to re-categorize the former Supermarkets and Independents channels, previously classified by the majority of product carried by those customers between conventional and natural products, respectively, to classify those stores by the number of customer locations UNFI supplies.

Q4 Adjusted EBITDA +28%[1] Driven by Strong Wholesale and Retail Performance

Sales leverage and operating efficiencies partly offset by COVID expenses



(1) See slide 15 in appendix for the Company's definition of Adjusted EBITDA and the reconciliation of Adjusted EBITDA to net income for the fourth quarter of fiscal 2019 and fiscal 2020.
(2) See segment table on slide 21.
(3) Changes are on a 13-week comparable basis to last year (fiscal 2019 was a 53-week year and its fourth quarter was a 14-week quarter).

Multiple Drivers of Long-Term, Sustainable Growth

Building on success in Fiscal 2020 for 2021 and beyond

Cross-Selling

Achieved $250M in FY20

E-Commerce

Fastest Growing Portion of our Business

Private Brands

Sales increased 17% in Q4 & 26% in Q3

New Customers

Aggressively pursuing with unmatched offerings

Strong Retail Performance Contributed to Fiscal 2020 Debt Reduction

Continue to operate the two remaining banners for up to 24 additional months

Stores

Total of 71 Stores in Continuing Operations: 52 Cub / 19 Shoppers.

Retail Results (Q4 FY20)

Same store sales of +21%. Adjusted EBITDA increased $16M (+143%) [1]

Private Brands

Retail had a very strong Quarter selling Private Brands (+13%)

e-Com Growth

Cub grew delivery and click + collect services (+309%)

24 Months

Retail segment contributed $86 million of Adjusted EBITDA in Fiscal 2020 [2]

(1) Retail Segment Adjusted EBITDA includes rent expense and overhead allocation.
(2) See segment table on slide 21.

Q4 Capital Structure Reflects Ongoing De-Leveraging

Strong liquidity provides continued operating flexibility

($'s in Millions)			Amounts Outstanding				
	Maturity	Rate	Q4 FY19	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20
Secured term loan B-1	October 2025	L + 4.25%	$ 1,791	$ 1,787	$ 1,782	$ 1,778	$ 1,773
Secured term loan B-2	October 2019	L + 2.00%	74	-	-	-	-
$2.1B ABL revolver	October 2023	L + 1.25% / Prime + 0.25%	1,080	1,318	1,187	816	757
Finance leases (1)	Various	Various	133	84	70	160	156
Equipment loans	Various	Various	57	58	55	52	49
Total Debt and Finance leases (face value)			**$ 3,135**	**$ 3,247**	**$ 3,094**	**$ 2,806**	**$ 2,735**
Balance sheet cash (2)			(45)	(43)	(42)	(59)	(47)
Total Debt and Finance Leases Net of Cash (face value)			**$ 3,090**	**$ 3,204**	**$ 3,052**	**$ 2,747**	**$ 2,688**
Face Value Net Debt / LFQ Adjusted EBITDA (3)				**5.4x**	**5.2x**	**4.3x**	**4.0x**
Available Liquidity (4)			**$ 964**	**$ 737**	**$ 869**	**$ 1,213**	**$ 1,282**

(1) The decline between Q4 FY19 and Q1 FY20 was primarily driven by the adoption of the new lease accounting standard which derecognized certain finance lease obligations now reflected as operating lease liabilities. The increase between Q2 FY20 and Q3 FY20 was primarily driven by the addition of a new finance lease obligation at our Moreno Valley distribution center.

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

(3) Net debt, as shown, divided by last-four-quarter adjusted EBITDA of $598, $587, $641, and $673, respectively. See appendix for reconcilation of Adjusted EBITDA.

(4) Balance sheet cash plus unused capacity under the $2.1 billion revolving ABL facility.

