

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

- ☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended September 27, 2025
OR
☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
Commission File No. 001-37786



US FOODS HOLDING CORP.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

26-0347906
(I.R.S. Employer
Identification Number)

9399 W. Higgins Road, Suite 100
Rosemont, IL 60018
(847) 720-8000

(Address, including Zip Code, and telephone number, including area code, of registrant's principal executive offices)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	USFD	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

222,941,412 shares of the registrant's common stock were outstanding as of October 31, 2025.

Forward-Looking Statements

Statements in this Quarterly Report (“Quarterly Report”) which are not historical in nature are “forward-looking statements” within the meaning of the federal securities laws. These statements often include words such as “believe,” “expect,” “project,” “anticipate,” “intend,” “plan,” “outlook,” “estimate,” “target,” “seek,” “will,” “may,” “would,” “should,” “could,” “forecast,” “mission,” “strive,” “more,” “goal,” or similar expressions (although not all forward-looking statements may contain such words) and are based upon various assumptions and our experience in the industry, as well as historical trends, current conditions, and expected future developments. However, you should understand that these statements are not guarantees of performance or results, and there are a number of risks, uncertainties, and other important factors that could cause our actual results to differ materially from those expressed in the forward-looking statements, including, among others:

- Economic factors affecting consumer confidence and discretionary spending and reducing the consumption of food prepared away from home;
- competition;
- reliance on third-party suppliers and interruption of product supply or increases in product costs;
- changes in our relationships with customers and group purchasing organizations;
- our ability to increase or maintain the highest margin portions of our business;
- achievement of expected benefits from cost savings initiatives;
- fluctuations in fuel costs;
- changes in consumer eating habits;
- cost and pricing structures;
- the impact of climate change or measures implemented to address climate change;
- impairment charges for goodwill, indefinite-lived intangible assets or other long-lived assets;
- changes to or failure to comply with applicable governmental regulations;
- product recalls and product liability claims;
- our reputation in the industry;
- labor relations and increased labor costs and continued access to qualified and diverse labor;
- our level of indebtedness and restrictions under agreements governing our indebtedness;
- interest rate increases;
- disruption of existing technologies and implementation of new technologies;
- cybersecurity incidents and other technology disruptions;
- risks associated with intellectual property, including potential infringement;
- effective integration of acquired businesses;
- the impact of activist shareholders;
- changes in tax laws and regulations and resolution of tax disputes;
- limitations related to our governing documents;
- risks to the health and safety of our associates and others;
- adverse judgments or settlements resulting from litigation;
- extreme weather conditions, natural disasters and other catastrophic events, including pandemics and the rapid spread of contagious illnesses; and
- management of retirement benefits and pension obligations.

For a detailed discussion of these and other risks, uncertainties and factors, see Part I, Item 1A— “Risk Factors” of our Annual Report on Form 10-K for the fiscal year ended December 28, 2024 filed February 13, 2025.

In light of these risks, uncertainties, and other important factors, the forward-looking statements in this Quarterly Report might not prove to be accurate, and you should not place undue reliance on them. All forward-looking statements attributable to us, or others acting on our behalf, are expressly qualified in their entirety by the cautionary statements above and contained elsewhere in this Quarterly Report. All of these statements speak only as of the date made, and we undertake no obligation to publicly update or revise any forward-looking statements, whether because of new information, future events or otherwise, except as required by law.

Comparisons of results between current and prior periods are not intended to express any future trends, or indications of future performance, unless expressed as such, and should be viewed only as historical data.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

US FOODS HOLDING CORP. CONSOLIDATED BALANCE SHEETS (In millions, except par value)

	September 27, 2025 (Unaudited)	December 28, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 56	\$ 59
Accounts receivable, less allowances of \$34 and \$24	2,192	1,957
Vendor receivables, less allowances of \$8 and \$7	242	167
Inventories—net	1,695	1,626
Prepaid expenses	153	146
Assets held for sale	—	8
Other current assets	27	11
Total current assets	4,365	3,974
Property and equipment—net	2,626	2,398
Goodwill	5,767	5,766
Other intangibles—net	787	836
Other assets	499	429
Noncurrent assets held for sale	—	33
Total assets	\$ 14,044	\$ 13,436
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Cash overdraft liability	\$ 165	\$ 216
Accounts payable	2,699	2,231
Accrued expenses and other current liabilities	823	732
Current portion of long-term debt	120	109
Liabilities held for sale	—	8
Total current liabilities	3,807	3,296
Long-term debt	4,832	4,819
Deferred tax liabilities	385	335
Other long-term liabilities	549	447
Noncurrent liabilities held for sale	—	11
Total liabilities	9,573	8,908
Commitments and contingencies (Note 14)		
Shareholders' equity:		
Common stock, \$0.01 par value—600 shares authorized; 256.4 issued and 224.6 outstanding as of September 27, 2025, and 254.7 issued and 230.5 outstanding as of December 28, 2024	3	3
Additional paid-in capital	3,804	3,748
Retained earnings	2,495	2,003
Accumulated other comprehensive income	43	43
Treasury Stock, 31.8 and 24.2 shares, respectively	(1,874)	(1,269)
Total shareholders' equity	4,471	4,528
Total liabilities and shareholders' equity	\$ 14,044	\$ 13,436

See Notes to Consolidated Financial Statements (Unaudited).

US FOODS HOLDING CORP.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)
(In millions, except per share data)

	13 weeks ended		39 weeks ended	
	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
Net sales	\$ 10,191	\$ 9,728	\$ 29,624	\$ 28,386
Cost of goods sold	8,438	8,061	24,480	23,518
Gross profit	1,753	1,667	5,144	4,868
Operating expenses:				
Distribution, selling and administrative costs	1,458	1,379	4,246	4,050
Restructuring activity and asset impairment charges	13	9	20	21
Total operating expenses	1,471	1,388	4,266	4,071
Operating income	282	279	878	797
Other expense (income)—net	—	3	(3)	5
Interest expense—net	76	75	227	235
Income before income taxes	206	201	654	557
Income tax provision	53	53	162	129
Net income	153	148	492	428
Other comprehensive income—net of tax:				
Changes in retirement benefit obligations	—	1	—	4
Comprehensive income	\$ 153	\$ 149	\$ 492	\$ 432
Net income	<u>\$ 153</u>	<u>\$ 148</u>	<u>\$ 492</u>	<u>\$ 428</u>
Net income per share				
Basic (Note 10)	\$ 0.68	\$ 0.61	\$ 2.15	\$ 1.75
Diluted (Note 10)	<u>\$ 0.67</u>	<u>\$ 0.61</u>	<u>\$ 2.12</u>	<u>\$ 1.74</u>
Weighted-average common shares outstanding				
Basic (Note 10)	225.5	241.0	228.8	243.9
Diluted (Note 10)	228.4	243.9	231.8	246.9

See Notes to Consolidated Financial Statements (Unaudited).

