

SYSCO CORP
Form 425
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Pursuant to Rule 425

under the Securities Act of 1933

Subject Company: USF Holding Corp.

Bill DeLaney
President, Chief
Executive
Officer
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Executive Vice
President, Chief

Financial Officer
16th Annual ICR XChange
Conference
January 14, 2014

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Forward-Looking Statements

Statements included in this document and the related oral presentation that look forward in time or that express beliefs, expectations, or hopes are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995.

Forward-looking
statements

are

all
statements
other
than
statements
of
historical
facts.

The
words
anticipates,
may,
can,
plans,
believes,
estimates,
expects,
projects,
intends,
likely,
will,
should,
to be

and any similar expressions or other

words of similar meaning are intended to identify those assertions as forward-looking statements. These forward looking statements

include
but
are
not
limited
to
our
estimates
regarding
synergies
from
our
proposed
merger
with
US
Foods
and
other
current
expectations
regarding
the
impact
of

the
proposed
merger
and
the
integration
of
US
Foods.
Such
forward-looking
statements
reflect
the
views
of
management
at
the
time
such
statements
are
made
and
are
subject
to
a
number
of
risks,
uncertainties,
estimates,
and
assumptions that may cause actual results to differ materially from current expectations, including but not limited to the ability
parties to satisfy the conditions precedent and consummate the proposed merger, the timing of consummation of the proposed
merger,
the
ability
of
the
parties
to
secure
regulatory
approvals
in
a
timely

manner

or

on

the

terms

desired

or

anticipated,

the

ability

of Sysco to integrate the acquired operations, which is difficult to predict with accuracy at this time, the ability to implement the

anticipated

business

plans

of

the

combined

company

following

closing

and

achieve

anticipated

benefits

and

savings,

risks

related

to

disruption of management's attention from ongoing business operations due to the pending merger, the effect of the announcement

of the proposed merger on either party's relationships with their respective customers, vendors, lenders, operating results and

businesses generally, including potential loss of customers or sales, the outcome of any legal proceedings related to the proposed

merger, the general risks associated with the respective businesses of Sysco and US Foods, including the risk of interruption of

supplies due to lack of long-term contracts, intense competition, severe weather, crop conditions, work stoppages, inflation risk,

impact of fuel prices, adverse publicity, labor issues, and risks impacting the economy generally, including the risks that the current

general economic conditions will deteriorate, or that consumer confidence in the economy may not increase and decreases in

consumer spending, particularly on food-away-from-home, may not reverse. For a discussion of additional factors impacting Sysco's

business,

see

Sysco's

Annual

Report

on

Form

10-K

for

the

year

ended

June

29,
2013,
as
filed
with
the
Securities
and
Exchange
Commission
and
the
Company's
subsequent
filings
with
the
SEC.

For
a
discussion
of
additional
factors
impacting
US
Foods
business,
see US Foods

filings with the SEC. Neither Sysco nor US Foods undertakes to update or revise any forward-looking statements, based on new information or otherwise.

Additional Information for US Foods Stockholders

In connection with the proposed transaction, Sysco currently intends to file a Registration Statement on Form S-4 that will include a consent solicitation statement of US Foods. Sysco also plans to file other relevant materials with the SEC. Stockholders of US Foods are urged to read the consent solicitation statement/prospectus contained in the Registration Statement and other relevant materials because

these
materials
will
contain
important
information
about
the
proposed
transaction.

These
materials
will
be

made
available
to

the stockholders of US Foods at no expense to them. The consent solicitation statement/prospectus, Registration Statement and other relevant materials, including any documents incorporated by reference therein, may be obtained free of charge at the SEC website at www.sec.gov or for free from Sysco at www.sysco.com/investors or by emailing investor_relations@corp.sysco.com. The consent solicitation statement/prospectus and Registration Statements are not currently available. You may also read and copy reports, statements and other information filed by Sysco with the SEC at the SEC public reference room at 100 F Street N.E., F 1580, Washington, D.C. 20549. Please call the SEC at (800) 732-0330 or visit the SEC's website for further information on its reference

Bill DeLaney
President & CEO

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Sysco's Growth Has Outpaced the Market
2.9
2.0X
1.8X
1.6X
2.8X

0%
5%
10%
15%
20%
25%
1973-1980
1981-1990
1991-2000
2001-2010
2011-2012
Sales Growth
(CAGR for the period shown)
10.9%
6.9%
5.0%
3.8%
2.4%
17.1%
20.3%
9.8%
6.8%
6.7%

Source: Industry data adjusted to Sysco's fiscal year basis, and based on Technomic (market estimates as of May 2013), CRF Board and internal reports for CY12 ..