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Continued Focus on Sustainability & Impact via our ESG Efforts

Building Better for Our:

World
Communities
People

Environmental

- 6th consecutive year on Food Logistics Top Green Provider list
- LEED® and solar-powered buildings more efficient and better for associates and environment
- Regular cycling of delivery fleet improves efficiency, lowers costs and protects the planet
- Joined the Climate Collaborative in 3rd quarter

Social

- Invested in safety of distribution networks
- 10 million pounds of food donated throughout COVID-19 pandemic
- 93 grants totaling $1 million from UNFI Foundation
- Committed to racial equality through pillars of action toward our people, our communities, and our world

Governance

- Board diverse by gender (30% women) and race/ethnicity
- Best practices include annual elections, one voting class, 3/3/20/20 proxy access, majority voting, special meeting rights at 25%, director retirement age, regular refreshment, annual board evaluations, no poison pill
- Executive compensation reflects pay for performance philosophy
- Reference leading reporting frameworks, SASB and GRI in reporting

Completed Materiality Assessment and Established Executive Committee Oversight in Fiscal 2020.

Most Importantly…

To our ~30,000 Associates, ~40,000+ Retail Partners, and ~10,000+ Suppliers who ALL went above and beyond in Fiscal 2020 to provide **Freedom of Food Choice** when it mattered most…

We look forward to continuing to deliver together in the days and years ahead.

Better Food. Better Future.

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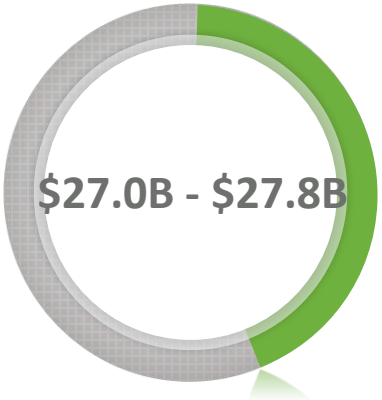
Fiscal 2021

Full-Year Outlook

Fiscal 2021 Outlook: The Future Looks Bright for UNFI [1]

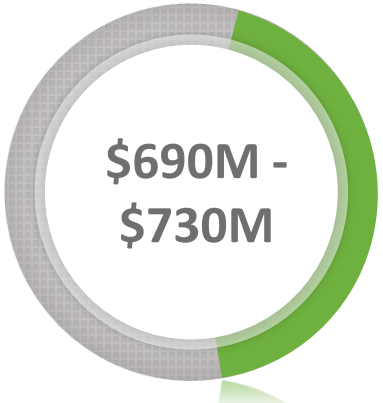
Assumes food at home consumption remains strong and more significant than food away from home

Net Sales[1]



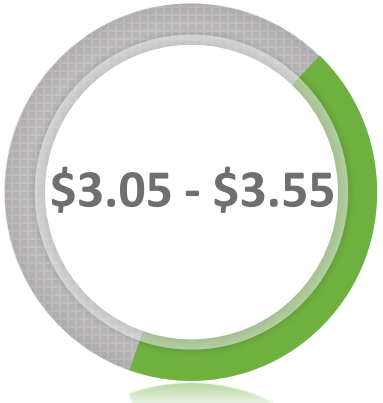
(3.3% growth at midpoint)

Adjusted EBITDA[1][2]



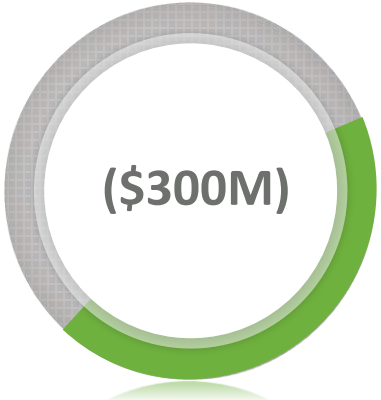
(5.5% growth at midpoint)

Adjusted EPS[1][2]



(21.3% growth at midpoint)

Δ Net Debt Reduction [1]



(1) The outlook provided above is for fiscal 2021. This outlook is forward-looking, is based on management's current estimates and expectations and is subject to several risks, including many that are outside of management's control. See cautionary language on slide 2 and the risk factors contained in the Company's Annual Report on Form 10-K for the year ended August 3, 2019 filed on October 1, 2019 and other filings the Company makes with the SEC.