US FOODS HOLDING CORP.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (Unaudited)
(In millions)

	Common Stock		Additional Paid-In Capital	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Income	Total Shareholders' Equity
	Shares	Amount			Shares	Amount		
BALANCE—December 28, 2024	254.7	\$ 3	\$ 3,748	\$ 2,003	24.2	\$ (1,269)	\$ 43	\$ 4,528
Share-based compensation expense	—	—	22	—	—	—	—	22
Proceeds from employee share purchase plan	0.1	—	6	—	—	—	—	6
Vested restricted stock units, net	1.0	—	—	—	—	—	—	—
Exercise of stock options	—	—	1	—	—	—	—	1
Tax withholding payments for net share-settled equity awards	—	—	(33)	—	—	—	—	(33)
Common stock repurchased	—	—	—	—	0.3	(23)	—	(23)
Net income	—	—	—	115	—	—	—	115
BALANCE—March 29, 2025	255.8	\$ 3	\$ 3,744	\$ 2,118	24.5	\$ (1,292)	\$ 43	\$ 4,616
Share-based compensation expense	—	—	23	—	—	—	—	23
Proceeds from employee share purchase plan	0.1	—	10	—	—	—	—	10
Vested restricted stock units, net	0.1	—	—	—	—	—	—	—
Exercise of stock options	0.2	—	4	—	—	—	—	4
Tax withholding payments for net share-settled equity awards	—	—	(1)	—	—	—	—	(1)
Common stock repurchased	—	—	—	—	3.2	(250)	—	(250)
Net income	—	—	—	224	—	—	—	224
BALANCE—June 28, 2025	256.2	\$ 3	\$ 3,780	\$ 2,342	27.7	\$ (1,542)	\$ 43	\$ 4,626
Share-based compensation expense	—	—	19	—	—	—	—	19
Proceeds from employee share purchase plan	0.1	—	5	—	—	—	—	5
Vested restricted stock units, net	0.1	—	—	—	—	—	—	—
Exercise of stock options	—	—	1	—	—	—	—	1
Tax withholding payments for net share-settled equity awards	—	—	(1)	—	—	—	—	(1)
Common stock repurchased	—	—	—	—	4.1	(332)	—	(332)
Net income	—	—	—	153	—	—	—	153
BALANCE—September 27, 2025	256.4	\$ 3	\$ 3,804	\$ 2,495	31.8	\$ (1,874)	\$ 43	\$ 4,471

	Common Stock		Additional Paid-In Capital	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Loss	Total Shareholders' Equity
	Shares	Amount			Shares	Amount		
BALANCE—December 30, 2023	252.9	\$ 3	\$ 3,663	\$ 1,509	7.8	\$ (311)	\$ (115)	\$ 4,749
Share-based compensation expense	—	—	15	—	—	—	—	15
Proceeds from employee share purchase plan	0.1	—	5	—	—	—	—	5
Vested restricted stock units, net	0.7	—	—	—	—	—	—	—
Exercise of stock options	0.2	—	5	—	—	—	—	5
Tax withholding payments for net share-settled equity awards	—	—	(20)	—	—	—	—	(20)
Changes in retirement benefit obligations, net of income tax	—	—	—	—	—	—	2	2
Common stock repurchased	—	—	—	—	0.3	(13)	—	(13)
Net income	—	—	—	82	—	—	—	82
BALANCE—March 30, 2024	253.9	\$ 3	\$ 3,668	\$ 1,591	8.1	\$ (324)	\$ (113)	\$ 4,825
Share-based compensation expense	—	—	15	—	—	—	—	15
Proceeds from employee share purchase plan	0.2	—	9	—	—	—	—	9
Vested restricted stock units—net	0.1	—	—	—	—	—	—	—
Exercise of stock options	0.1	—	4	—	—	—	—	4
Changes in retirement benefit obligations, net of income tax	—	—	—	—	—	—	1	1
Common stock repurchased	—	—	—	—	0.7	(41)	—	(41)
Net income	—	—	—	198	—	—	—	198
BALANCE—June 29, 2024	254.3	\$ 3	\$ 3,696	\$ 1,789	8.8	\$ (365)	\$ (112)	\$ 5,011
Share-based compensation expense	—	—	16	—	—	—	—	16
Proceeds from employee share purchase plan	0.1	—	5	—	—	—	—	5
Exercise of stock options	0.2	—	5	—	—	—	—	5
Changes in retirement benefit obligations, net of income tax	—	—	—	—	—	—	1	1
Common stock repurchased	—	—	—	—	10.4	(580)	—	(580)
Net income	—	—	—	148	—	—	—	148
BALANCE—September 28, 2024	254.6	\$ 3	\$ 3,722	\$ 1,937	19.2	\$ (945)	\$ (111)	\$ 4,606

See Notes to Consolidated Financial Statements (Unaudited).

US FOODS HOLDING CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(In millions)

	39 weeks ended	
	September 27, 2025	September 28, 2024
Cash flows from operating activities:		
Net income	\$ 492	\$ 428
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	345	327
Deferred tax provision (benefit)	46	(33)
Share-based compensation expense	64	46
Provision for doubtful accounts	27	21
Other non-cash activities	18	7
Changes in operating assets and liabilities:		
Increase in receivables	(329)	(282)
Increase in inventories	(56)	(6)
(Increase) decrease in prepaid expenses and other assets	(9)	52
Increase in accounts payable and cash overdraft liability	407	316
Increase in accrued expenses and other liabilities	71	15
Net cash provided by operating activities	1,076	891
Cash flows from investing activities:		
Proceeds from sales of property and equipment	6	3
Proceeds from divestitures	38	—
Purchases of property and equipment	(276)	(236)
Cash paid for acquisitions	(87)	(214)
Net cash used in investing activities	(319)	(447)
Cash flows from financing activities:		
Principal payments on debt and financing leases	(7,165)	(2,470)
Principal payments on debt repricing	—	(14)
Proceeds from debt repricing	—	14
Proceeds from debt borrowings	7,015	2,454
Repurchase of common stock	(602)	(628)
Debt financing costs and fees	—	(1)
Proceeds from employee stock purchase plan	22	19
Proceeds from exercise of stock options	6	14
Purchase of interest rate caps	(1)	—
Tax withholding payments for net share-settled equity awards	(35)	(20)
Net cash used in financing activities	(760)	(632)
Net decrease in cash, cash equivalents and restricted cash	(3)	(188)
Cash, cash equivalents and restricted cash—beginning of period	59	269
Cash, cash equivalents and restricted cash—end of period	\$ 56	\$ 81
Supplemental disclosures of cash flow information:		
Interest paid—net of amounts capitalized	240	233
Income taxes paid—net	86	139
Property and equipment purchases included in accounts payable	62	23
Leased assets obtained in exchange for financing lease liabilities	172	126
Leased assets obtained in exchange for operating lease liabilities	88	32

See Notes to Consolidated Financial Statements (Unaudited).

US FOODS HOLDING CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

(Amounts in tables in millions, except per share data, unless otherwise noted)

1. OVERVIEW AND BASIS OF PRESENTATION

US Foods Holding Corp., a Delaware corporation, and its consolidated subsidiaries are referred to in these consolidated financial statements and notes as “we,” “our,” “us,” the “Company,” or “US Foods.” US Foods Holding Corp. conducts all of its operations through its wholly owned subsidiary US Foods, Inc. (“USF”) and its subsidiaries. All of the Company’s indebtedness, as further described in Note 9, Debt, is a direct obligation of USF and its subsidiaries.