Over Time We Grow our Business
by Turning Adjacencies
into
Core Offerings
1999 Acquired
first meat
company

1985

SYGMA

formed

2002

Expansion
of Canadian
operations

2009 First
acquisition
in Ireland

2001

Acquired

Guest

Supply

2000

Acquired
first produce
company

2011

Formed

Sysco

Ventures

2012

Acquired

European

Imports

2013

Announced

Intent to

Merge with

US Foods

5

Traditional

Foodservice

We Continue to Expand our Capabilities

Sustainable
Profitable
Growth
6
Key Areas of Strategic Focus
Operating
Margin

Asset Optimization
and Free Cash Flow

- Loyalty
- Segment Focus
- Corporate Brand Sysco 360 (CRM)

Inside Sales
Sysco Market
Optimize Product
Assortment & Innovation
Leverage Buying Power
Accelerate Sales Growth
Merchandising
Marketing
Operations
Finance & HR
7
Platform
Technology Solutions
iCare
Key Initiatives
Technology Platform
Customer Insights
Sysco Ventures
Category Management
Sales Channels
Enterprise
Structure

8
Bringing Together the Best of Both
Two Great Companies

9
Asset Optimization
and Free Cash Flow
Operating
Margin
Sustainable
Profitable

Growth

Leverage customer
insights

Enhance and expand
channels

Increase customer
retention

Execute fold-in and
regional acquisitions

Build human capital

Expand international
growth

Invest prudently in the core

Increase working capital efficiency

Increase capital efficiency

Use our capital structure as a
competitive advantage

Reduce operating
costs

Lower product costs

Continue to develop

Sysco Ventures

Further develop
enterprise structure

Integrate higher
margin products

Consistent with Sysco's Strategic Focus

Shareholders

Employees

Suppliers

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Customers

Combined strengths deliver greater value, more services and innovation for customers

Strengthen

our

role

as

our

customers

most

valued

and

trusted

business partner

Achieve shared efficiencies with suppliers

Platform for enhanced innovation and development of exclusive products

Leverage

revenue

growth

through

best-in-class

operating

efficiencies and lowest-cost to serve

Strong EPS growth and substantial cash flow

Benefits all stakeholders

Greater opportunities for career development

Enhanced financial stability drives benefits to employees

A Transformational Acquisition

Chris Kreidler
EVP & CFO

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Approximate Total Transaction Value:

Equity

3.0B

Equity holders of US Foods will own approx. 87 million shares or, 13%, of combined company at closing, and

A representative of each of US Foods
majority shareholders will join
Sysco's Board of Directors

Cash

0.5B

US Foods Net Debt

\$4.7B

Sysco to assume or refinance

Total Enterprise Value

\$8.2B

Represents

9.9x

US

Foods

LTM

adjusted

EBITDA

of

\$826

million

1

US Foods LTM adjusted EBITDA of \$826 million is as of September 28, 2013

Transaction Financing Structure

1

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General & Administrative

Cost of Goods Sold

Warehouse and Distribution Productivity

Selling and Field Productivity

Distribution Network

Estimates developed by functional area, but

Based generally on public data

Estimates will be refined using people and knowledge from both companies

We

hope

to

identify

more

synergies

in

areas

we

have

not

reviewed

yet

(e.g. shared business services)

Synergy Estimates are Realistic and Achievable

At least \$600 million in annual synergies after three to four years in five key areas, including:

Current estimates developed using both bottom up and top down approach

Integration team will further refine synergy estimates

Synergy
General &
Admin.
Selling and
Field
Productivity
Warehouse

and
Distribution
Productivity
COGS
Distribution
Network
Identify duplicative
resources
Leverage combined
spend
Determine
combined category
management
approach
Apply warehouse best
practices
Technology driven
efficiencies
Inbound freight
optimization
Network
rationalization
Delivery
consolidation &
efficient routing
Field leadership
Leverage one sales
model
Combine evolving
ecommerce and
social media
initiatives
At Least \$600 Million in Estimated Annual Synergies
14

Annual cost synergies of at least \$600 million
Synergy estimates are realistic and achievable
These synergies will phase in over 3-4 years
Total
expenses
to
achieve

synergies

of

\$700

-

\$800

million,

spread over three years

Synergies

Integration

Team

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Announced leadership team

Members will include key employees from both companies

Leverage experience and partnership with McKinsey

Committed to achievement of synergies

Regulatory

Review

Expect 9-12 month review process

Agency to conduct review not yet determined

We expect a collaborative process

We are confident this deal is good for consumers

Confident in Achieving a Successful Integration

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Integration Leader
(Chris Kreidler)
Steering Committee
Sr. Execs from Both
Companies
Track 1

Track 2

Track 4

Technology & Systems

Talent & Staffing

IMO will lead, plan and track the
integration

Overall leadership of the integration

Business Area

Organizational Design

Business Area

Business Area

Business Area

Business Area

Day 1 readiness

Synergy identification

Organization design
and structure

Cross-cutting work
that informs and
guides the business
teams

Business teams

Functional teams

Culture

Integration

Management Office
(IMO)

Track 3

Business Area

Business Area

Business Area

Integration Leadership Team Announced

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Earnings

Immediately accretive to earnings after adjusting for
transaction-related costs and amortization of intangibles

Synergies

Annual synergies of at least \$600 million realized after
three to four years

Cash Flow

Approximate sales of \$65 billion

Approximate cash flows of \$2 billion

Balance Sheet

Balance sheet flexibility retained

Commitment to maintaining a strong investment grade
credit rating

Combination Creates Significant Shareholder Value