(2) Please refer to the appendix for reconciliations of Adjusted EPS and Adjusted EBITDA to the most directly comparable financial measures calculated in accordance with GAAP.

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Appendix

Reconciliation – Adjusted EBITDA

($'s in Thousands)

	Fourth Quarter Ended		Fiscal Year Ended	
	August 1, 2020 (13 weeks)	August 3, 2019 (14 weeks)	August 1, 2020 (52 weeks)	August 3, 2019 (53 weeks)
Net income (loss) from continuing operations	$ 52,962	$ 21,806	$ (254,009)	$ (285,521)
Adjustments to continuing operations net income (loss):				
Less net income attributable to noncontrolling interests	(1,522)	(223)	(4,929)	(107)
Total other expense, net	33,906	46,129	148,839	144,685
(Benefit) provision for income taxes[1]	(7,883)	27,724	(90,445)	(58,936)
Depreciation and amortization	67,533	77,063	281,535	247,746
Share-based compensation	11,638	11,426	33,689	40,495
Goodwill and asset impairment (benefit) charges[2]	—	(39,845)	425,405	292,770
Restructuring, acquisition, and integration related expenses[3]	20,632	19,439	86,383	148,195
Loss (gain) on sale of assets[4]	16,347	(529)	17,132	(499)
Notes receivable charges[5]	—	—	12,516	—
Inventory fair value adjustment[6]	—	—	—	10,463
Legal settlement income, net of reserve adjustment[7]	—	(3,590)	1,196	(1,390)
Other retail expense[8]	1,750	—	1,750	—
Adjusted EBITDA of continuing operations	195,363	159,400	659,062	537,901
Adjusted EBITDA of discontinued operations[9]	2,547	6,513	13,860	24,954
Adjusted EBITDA	$ 197,910	$ 165,913	$ 672,922	$ 562,855
Income (loss) from discontinued operations, net of tax[9]	$ 926	$ (2,386)	$ (15,202)	$ 898
Adjustments to discontinued operations net income (loss):				
Total other expense, net	167	25	(4)	150
Benefit for income taxes	(1,143)	(52)	(4,465)	(3,723)
Other expense	—	12	—	(62)
Restructuring, store closure and other charges, net[10]	2,597	8,914	33,531	27,691
Adjusted EBITDA of discontinued operations[9]	$ 2,547	$ 6,513	$ 13,860	$ 24,954

(1) Fiscal 2020 includes the tax benefit from the CARES Act, which includes the impact of tax loss carrybacks to 35% tax years allowed under the CARES Act.

(2) Fiscal 2020 primarily reflects a goodwill impairment charge attributable to a reorganization of our reporting units and a sustained decrease in market capitalization and enterprise value of the Company; resulting in a decline in the estimated fair value of the U.S. Wholesale reporting unit. In addition, this charge includes a goodwill finalization charge attributable to the SUPERVALU acquisition and an asset impairment charge. Fiscal 2019 reflects a goodwill impairment charge attributable to the SUPERVALU acquisition.

(3) Fiscal 2020 primarily reflects Shoppers asset impairment charges, closed property and distribution center impairment charges and costs, and administrative fees associated with integration activities. Fiscal 2019 primarily reflects expenses resulting from the acquisition of SUPERVALU and acquisition and integration expenses, including employee-related costs.

(4) The fourth quarter of fiscal 2020 primarily reflects a $50.0 million accumulated depreciation and amortization charge related to the requirement to move Retail from discontinued operations to continuing operations, partially offset by $33.7 million of gains on the sale of distribution centers and other assets.

(5) Reflects reserves and charges for notes receivable issued by the SUPERVALU business prior to its acquisition to finance the purchase of stores by its customers.

(6) Reflects a non-cash charge related to the step-up of inventory values as part of purchase accounting.

(7) Reflects a charge to settle a legal proceeding and a charge related to our assessment of legal proceedings, net of income received to settle a legal proceeding.

(8) Reflects expenses associated with event-specific damages to certain retail stores.