Business Description—The Company, through USF, operates in one business segment in which it markets, sells and distributes fresh, frozen and dry food and non-food products to foodservice customers throughout the United States (“U.S.”). These customers include independently owned single and multi-unit restaurants, regional concepts, national restaurant chains, hospitals, nursing homes, hotels and motels, country clubs, government and military organizations, colleges and universities and retail locations.

Basis of Presentation—The Company operates on a 52- or 53-week fiscal year, with all periods ending on a Saturday. When a 53-week fiscal year occurs, the Company reports the additional week in the fiscal fourth quarter. Fiscal years 2025 and 2024 are both 52-week fiscal years.

The consolidated financial statements included in this Quarterly Report have been prepared in accordance with accounting principles generally accepted in the U.S. (“GAAP”) for interim financial information and the applicable rules and regulations of the Securities and Exchange Commission (“SEC”). Certain information and disclosures normally included in financial statements and notes prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. The Company believes that the disclosures included in this Quarterly Report are adequate to make the information presented not misleading. These interim consolidated financial statements and notes should be read in conjunction with the audited consolidated financial statements and notes included in the Annual Report on Form 10-K for the fiscal year ended December 28, 2024 (the “2024 Annual Report”).

The consolidated interim financial statements reflect all adjustments (consisting of normal recurring items) necessary for the fair presentation of the financial position, results of operations and cash flows for the interim periods presented. The results of operations for interim periods are not necessarily indicative of the results that might be achieved for any other interim period or the full fiscal year.

2. RECENT ACCOUNTING PRONOUNCEMENTS

Recently Issued Accounting Pronouncements

In December 2023, the FASB issued ASU No 2023-09 Income Taxes (“Topic 740”) “*Improvements to Income Tax Disclosures Topic 740*”, which enhances the transparency of income tax disclosures primarily related to rate reconciliation and income taxes paid information. This guidance is effective for fiscal years beginning after December 15, 2024. This guidance is effective on a prospective basis, though retrospective application is permitted. The Company plans to adopt the provisions of ASU No. 2023-09 in its annual reporting in fiscal year 2025 and does not expect the provisions of the new standard to materially affect our financial position, results of operation or cash flows.

In November 2024, the FASB issued ASU No 2024-03 Income Statement—Reporting Comprehensive Income—“*Expense Disaggregation Disclosures: Disaggregation of Income Statement Expenses*”, which requires disclosure of disaggregated information about certain income statement expense line items within the footnotes to the financial statements. This guidance is effective for fiscal years beginning after December 15, 2026, with early adoption permitted. The Company is currently evaluating the impact that this standard will have on the Company’s consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06 Intangibles—Goodwill and Other—Internal-Use Software (“Subtopic 350-40”) “*Targeted Improvements to the Accounting for Internal-Use Software*”, which amends the accounting guidance on the timing of capitalization of internally-developed software costs by removing references to software development stages, and provides guidance on how to determine when it is probable that a project will be completed and a software will be used to perform the function intended. This guidance is effective for interim and fiscal years beginning after December 15, 2027, with early adoption permitted. The standard updates may be applied prospectively, retrospectively, or via a modified prospective transition method. The Company is currently evaluating the impact that this standard will have on the Company’s consolidated financial statements.

3. REVENUE RECOGNITION

The Company recognizes revenue when the performance obligation is satisfied, which occurs when a customer obtains control of the promised goods or services. The amount of revenue recognized reflects the consideration which the Company expects to be entitled to receive in exchange for these goods or services. The Company generates substantially all of its revenue from the distribution and sale of food and food-related products and recognizes revenue when title and risk of loss passes to the customer and the customer accepts the goods, which occurs at delivery. Customer sales incentives, such as volume-based rebates or discounts, are treated as a reduction of revenue at the time the revenue is recognized. Sales taxes invoiced to customers and remitted to governmental authorities are excluded from net sales. Shipping and handling costs are treated as fulfillment costs and included in distribution, selling and administrative costs.

The Company did not have any material outstanding performance obligations, contract liabilities or capitalized contract acquisition costs as of September 27, 2025 or December 28, 2024. Customer receivables, which are included in accounts receivable, less allowances in the Company's Consolidated Balance Sheets, were \$2.2 billion and \$2.0 billion as of September 27, 2025 and December 28, 2024, respectively.

The Company has certain customer contracts under which incentives are paid upfront to its customers. These payments have become industry practice and are not related to financing any customer's business, nor are these payments associated with any distinct good or service to be received from any customer. These incentive payments are capitalized in prepaid expenses and other assets and amortized as a reduction of revenue over the life of the contract or as goods or services are transferred to the customer. The Company's contract assets for these upfront payments were \$60 million and \$43 million included in prepaid expenses in the Company's Consolidated Balance Sheets as of September 27, 2025 and December 28, 2024, respectively, and \$68 million and \$50 million included in other assets in the Company's Consolidated Balance Sheets as of September 27, 2025 and December 28, 2024, respectively.

The following table presents the disaggregation of revenue for each of the Company's principal product categories:

	13 weeks ended		39 weeks ended	
	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
Meats and seafood	\$ 3,704	\$ 3,356	\$ 10,465	\$ 9,661
Dry grocery products	1,708	1,675	5,013	4,976
Refrigerated and frozen grocery products	1,686	1,615	4,967	4,807
Dairy	1,076	1,061	3,229	2,997
Equipment, disposables and supplies	898	910	2,730	2,696
Beverage products	610	560	1,758	1,627
Produce	509	551	1,462	1,622
Total net sales	\$ 10,191	\$ 9,728	\$ 29,624	\$ 28,386

4. ACQUISITIONS AND DIVESTITURES

Acquisitions

Jake's Finer Foods Acquisition—On January 10, 2025, the Company acquired Jake's Finer Foods, a broadline distributor in Texas, for a purchase price of \$92 million subject to holdbacks and adjustments (less the amount of cash received). The acquisition was funded with cash on hand and allows US Foods to further expand its reach into key markets in south Texas. The Jake's Finer Foods acquisition, reflected in the Company's consolidated financial statements commencing from the date of acquisition, did not materially affect the Company's results of operations or financial position. The Company recorded goodwill of \$4 million and intangible assets of \$5 million for this acquisition. The goodwill recognized from the Jake's Finer Foods acquisition is not deductible for tax purposes. Jake's Finer Foods is integrated into the Company's foodservice distribution network.

IWC Food Service—During the fiscal quarter ended June 29, 2024, the Company acquired IWC Food Service, a broadline distributor in Tennessee, for a purchase price of \$220 million (less the amount of cash received, which was \$6 million) for a net purchase price of \$214 million, subject to adjustments. The acquisition, which was a stock acquisition, was funded with cash from operations and allows US Foods to further expand its reach into Tennessee and distribution channels to the southeast United States.