(9) Income from discontinued operations, net of tax and Adjusted EBITDA of discontinued operations excludes rent expense of $0.5 million, $2.9 million in the fourth quarters of fiscal 2020 and 2019, respectively; and $5.8 million and $9.5 million in fiscal 2020 and 2019, respectively, 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 remain or 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.

(10) Amounts represent store closure charges and costs, operational wind-down and inventory charges, and asset impairment charges related to discontinued operations.

The non-GAAP adjusted EBITDA measure is defined as a consolidated measure inclusive of continuing and discontinued operations results, which we reconcile by adding Net (loss) income from continuing operations, plus Total other expense, net and (Benefit) provision for income taxes, plus Depreciation and amortization calculated in accordance with GAAP, plus adjustments for Share-based compensation, Restructuring, acquisition and integration related expenses, goodwill and asset impairment charges, certain legal charges and gains, certain other non-cash charges or items, as determined by management, plus Adjusted EBITDA of discontinued calculated in a manner consistent with the results of continuing operations outlined above.

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Reconciliation – Adjusted EPS

	Fourth Quarter Ended		Fiscal Year Ended	
	August 1, 2020 (13 weeks)	August 3, 2019 (14 weeks)	August 1, 2020 (52 weeks)	August 3, 2019 (53 weeks)
Net income (loss) attributable to UNFI per diluted common share	$ 0.89	$ 0.36	$ (5.10)	$ (5.56)
Goodwill and asset impairment (benefit) charges[1]	—	(0.75)	7.91	5.70
Restructuring, acquisition, and integration related expenses[2]	0.35	0.37	1.61	2.89
Loss (gain) on sale of assets[3]	0.28	(0.01)	0.32	(0.01)
Pension settlement charge[4]	0.02	—	0.21	—
Surplus property depreciation and interest expense[5]	(0.01)	—	0.15	—
Note receivable charges[6]	—	—	0.23	—
Loss on debt extinguishment[7]	—	0.01	—	0.06
Interest expense on senior notes[8]	—	—	—	0.06
Inventory fair value adjustment[9]	—	—	—	0.20
Legal reserve charge, net of settlement income[10]	—	(0.07)	0.02	(0.03)
Other retail expense[11]	0.03	—	0.03	—
Discontinued operations store closures and other charges, net[12]	0.06	0.17	0.64	0.55
Tax impact of adjustments and adjusted effective tax rate[13]	(0.49)	0.36	(2.90)	(1.78)
Impact of dilutive shares[14]	—	—	(0.09)	—
Adjusted net income per diluted common share (Retail in Discontinued Operations)	1.13	0.44	3.03	2.08
Depreciation and amortization adjustment[15]	(0.07)	(0.09)	(0.31)	(0.40)
Adjusted net income per diluted common share (Retail in Continuing Operations)[13][14]	$ 1.06	$ 0.35	$ 2.72	$ 1.68

See slide 17 for definition of Adjusted EPS

(1) Fiscal 2020 primarily reflects a goodwill impairment charge attributable to a reorganization of our reporting units and a sustained decrease in market capitalization and enterprise value of the Company; resulting in a decline in the estimated fair value of the U.S. Wholesale reporting unit. In addition, this charge includes a goodwill finalization charge attributable to the SUPERVALU acquisition and an asset impairment charge. Fiscal 2019 reflects a goodwill impairment charge attributable to the SUPERVALU acquisition.

(2) Fiscal 2020 primarily reflects Shoppers asset impairment charges, closed property and distribution center impairment charges and costs, and administrative fees associated with integration activities. Fiscal 2019 primarily reflects expenses resulting from the acquisition of SUPERVALU and acquisition and integration expenses, including employee-related costs.

(3) The fourth quarter of fiscal 2020 primarily reflects a $50.0 million accumulated depreciation and amortization charge related to the requirement to move Retail from discontinued operations to continuing operations, partially offset by $33.7 million of gains on the sale of distribution centers and other assets.

(4) Reflects a non-cash pension settlement charges associated with the acceleration of a portion of the accumulated unrecognized actuarial loss as a result of the lump sum settlement payments.