The IWC Food Service acquisition, reflected in the Company's consolidated financial statements commencing from the date of the closing of the acquisition on April 5, 2024, did not materially affect the Company's results of operations or financial position. The Company recorded goodwill of \$81 million and intangible assets of \$82 million for this acquisition. The intangible assets included \$78 million related to customer relationships and \$4 million related to noncompete agreements, which will be amortized on a straight-line basis over an estimated useful life of 15 and 5 years, respectively. The goodwill recognized from the IWC Food Service acquisition is deductible for tax purposes. IWC Food Service is integrated into the Company's foodservice distribution network.

Divestitures

Freshway Divestiture—During the fiscal quarter ended March 29, 2025, the Company completed the sale of the Freshway business for net proceeds of approximately \$38 million. The Freshway business processes, repacks, and distributes fresh fruit and vegetables in the eastern half of the U.S. The Company recognized an immaterial loss included within distribution, selling and administrative costs in the Company's Consolidated Statements of Comprehensive Income. The sale of the Freshway business did not represent a strategic shift that had a major effect on the Company's operations and financial results and, therefore, did not qualify for presentation as discontinued operations.

5. INVENTORIES

The Company's inventories, consisting mainly of food and other food-related products, are primarily considered finished goods. Inventory costs include the purchase price of the product, freight costs to deliver it to the Company's distribution and retail facilities, and depreciation and labor related to processing facilities and equipment and are net of certain cash or non-cash consideration received from vendors. The Company assesses the need for valuation allowances for slow-moving, excess and obsolete inventories by estimating the net recoverable value of such goods based upon inventory category, inventory age, specifically identified items, and overall economic conditions.

The Company records inventories at the lower of cost or market primarily using the last-in, first-out ("LIFO") method. For our LIFO based inventories, the base year values of beginning and ending inventories are determined using the inventory price index computation method. This "links" current costs to original costs in the base year when the Company adopted LIFO. LIFO reserves in the Company's Consolidated Balance Sheets were \$613 million and \$549 million as of September 27, 2025 and December 28, 2024, respectively. As a result of changes in LIFO reserves, cost of goods increased \$46 million and \$23 million for the 13 weeks ended September 27, 2025 and September 28, 2024, respectively. As a result of changes in LIFO reserves, cost of goods increased \$65 million and \$68 million for the 39 weeks ended September 27, 2025 and September 28, 2024, respectively.

6. PROPERTY AND EQUIPMENT

Property and equipment are stated at cost. Depreciation of property and equipment is calculated using the straight-line method over the estimated useful lives of the assets, which range from 3 to 40 years. Property and equipment under financing leases and leasehold improvements are amortized on a straight-line basis over the shorter of the remaining terms of the related leases or the estimated useful lives of the assets, if reasonably assured the Company will purchase the assets at the end of the lease terms. As of September 27, 2025 and December 28, 2024, property and equipment-net included accumulated depreciation of \$3,454 million and \$3,303 million, respectively. Depreciation expense was \$103 million and \$99 million for the 13 weeks ended September 27, 2025 and September 28, 2024, respectively and \$303 million and \$288 million for the 39 weeks ended September 27, 2025 and September 28, 2024, respectively.

7. GOODWILL AND OTHER INTANGIBLES

Goodwill includes the cost of acquired businesses in excess of the fair value of the tangible and other intangible net assets acquired. Other intangible assets include customer relationships, noncompete agreements, amortizable trade names, the brand names comprising the Company's portfolio of exclusive brands, and trademarks. Brand names and trademarks are indefinite-lived intangible assets and, accordingly, are not subject to amortization, but are subject to impairment assessments as described below.

Customer relationships, noncompete agreements and amortizable trade names are intangible assets with definite lives, and are carried at the acquired fair value less accumulated amortization. Customer relationships, noncompete agreements and amortizable trade names are amortized over their estimated useful lives (which range from 3 to 15 years). Amortization expense was \$15 million for the 13 weeks ended September 27, 2025 and September 28, 2024, and \$42 million and \$39 million for the 39 weeks ended September 27, 2025 and September 28, 2024, respectively.

Goodwill and other intangibles—net consisted of the following:

	September 27, 2025	December 28, 2024
Goodwill	\$ 5,767	\$ 5,781
Reclassification to assets held for sale ⁽¹⁾	—	(15)
Total Goodwill	5,767	5,766
Other intangibles—net		
Customer relationships—amortizable:		
Gross carrying amount	\$ 803	\$ 798
Accumulated amortization	(282)	(241)
Net carrying value	521	557
Trade names—amortizable:		
Gross carrying amount	4	4
Accumulated amortization	(2)	(2)
Net carrying value	2	2
Noncompete agreements—amortizable:		
Gross carrying amount	9	8
Accumulated amortization	(3)	(2)
Net carrying value	6	6
Brand names and trademarks—not amortizing	258	271
Total other intangibles—net	\$ 787	\$ 836

1. Relates to the reclassification of goodwill allocated for the Freshway divestiture. Refer to Note 4 Acquisitions and Divestitures for additional information.

The change in goodwill is attributable to the Freshway divestiture, offset by the Jake's Finer Foods acquisition in the first quarter of 2025. The increase in the gross carrying amount of customer relationships and noncompete agreements is attributable to the Jake's Finer Foods acquisition.

The Company assesses for impairment of intangible assets with definite lives only if events occur that indicate that the carrying amount of an intangible asset may not be recoverable. The Company assesses goodwill and other intangible assets with indefinite lives for impairment annually, or more frequently if events occur that indicate an asset may be impaired. For goodwill and indefinite-lived intangible assets, the Company's policy is to assess for impairment as of the beginning of each fiscal third quarter. As a part of this assessment, the Company determined that there were no future plans to utilize several acquired brand names and trademarks - not amortizing, which had upcoming trademark registration expirations. This resulted in a \$13 million impairment during the 39 weeks ended September 27, 2025. No indefinite-lived intangible asset impairments were recognized for the 39 weeks ended September 28, 2024. No goodwill impairments were recognized for the 39 weeks ended September 27, 2025 and September 28, 2024.

8. FAIR VALUE MEASUREMENTS

Certain assets and liabilities are carried at fair value under GAAP, under which fair value is a market-based measurement, not an entity-specific measurement. The Company's fair value measurements are based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, fair value accounting standards establish a fair value hierarchy which prioritizes the inputs used in measuring fair value as follows:

- Level 1—observable inputs, such as quoted prices in active markets
- Level 2—observable inputs other than those included in Level 1, such as quoted prices for similar assets and liabilities in active or inactive markets that are observable either directly or indirectly, or other inputs that are observable or can be corroborated by observable market data
- Level 3—unobservable inputs for which there is little or no market data, which require the reporting entity to develop its own assumptions

Any transfers of assets or liabilities between Level 1, Level 2, and Level 3 of the fair value hierarchy will be recognized as of the end of the reporting period in which the transfer occurs. There were no transfers between fair value levels in any of the periods presented below. There were no significant assets or liabilities on the Company's Consolidated Balance Sheets measured at fair value on a nonrecurring basis for the periods presented above, except as further disclosed in Note 7, Goodwill and Other Intangibles.

Recurring Fair Value Measurements

Money Market Funds

Money market funds include highly liquid investments with an original maturity of three or fewer months. These funds are valued using quoted market prices in active markets and are classified under Level 1 within the fair value hierarchy.

Derivative Financial Instruments

The Company has in the past, and may in the future, use interest rate hedges, designated as cash flow hedges, to manage its exposure to interest rate movements in connection with its variable-rate debt. In April 2023, the Company entered into two, two-year rate cap agreements, which matured on April 30, 2025, with a total notional amount of \$450 million ("2023 interest rate caps"). On April 10, 2025, the Company entered into a one-year interest rate cap agreement, which will mature on April 30, 2026, with a total notional amount of \$450 million ("2025 April interest rate cap"). In June 2025, the Company entered into another one-year interest rate cap agreement effective April 30, 2026 which will mature on April 30, 2027 with a notional amount of \$450 million ("2025 June interest rate cap"). The 2025 April interest rate cap and the 2025 June interest rate cap hedges effectively cap the interest rate on approximately 34% of the current principal amount of the Term Loan Facilities. The Company's maximum exposure to the variable component of the interest rate on the Term Loan Facilities will be 5% on the notional amount covered by the 2025 April interest rate cap and the 2025 June interest rate cap. The Company's derivative financial instruments are classified as Level 2 assets. As of September 27, 2025 and December 28, 2024, the fair value of the Company's Level 2 assets recorded within other current assets was immaterial for both periods.

The Company records its interest rate caps within other current assets in the Consolidated Balance Sheet at fair value, based on projections of cash flows and future interest rates. The determination of fair value includes the consideration of any credit valuation adjustments necessary, giving consideration to the creditworthiness of the respective counterparties or the Company, as appropriate.

The effective portion of gains and losses on the interest rate caps are initially recorded in other comprehensive income, net of tax and reclassified from accumulated other comprehensive income, net of tax to interest expense within the Company's Consolidated Statement of Comprehensive Income during the period in which the hedged transaction affects income. There was no ineffectiveness attributable to the Company's interest rate caps during the 13 weeks and 39 weeks ended September 27, 2025. During the next twelve months, the Company estimates an immaterial amount will be reclassified from accumulated other comprehensive income to income.

Other Fair Value Measurements

The carrying value of cash, accounts receivable, vendor receivables, cash overdraft liability and accounts payable approximate their fair values due to their short-term maturities.

The fair value of the Company's total debt approximated \$5.0 billion and \$4.8 billion as of September 27, 2025 and December 28, 2024, respectively, as compared to its carrying value of \$5.0 billion and \$4.9 billion as of September 27, 2025 and December 28, 2024, respectively.

The fair value of the Company's senior notes is based upon their quoted market prices on the respective dates and are classified under Level 2 of the fair value hierarchy. The fair value of all of the Company's individual senior note issuances approximates carrying value. The fair value of the balance of the Company's debt is primarily classified under Level 3 of the fair value hierarchy, with fair value estimated based upon a combination of the cash outflows expected under these debt facilities, interest rates that are currently available to the Company for debt with similar terms, and estimates of the Company's overall credit risk.

9. DEBT

Total debt consisted of the following:

Debt Description	Maturity	Interest Rate as of September 27, 2025	Carrying Value as of September 27, 2025	Carrying Value as of December 28, 2024
ABL Facility	December 7, 2027	6.33%	\$ 162	\$ 223
2021 Incremental Term Loan Facility (net of \$1 and \$0 of unamortized deferred financing costs, respectively)	November 22, 2028	6.07%	609	610
2024 Incremental Term Loan Facility (net of \$7 and \$8 of unamortized deferred financing costs, respectively)	October 3, 2031	6.07%	714	717
Senior Notes due 2028 (net of \$3 and \$4 of unamortized deferred financing costs, respectively)	September 15, 2028	6.88%	497	496
Senior Notes due 2029 (net of \$4 and \$5 of unamortized deferred financing costs, respectively)	February 15, 2029	4.75%	896	895
Senior Notes due 2030 (net of \$2 and \$3 of unamortized deferred financing costs, respectively)	June 1, 2030	4.63%	498	497
Senior Notes due 2032 (net of \$4 and \$4 of unamortized deferred financing costs, respectively)	January 15, 2032	7.25%	496	496
Senior Notes due 2033 (net of \$3 and \$4 of unamortized deferred financing costs, respectively)	April 15, 2033	5.75%	497	496
Obligations under financing leases	2025–2032	1.26%–8.31%	575	490
Other debt	January 1, 2031	5.75%	8	8
Total debt			4,952	4,928
Current portion of long-term debt			(120)	(109)
Long-term debt			\$ 4,832	\$ 4,819

ABL Facility

The Company's asset based senior secured revolving credit facility (the "ABL Facility") provides the Company with loan commitments having a maximum aggregate principal amount of \$2,300 million. The ABL Facility is scheduled to mature on December 7, 2027.

Borrowings under the ABL Facility bear interest at a rate per annum equal to, at the Company's periodic election, Term Secured Overnight Financing Rate ("Term SOFR") or Adjusted Borrowing Rate ("ABR"), as described in the ABL Facility, plus the following margin and credit spread adjustment:

Borrowing Election	Margin based on USF's excess availability under the ABL Facility	Margin at September 27, 2025	Credit Spread Adjustment	SOFR Floor
ABR	0.00% to 0.50%	0.00%	N/A	N/A
Term SOFR	1.00% to 1.50%	1.00%	0.10%	0.00%

On April 30, 2024, the ABL Facility was amended to provide certain providers of supply chain financings a security interest in certain assets of the Company under the ABL Facility.

The Company had outstanding borrowings totaling \$162 million, and had outstanding letters of credit totaling \$315 million, under the ABL Facility as of September 27, 2025. The outstanding letters of credit primarily relate to securing USF's obligations with respect to certain real estate leases. There was available capacity of \$1,822 million under the ABL Facility as of September 27, 2025. During the 39 weeks ended September 27, 2025, outstanding letters of credit were reduced by approximately \$254 million after additional surety bonds were issued in the first and second quarter of 2025 to secure the Company's obligations with respect to its insurance program.

Term Loan Facilities

The Amended and Restated Term Loan Credit Agreement, dated as of June 27, 2016 (as amended, the “Term Loan Credit Agreement”), provides the Company with an incremental senior secured term loan borrowed in October 2024 (the “2024 Incremental Term Loan Facility”), an incremental senior secured term loan borrowed in November 2021 (the “2021 Incremental Term Loan Facility”) and the right to request additional incremental senior secured term loan commitments.

Borrowings under the Term Loan Credit Agreement bear interest at a rate per annum equal to, at the Company’s periodic election, Term SOFR or ABR, as described in the Term Loan Credit Agreement, plus the following margin:

Borrowing Election	Margin	SOFR Floor
ABR	0.75%	N/A
Term SOFR	1.75%	0.00%

USF’s maximum exposure to the variable component of the interest rate on the Term Loan Facilities is 5% on the notional amount covered by the interest rate caps described above. Borrowings under the Term Loan Credit Agreement may be voluntarily prepaid without penalty or premium, other than customary breakage costs related to prepayments of SOFR-based borrowings. The Term Loan Credit Agreement may require mandatory repayments if certain assets are sold.