(5) Reflects surplus, non-operating property depreciation and interest expense, including accelerated depreciation related to a location on which we recognized a gain that is included in Restructuring, acquisition and integration related expenses.

(6) Reflects reserves and charges for notes receivable issued by the SUPERVALU business prior to its acquisition to finance the purchase of stores by its customers.

(7) Reflects non-cash charges related to the acceleration of unamortized debt issuance costs due to term loan prepayments and extinguishment charges from the Company's term loan, which was in place prior to the acquisition of SUPERVALU.

(8) Interest expense recorded on the SUPERVALU senior notes in the mandatory 30-day redemption notice period.

(9) Reflects a non-cash charge related to the step-up of inventory values as part of purchase accounting.

(10) Reflects a charge to settle a legal proceeding and a charge related to our assessment of legal proceedings, net of income received to settle a legal proceeding.

(11) Reflects expenses associated with event-specific damages to certain retail stores.

(12) Amounts represent store closure charges and costs, operational wind-down and inventory charges, and asset impairment charges related to discontinued operations.

(13) Represents the tax effect of the pre-tax adjustments and beginning in the first quarter of fiscal 2020 an adjustment to utilize an adjusted effective tax rate to calculate Adjusted EPS. The adjusted effective tax rate is calculated based on adjusted net income before tax, and its impact reflects the exclusion of changes to uncertain tax positions, valuation allowances, tax impacts related to the exercise of share-based compensation awards and discrete GAAP tax items which could impact the comparability of the operational effective tax rate. The Company believes using this adjusted effective tax rate will provide better consistency across the interim reporting periods since each of these discrete items can cause volatility in the GAAP tax rate that is not indicative of the true operations of the Company. By providing this non-GAAP measure, management intends to provide investors with a meaningful, consistent comparison of the Company's effective tax rate on ongoing operations. For the fourth quarter of fiscal 2020 and fiscal year 2020, the use of the effective tax rate methodology used in fiscal 2019 to calculate Adjusted EPS would have resulted in the tax impact of adjustments being $(0.35) and $(2.85) per diluted share, respectively; and Adjusted EPS of $1.20 and $2.77, respectively. If the Company had utilized an adjusted effective tax rate in calculating Adjusted EPS in the fourth quarter of fiscal 2019 and fiscal year 2019, the tax impact of adjustments using the adjusted effective tax rate would have been $0.36 and $(1.90) per diluted share, respectively, and Adjusted EPS would have been $0.35 and $1.56 per diluted share, respectively.

(14) The computation of diluted earnings per share is calculated using diluted weighted average shares outstanding, which includes the net effect of dilutive stock awards.

(15) Included within Loss (gain) on sale of assets in the fourth quarter of fiscal 2020 is a pre-tax charge of $50.0 million related to the change in presentation of Retail to continuing operations. This charge was calculated under GAAP as the depreciation and amortization expense that would have been recognized had Retail been included in continuing operations for the full time period since the SUPERVALU acquisition date. This adjustment attributes the pro rata amount of the non-cash charge recognized in the fourth quarter of fiscal 2020 to the applicable time periods in which it would have been recognized had Retail been included within continuing operations since the acquisition date. UNFI believes the inclusion of this adjustment is a useful indicator of performance to both management and investors, as it provides a relative comparison to how UNFI's results of operations will be reported on an ongoing basis.

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Reconciliation – FY21 Outlook Adjusted EPS & Adjusted EBITDA

	Fiscal Year Ending July 31, 2021		
	Low Range	Estimate	High Range
Net income attributable to United Natural Foods, Inc. per diluted common share	$ 2.55		$ 3.05
Restructuring, acquisition and integration related expenses		0.46	
Surplus property depreciation and interest expense		0.10	
Discontinued operations store closures and other charges, net		0.12	
Tax impact of adjustments and adjusted effective tax rate[1]		(0.18)	
Adjusted net income per diluted common share	$ 3.05		$ 3.55

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

	Fiscal Year Ending July 31, 2021		
(in thousands)	Low Range	Estimate	High Range
Net income attributable to United Natural Foods, Inc.	$ 154,000		$ 183,000
Benefit for income taxes	57,000		68,000
Restructuring, acquisition and integration related costs		27,000	
Closed property depreciation and interest expense		6,000	
Discontinued operations store closures and other charges, net		7,000	
Net interest expense		176,000	
Other (income) expense, net		(1,000)	
Depreciation and amortization		278,000	
Share-based compensation		54,000	
Net periodic benefit income, excluding service costs		(68,000)	
Adjusted EBITDA	$ 690,000		$ 730,000

The non-GAAP adjusted earnings per diluted common share measure is a consolidated measure, which the Company reconciles by adding Net Income attributable to UNFI plus goodwill and asset impairment benefits and charges, restructuring, acquisition, and integration related expenses, certain legal charges and gains, surplus property depreciation and interest expense, losses on debt extinguishment, discontinued operations store closures and other charges, net, the impact of diluted shares when GAAP earnings is presented as a loss and non-GAAP earnings represent income, and the tax impact of adjustments and the adjusted effective tax rate, which tax impact for fiscal 2020 and fiscal 2020 outlook is calculated using the adjusted effective tax rate, and certain other non-cash charges or items, as determined by management.

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Reconciliation – Adjusted Effective Tax Rate

	Estimated Fiscal 2021	Actual Fiscal 2020	Actual Fiscal 2019
U.S. GAAP Effective Tax Rate	28 %	26 %	18 %
Discrete quarterly recognition of GAAP items[1]	(1)%	(1)%	(2)%
Tax impact of other charges and adjustments[2]	— %	1 %	— %
Changes in valuation allowances[3]	— %	1 %	— %
Impact of Goodwill Impairment	— %	11 %	11 %
Impact of CARES Act[4]	— %	(11)%	— %
Adjusted Effective Tax Rate[5]	27 %	27 %	27 %

Note: As part of the year-end reconciliation, we have updated the reconciliation of the fiscal 2020 GAAP effective tax rate for actual results.

(1) Reflects changes in tax laws, excluding the CARES Act, uncertain tax positions, the tax impacts related to the exercise of share-based compensation awards, and any prior year deferred tax or payable adjustments. This includes prior-year Internal Revenue Service or other tax jurisdiction audit adjustments.

(2) Reflects the tax impact of pre-tax adjustments other than the goodwill impairment that are excluded from pre-tax income when calculating adjusted EPS.

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

(4) Reflects the impact of tax loss carrybacks to 35% tax years allowed under the CARES Act as compared to the 21% tax rate applicable to tax loss carryforwards.

(5) The Company establishes an estimated adjusted effective tax rate at the beginning of the fiscal year based on the best available information. The Company re-evaluates its estimated adjusted effective tax rate as appropriate throughout the year and adjusts for any material changes. The actual adjusted effective tax rate at the end of the fiscal year is based on actual results and accordingly may differ from the estimated adjusted effective tax rate used during the year.

The non-GAAP adjusted effective tax rate excludes the potential impact of changes to various uncertain tax positions and valuation allowances, as well as stock compensation accounting (ASU 2016-09).