On February 27, 2024, the 2021 Incremental Term Loan Facility was amended to reduce the interest rate margins under the term loan facility to 2.00% for Term SOFR borrowings and 1.00% for ABR borrowings and eliminate the credit spread adjustment. The Company applied modification accounting to the majority of the continuing lenders as the terms were not substantially different from the terms that applied to those lenders prior to the amendment. For the remaining lenders, the Company applied debt extinguishment accounting. The Company recorded \$1 million of third-party costs related to the February 27, 2024 amendment in interest expense. Unamortized deferred financing costs of \$3 million as of February 27, 2024 were carried forward and will be amortized through November 22, 2028, the maturity date of the term loan facility.

On October 3, 2024, the Company amended the 2021 Incremental Term Loan Facility, entered into the 2024 Incremental Term Loan Facility, and completed a private offering of \$500 million aggregate principal amount of its 5.75% Unsecured Senior Notes due 2033 (the “Unsecured Senior Notes due 2033”). Proceeds from the incremental term loans and senior notes, along with cash on hand, were used to repay all of the then outstanding borrowings under the incremental senior secured term loan facility borrowed in September 2019 (the “2019 Incremental Term Loan Facility”). The 2021 Incremental Term Loan Facility amendment reduced the interest rate margins under the term loan facility to 1.75% for Term SOFR borrowings and 0.75% for ABR borrowings.

In connection with the repayment of the 2019 Incremental Term Loan Facility during the fourth quarter of fiscal year 2024, the Company applied debt extinguishment accounting and recorded \$10 million in the Company’s Consolidated Statements of Comprehensive Income, primarily consisting of a write-off of pre-existing unamortized deferred financing costs related to the incremental Term Loan Facility. Lender fees and third-party costs of \$10 million related to the 2021 Incremental Term Loan amendment, issuance of the 2024 Incremental Term Loan Facility and the Unsecured Senior Notes due 2033 were capitalized as deferred financing costs.

Senior Notes

Each of the Company’s outstanding senior notes are redeemable, at USF’s option, in whole or in part, at a price multiplied by the remaining principal, plus accrued and unpaid interest, if any, to but not including the applicable redemption date. The senior notes are unconditionally guaranteed on a senior unsecured basis by each of the Company’s existing and future wholly-owned domestic subsidiaries that provide guarantees under the Company’s senior secured term loan credit facilities.

As of September 27, 2025, the Term Loan Facility, ABL Facility and certain variable rate finance leases, which were approximately 31% of the Company’s total debt, bore interest at a floating rate.

Debt Covenants

The agreements governing our indebtedness contain customary covenants. These include, among other things, covenants that restrict our ability to incur certain additional indebtedness, create or permit liens on assets, pay dividends, or engage in mergers or consolidations. The Company had approximately \$2.7 billion of restricted payment capacity under these covenants, and approximately \$1.7 billion of its net assets were restricted after taking into consideration the net deferred tax assets and intercompany balances that eliminate in consolidation as of September 27, 2025.

10. STOCKHOLDERS' EQUITY

Earnings Per Share

The Company computes EPS in accordance with Accounting Standards Codification (“ASC”) 260, *Earnings per Share*. Basic EPS is computed by dividing net income available to common shareholders by the weighted-average number of shares of common stock outstanding.

Diluted EPS is computed using the weighted average number of shares of common stock, plus the effect of potentially dilutive securities. The Company applied the treasury method to calculate the dilution impact of share-based awards—stock options, non-vested restricted shares with forfeitable dividend rights, restricted stock units, and employee stock purchase plan deferrals. For the 13 weeks ended September 27, 2025, share-based awards representing less than 1 million underlying common shares were not included in the computation because the effect would have been anti-dilutive. For the 13 weeks ended September 28, 2024, there were no anti-dilutive shares excluded from the dilutive share-based calculation. For both the 39 weeks ended September 27, 2025 and September 28, 2024, share-based awards representing less than 1 million underlying common shares were not included in the computation because the effect would have been anti-dilutive.

The following table sets forth the computation of basic and diluted EPS:

	13 weeks ended		39 weeks ended	
	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
Numerator:				
Net income	\$ 153	\$ 148	\$ 492	\$ 428
Denominator:				
Weighted-average common shares outstanding—basic	225.5	241.0	228.8	243.9
Effect of dilutive share-based awards	2.9	2.9	3.0	3.0
Weighted-average common shares outstanding—diluted	228.4	243.9	231.8	246.9
Net income per share				
Basic	\$ 0.68	\$ 0.61	\$ 2.15	\$ 1.75
Diluted	\$ 0.67	\$ 0.61	\$ 2.12	\$ 1.74

Share Repurchase Programs

On November 2, 2022, our Board of Directors approved a share repurchase program (“2022 Share Repurchase Program”) under which the Company was authorized to repurchase up to \$500 million of its outstanding common stock. On June 1, 2024, the Board approved an increase in the amount of common stock that could be purchased under the 2022 Share Repurchase Program to \$1 billion (collectively, the “Original Share Repurchase Program”). On May 7, 2025, the Board of Directors approved, and on May 8, 2025, the Company announced a new share repurchase program (“New Share Repurchase Program”) under which the Company is authorized to repurchase up to an additional \$1 billion of its outstanding common stock. As of September 27, 2025, there were no remaining funds authorized under the Original Share Repurchase Program and approximately \$467 million in remaining funds authorized under the New Share Repurchase Program.

For the 13 weeks ended September 27, 2025, the Company repurchased approximately 4.1 million shares at an aggregate purchase price of approximately \$335 million under the New Share Repurchase Program inclusive of fees, commissions, and the related 1% excise tax. For the 39 weeks ended September 27, 2025, the Company repurchased approximately 7.6 million shares at an aggregate purchase price of approximately \$608 million under the Original Share Repurchase Program and New Share Repurchase Program inclusive of fees, commissions, and the related 1% excise tax.

The size and timing of any repurchases will depend on a number of factors, including share price, general business and market conditions and other factors. Under the New Share Repurchase Program, repurchases can be made from time to time using a variety of methods, including open market purchases, privately negotiated transactions, accelerated share repurchases and Rule 10b5-1 trading plans. The New Share Repurchase Program does not obligate the Company to acquire any particular amount of shares, and the New Share Repurchase Program may be suspended or discontinued at any time at the Company’s discretion. The New Share Repurchase Program does not have an expiration date.

11. RETIREMENT PLANS

The Company sponsors various retirement plans for eligible employees, and provides certain postretirement health and welfare benefits to eligible retirees and their dependents.

Certain employees are eligible to participate in the Company's 401(k) plan. The Company made employer matching contributions to the 401(k) plan of \$22 million and \$21 million for the 13 weeks ended September 27, 2025 and September 28, 2024, respectively, and \$66 million and \$63 million for the 39 weeks ended September 27, 2025 and September 28, 2024, respectively.

The Company is also required to contribute to various multiemployer pension plans under the terms of collective bargaining agreements that cover certain of its union-represented employees. The Company's contributions to these plans were \$16 million and \$15 million for the 13 weeks ended September 27, 2025 and September 28, 2024, respectively, and \$48 million and \$44 million for the 39 weeks ended September 27, 2025 and September 28, 2024, respectively.

During the fourth quarter of fiscal year 2024, the Company terminated the majority of its defined benefit plan ("Terminating Plan"). After the Terminating Plan was settled, the net funded status of the remainder of the defined benefit plan ("Ongoing Plan") was recorded within other long term assets and other long term liabilities as of December 28, 2024. The Company does not expect to make any material contributions to its defined benefit pension plan in fiscal year 2025.

12. CHANGES IN ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following table presents changes in accumulated other comprehensive income (loss) by component for the periods presented:

	13 weeks ended		39 weeks ended	
	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
Accumulated other comprehensive income (loss) components				
Retirement benefit obligations:				
Balance as of beginning of period ⁽¹⁾	\$ 42	\$ (113)	\$ 42	\$ (116)
Reclassification adjustments:				
Amortization of net loss ⁽²⁾⁽³⁾	—	1	—	4
Balance as of end of period ⁽¹⁾	\$ 42	\$ (112)	\$ 42	\$ (112)
Interest rate Caps:				
Balance at beginning of period ⁽¹⁾	\$ 1	\$ 1	\$ 1	\$ 1
Change in fair value of interest rate caps	—	—	—	—
Balance at end of period ⁽¹⁾	\$ 1	\$ 1	\$ 1	\$ 1
Accumulated other comprehensive income (loss) at end of period ⁽¹⁾	\$ 43	\$ (111)	\$ 43	\$ (111)

(1) Amounts are presented net of tax.

(2) Included in the computation of net periodic benefit costs.

(3) Included in other expense—net in the Company's Consolidated Statements of Comprehensive Income.

Included in the retirement benefit obligations balance for the 13 weeks and 39 weeks ended September 27, 2025 is \$45 million of tax effects, \$44 million of which represents tax effects on items within accumulated other comprehensive income (loss) related to the Tax Cuts and Jobs Act of 2017 and the presence of a valuation allowance in certain historical periods. The Company expects the tax effects to remain in accumulated other comprehensive income (loss) until the Retirement Plan ceases to exist.

13. INCOME TAXES

The determination of the Company's overall effective income tax rate requires the use of estimates. The effective income tax rate reflects the income earned and taxed in U.S. federal and various state jurisdictions based on enacted tax law, permanent differences between book and tax items, tax credits and the Company's change in relative income in each jurisdiction.

The Company estimated its annual effective income tax rate for the full fiscal year and applied the annual effective income tax rate to the results of the 39 weeks ended September 27, 2025 and September 28, 2024, and then recognized the impact of discrete tax items for purposes of determining its year-to-date tax provision.

For the 13 weeks ended September 27, 2025, the Company's effective income tax rate of 26% differed from the 21% federal corporate income tax rate primarily as a result of state income taxes and the recognition of various discrete tax items. The discrete tax items were not material individually or in the aggregate.

For the 13 weeks ended September 28, 2024, the Company's effective income tax rate of 26% differed from the 21% federal corporate income tax rate primarily as a result of state income taxes and the recognition of various discrete tax items. These discrete tax items included a tax benefit of \$1 million related to a decrease in an unrecognized tax benefit as a result of the expiration of the statute of limitations in several jurisdictions and a tax benefit of \$1 million, primarily related to excess tax benefits associated with share-based compensation.

For the 39 weeks ended September 27, 2025, the Company's effective income tax rate of 25% differed from the 21% federal corporate income tax rate primarily as a result of state income taxes and the recognition of various discrete tax items. These discrete tax items included a tax benefit of \$8 million, primarily related to excess tax benefits associated with share-based compensation.

For the 39 weeks ended September 28, 2024, the Company's effective income tax rate of 23% differed from the 21% federal corporate income tax rate primarily as a result of state income taxes and the recognition of various discrete tax items. These discrete tax items included a tax benefit of \$17 million, primarily related to a decrease in an unrecognized tax benefit as a result of the expiration of the statute of limitations in several jurisdictions, a tax benefit of \$8 million, primarily related to excess tax benefits associated with share-based compensation and a tax expense of \$3 million, primarily related to adjustments to prior year tax provision estimates.

On July 4, 2025, the President of the United States signed the One Big Beautiful Bill Act ("the Act") into law. The Act made changes to the U.S. tax code including, but not limited to, permanently extending bonus depreciation that permits full expensing of qualified property, removal of the requirement to capitalize and amortize domestic research and development expenditures, and changes to limitations on the deductibility of interest expense. The Company has reflected the effect of the Act in its results for the 13 weeks and 39 weeks ended September 27, 2025. The Act did not have a material impact on the Company's effective tax rate. We will continue to evaluate the effects of the Act on our results as further guidance is issued.

14. COMMITMENTS AND CONTINGENCIES

Purchase Commitments—The Company enters into purchase orders with vendors and other parties in the ordinary course of business and has a limited number of purchase contracts with certain vendors that require it to buy a predetermined volume of products. The Company had \$766 million of purchase orders and purchase contract commitments as of September 27, 2025 to be purchased in the remainder of fiscal year 2025 and continuing through fiscal year 2029 and \$125 million of information technology commitments through 2028 that are not recorded in the Company's Consolidated Balance Sheets.

The Company has entered into various minimum volume purchase agreements at various pricing terms. Minimum amounts committed to as of September 27, 2025 totaled approximately \$0.3 billion. Minimum amounts committed to by year are as follows:

	Amount	
	(In millions)	
2025	\$	163
2026		158
2027 and thereafter		—

To minimize fuel price risk, the Company enters into forward purchase commitments for a portion of its projected diesel fuel requirements. The Company had diesel fuel forward purchase commitments totaling \$27 million through December 2026 as of September 27, 2025. Additionally, the Company had electricity forward purchase commitments totaling \$2.5 million through July 2026, as of September 27, 2025. The Company does not measure its forward purchase commitments for fuel and electricity at fair value, as the amounts under contract meet the physical delivery criteria in the normal purchase exception.

Legal Proceedings—The Company is subject to a number of legal proceedings arising in the normal course of business. These legal proceedings, whether pending, threatened or unasserted, if decided adversely to or settled by the Company, may result in liabilities material to its financial position, results of operations, or cash flows. The Company has recognized provisions with respect to the proceedings, where appropriate, in its Consolidated Balance Sheets. It is possible that the Company could settle one or more of these proceedings or could be required to make expenditures, in excess of the established provisions, in amounts that cannot be reasonably estimated. However, the Company, at present, believes that the ultimate outcome of these proceedings will not have a material adverse effect on its consolidated financial position, results of operations or cash flows.