Reconciliation - Adjusted EBITDA

(in thousands)	Last Four Quarters Ended May 2, 2020 (53 weeks)	Last Four Quarters Ended February 1, 2020 (53 weeks)	Last Four Quarters Ended November 2, 2019 (53 weeks)	F2020	Q4 F2020	Q3 F2020	Q2 F2020	Q1 F2020	F2019	Q4 F2019	Q3 F2019	Q2 F2019	Q1 F2019
Net (loss) income from continuing operations	$ (285,165)	$ (323,119)	$ (653,376)	$ (254,009)	$ 52,962	$ 94,447	$ (13,984)	$ (387,434)	$ (285,521)	$ 21,806	$ 56,493	$ (344,241)	$ (19,579)
Adjustments to continuing operations net (loss) income:													
Less net income attributable to noncontrolling interests	(3,630)	(1,444)	(623)	(4,929)	(1,522)	(2,238)	(650)	(519)	(107)	(223)	(52)	171	(3)
Total other expense, net	161,062	173,141	175,751	148,839	33,906	32,669	44,339	37,925	144,685	46,129	44,748	46,949	6,859
Benefit for income taxes	(54,838)	(51,889)	(122,279)	(90,445)	(7,883)	(2,799)	(12,808)	(66,955)	(58,936)	27,724	150	(83,198)	(3,612)
Depreciation and amortization	291,065	293,313	298,215	281,535	67,533	69,642	69,219	75,141	247,746	77,063	71,890	74,121	24,672
Share-based compensation	33,477	30,510	36,331	33,689	11,638	12,992	5,134	3,925	40,495	11,426	10,025	10,955	8,089
Restructuring, acquisition and integration related expenses	85,190	84,425	94,927	86,383	20,632	14,557	36,522	14,672	148,195	19,439	13,792	47,024	67,940
Goodwill and asset impairment charges	385,560	347,304	718,175	425,405	—	—	—	425,405	292,770	(39,845)	(38,256)	370,871	—
Loss (gain) on sale of assets	256	8	(488)	17,132	16,347	351	524	(90)	(499)	(529)	103	28	(101)
Note receivable charges	12,516	12,516	12,516	12,516	—	—	—	12,516	—	—	—	—	—
Inventory fair value adjustment	—	—	8,644	—	—	—	—	—	10,463	—	—	8,644	1,819
Legal reserve charge, net of settlement income	(2,394)	(194)	460	1,196	—	—	(654)	1,850	(1,390)	(3,590)	2,200	—	—
Other expense	—	—	—	1,750	1,750	—	—	—	—	—	—	—	—
Adjusted EBITDA of continuing operations	623,099	564,571	568,253	659,062	195,363	219,621	127,642	116,436	537,901	159,400	161,093	131,324	86,084
Adjusted EBITDA of discontinued operations	17,826	22,321	30,103	13,860	2,547	2,587	3,468	5,258	24,954	6,513	7,082	11,250	109
Adjusted EBITDA	$ 640,925	$ 586,892	$ 598,356	$ 672,922	$ 197,910	$ 222,208	$ 131,110	$ 121,694	$ 562,855	$ 165,913	$ 168,175	$ 142,574	$ 86,193
(Loss) income from discontinued operations, net of tax	$ (18,514)	$ (13,785)	$ 4,636	$ (15,202)	$ 926	$ (4,078)	$ (16,076)	$ 4,026	$ 898	$ (2,386)	$ 651	$ 2,345	$ 288
Adjustments to discontinued operations net (loss) income:													
Total other expense, net	(146)	(7)	319	(4)	167	(106)	(4)	(61)	150	25	33	322	(230)
Provision for income taxes	(3,374)	(3,799)	(2,536)	(4,465)	(1,143)	20	(4,635)	1,293	(3,723)	(52)	(405)	(3,372)	106
Other expense	12	201	(43)	—	—	—	—	—	(62)	12	189	(244)	(19)
Restructuring, store closure and other charges, net	39,848	39,711	27,727	33,531	2,597	6,751	24,183	—	27,691	8,914	6,614	12,199	(36)
Adjusted EBITDA of discontinued operations	$ 17,826	$ 22,321	$ 30,103	$ 13,860	$ 2,547	$ 2,587	$ 3,468	$ 5,258	$ 24,954	$ 6,513	$ 7,082	$ 11,250	$ 109

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Reconciliation - Adjusted EBITDA Leverage Ratio

	Fiscal Year Ended August 1, 2020 (52 weeks)
Current portion of long-term debt and finance lease liabilities	$ 83,378
Long-term debt	2,426,994
Long-term finance lease liabilities	143,303
Less: Cash and cash equivalents	(46,993)
Net carrying value of debt and finance lease liabilities	2,606,682
Debt issuance costs, net	45,846
Original issue discount on debt	35,508
Net debt and finance lease liabilities	2,688,036
Adjusted EBITDA	$ 672,922
Adjusted EBITDA leverage ratio	4.0 x

Historical Segment Sales and Adjusted EBITDA

Net Sales and Adjusted EBITDA by Segment (Unaudited)

	Net Sales									
(in millions)	F2020	Q4 F2020	Q3 F2020	Q2 F2020	Q1 F2020	F2019	Q4 F2019	Q3 F2019	Q2 F2019	Q1 F2019
Wholesale	$25,496.6	$ 6,472.4	$ 6,750.0	$ 6,206.9	$ 6,067.3	$21,530.2	$ 6,460.0	$ 6,005.5	$ 6,202.2	$ 2,862.5
Retail	2,330.7	640.0	636.9	538.6	515.2	1,653.6	567.3	512.7	544.4	29.1
Other	228.0	63.5	58.4	41.1	65.1	234.8	60.7	64.2	59.5	50.4
Eliminations	(1,541.0)	(421.3)	(413.5)	(355.2)	(351.0)	(1,111.2)	(356.8)	(334.9)	(356.6)	(62.9)
Total continuing operations	26,514.3	6,754.6	7,031.7	6,431.4	6,296.6	22,307.5	6,731.3	6,247.5	6,449.5	2,879.2
Discontinued operations	228.5	27.7	30.1	75.1	95.6	440.4	112.9	127.4	182.6	17.5
Total	$26,742.8	$ 6,782.3	$ 7,061.8	$ 6,506.5	$ 6,392.2	$22,747.9	$ 6,844.2	$ 6,374.9	$ 6,632.2	$ 2,896.6
Number of discontinued operations stores at quarter end	5	5	5	24	24	26	26	26	27	27

	Adjusted EBITDA									
(in millions)	F2020	Q4 F2020	Q3 F2020	Q2 F2020	Q1 F2020	F2019	Q4 F2019	Q3 F2019	Q2 F2019	Q1 F2019
Wholesale	$ 591.0	$ 182.4	$ 199.9	$ 102.5	$ 106.3	$ 463.0	$ 132.9	$ 137.3	$ 106.7	$ 86.1
Retail	86.4	27.5	36.9	11.4	10.6	34.1	11.3	10.1	12.0	0.8
Other	(15.9)	(11.5)	(17.2)	14.4	(1.6)	41.9	14.6	15.1	12.2	0.1
Eliminations	(2.5)	(3.0)	0.1	(0.7)	1.2	(1.2)	0.6	(1.4)	0.5	(0.8)
Total continuing operations	659.1	195.4	219.6	127.6	116.4	537.9	159.4	161.1	131.3	86.1
Discontinued operations	13.9	2.5	2.6	3.5	5.3	25.0	6.5	7.1	11.3	0.1
Total	$ 672.9	$ 197.9	$ 222.2	$ 131.1	$ 121.7	$ 562.9	$ 165.9	$ 168.2	$ 142.6	$ 86.2

This information is presented to help investors understand historical segment trends as Retail is now part of continuing operations.

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Historical Net Sales by Channel

Net Sales By Channel

(in millions)	Net Sales									
	F2020	Q4 F2020	Q3 F2020	Q2 F2020	Q1 F2020	F2019	Q4 F2019	Q3 F2019	Q2 F2019	Q1 F2019
Chains	$ 10,663	$ 2,713	$ 2,772	$ 2,601	$ 2,577	$ 8,812	$ 2,729	$ 2,526	$ 2,613	$ 944
Independent Retailers	6,699	1,776	1,805	1,561	1,557	5,536	1,714	1,567	1,655	600
Supernatural	4,720	1,119	1,279	1,211	1,111	4,394	1,164	1,103	1,100	1,027
Retail	2,331	640	637	539	515	1,653	567	513	544	29
Other	2,101	507	538	519	537	1,912	557	538	538	279
Total continuing operations	26,514	6,755	7,031	6,431	6,297	22,307	6,731	6,247	6,450	2,879
Discontinued operations	229	28	30	75	96	440	113	127	183	17
Total	$ 26,743	$ 6,783	$ 7,061	$ 6,506	$ 6,393	$ 22,747	$ 6,844	$ 6,374	$ 6,633	$ 2,896

This information is presented to help investors understand historical segment trends as Retail is now part of continuing operations.