Surety Bonds—As of September 27, 2025, the Company had approximately \$327 million of surety bonds that were not recorded on the Consolidated Balance Sheets. The surety bonds are primarily used as security against certain insurance program contractual commitments in the normal course of business.

15. BUSINESS INFORMATION

Single Operating Segment Reporting

The Company operates as one operating segment. The Company markets, sells, and distributes fresh, frozen and dry food and non-food products to foodservice customers throughout the U.S. The Company uses a centralized management structure, and its strategies and initiatives are implemented and executed consistently across the organization. The Company uses shared resources for sales, procurement, and general and administrative activities across each of its distribution facilities and operations. The Company's distribution facilities form a single network to reach its customers; it is common for a single customer to make purchases from several different distribution facilities. Capital projects, whether for cost savings or generating incremental revenue, are evaluated based on estimated economic returns to the organization as a whole.

The Company's consolidated results represent the results of its one operating segment based on how the Company's chief operating decision maker (the "CODM"), the Chief Executive Officer (the "CEO"), views the business for purposes of evaluating performance and making operating decisions.

The CODM utilizes the U.S. GAAP measurement of consolidated net income to assess financial performance and allocate resources. This financial metric is used by the CODM to make key operating decisions, such as allocation of budget between net sales, cost of goods sold, distribution costs and selling and administrative costs. The measure of segment assets is reported on the Company's Consolidated Balance Sheets as total consolidated assets. In addition, the measure of capital expenditures, depreciation and amortization is reported on the Company's Consolidated Statements of Cash Flows. The following table presents selected financial information with respect to the Company's single operating segment for the 13 weeks and 39 weeks ended September 27, 2025 and September 28, 2024:

	13 Weeks Ended		39 weeks ended	
	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
Net sales	\$ 10,191	\$ 9,728	\$ 29,624	\$ 28,386
Cost of goods sold	8,438	8,061	24,480	23,518
Distribution costs	667	649	1,967	1,933
Selling and administrative costs	791	730	2,279	2,117
Restructuring activity and asset impairment charges	13	9	20	21
Other (income) expense—net	—	3	(3)	5
Interest expense—net	76	75	227	235
Income tax provision	53	53	162	129
Net income	\$ 153	\$ 148	\$ 492	\$ 428

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

(Dollar amounts in tables presented in millions, unless otherwise noted)

The following discussion and analysis should be read together with the accompanying unaudited consolidated financial statements and the notes thereto included in this Quarterly Report and the audited consolidated financial statements and the notes thereto in the 2024 Annual Report. The following discussion and analysis contain certain financial measures that are not required by or presented in accordance with GAAP. We believe these non-GAAP measures provide meaningful supplemental information about our operating performance and liquidity. Information regarding reconciliations of and the rationale for these measures is discussed under “Non-GAAP Reconciliations” below. Results of operations for the 13 weeks and 39 weeks ended September 27, 2025 are compared to the 13 weeks and 39 weeks ended September 28, 2024, unless specifically noted otherwise.

Overview

At US Foods, we strive to inspire and empower chefs and foodservice operators to bring great food experiences to consumers. This mission is supported by our brand promise of WE HELP YOU MAKE IT™. Our promise brings three key elements to the forefront for our customers; (1) more quality products, like our large and diverse Exclusive Brand portfolio that is based on consistency, freshness and innovation, (2) more tools, centering on our best-in-industry ecommerce platform, MOXē, and (3) more deliveries, with expanded options for on-time delivery enabled by our traditional broadline services and our convenient and flexible Pronto™ program. We operate as one business with standardized business processes, shared systems infrastructure, and an organizational model that optimizes national scale with local execution, allowing us to manage our business as a single operating segment. We have centralized activities where scale matters and our local field structure focuses on customer-facing activities.

We supply approximately 250,000 customer locations nationwide. These customer locations include independent restaurants, chain restaurants, healthcare, hospitality, education and other customers. We provide fresh, frozen, and dry food products, as well as non-food items, sourced from thousands of suppliers. Approximately 4,000 sales associates manage customer relationships at local, regional, and national levels. Our sales associates are supported by sophisticated marketing and category management capabilities, as well as world-class chefs, new business development managers and others that help us provide more comprehensive service to our customers. Our extensive network of over 70 distribution facilities and fleet of over 6,500 trucks, along with over 90 cash and carry locations, allow us to operate efficiently and provide high levels of customer service. This operating model allows us to leverage our nationwide scale and footprint while executing locally.

Operating Metrics

Case growth—Case growth, by customer type (e.g., independent restaurants) is reported as of a point in time. Customers periodically are reclassified, based on changes in size or other characteristics, and when those changes occur, the respective customer’s historical volume is included within the new classification.

Organic growth—Organic growth includes growth from operating businesses that have been reflected in our results of operations for at least 12 months.

Highlights

For the 13 weeks ended September 27, 2025, compared to the same period a year ago, total case volume increased 1.1%, driven by a 3.9% increase in independent restaurant case volume, a 3.9% increase in healthcare volume and a 2.4% increase in hospitality volume, partially offset by a 2.4% decrease in chain volume.

For the 39 weeks ended September 27, 2025, compared to the same period a year ago, total case volume increased 1.0%, driven by a 3.0% increase in independent restaurant case volume, a 4.9% increase in healthcare volume and a 2.8% increase in hospitality volume, partially offset by a 3.6% decrease in chain volume.

For the 13 weeks and 39 weeks ended September 27, 2025, compared to the same period a year ago, total organic case volume increased 0.8% and 0.5%, respectively, which includes 3.5% and 2.4% organic independent restaurant case volume growth for the 13 weeks and 39 weeks ended September 27, 2025, respectively.

Net sales increased \$463 million, or 4.8%, and \$1,238 million, or 4.4%, for the 13 weeks and 39 weeks ended September 27, 2025, respectively, driven by case volume growth and food cost inflation of 3.0% and 2.8% for the 13 weeks and 39 weeks ended September 27, 2025, respectively.

Gross profit increased \$86 million, or 5.2%, to \$1,753 million for the 13 weeks ended September 27, 2025, and increased \$276 million or 5.7%, to \$5,144 million for the 39 weeks ended September 27, 2025. For the 13 weeks ended September 27, 2025 the increase was primarily a result of an increase in total case volume, improved cost of goods sold and inventory management, partially offset by an unfavorable year-over-year LIFO adjustment. For the 39 weeks ended September 27, 2025, the increase was primarily a result of an increase in total case volume, improved cost of goods sold, inventory management and a favorable year-over-year LIFO adjustment. Gross profit was negatively impacted by LIFO expense of \$46 million and \$65 million for the 13 weeks and 39 weeks ended September 27, 2025, respectively. Gross profit was negatively impacted by LIFO expense of \$23 million and \$68 million for the 13 weeks and 39 weeks ended September 28, 2024. As a percentage of net sales, gross profit was 17.2% and 17.1% for the 13 weeks ended September 27, 2025, and September 28, 2024, and 17.4% and 17.1% for the 39 weeks ended September 27, 2025, and September 28, 2024, respectively.

Total operating expenses increased \$83 million, or 6.0%, to \$1,471 million for the 13 weeks ended September 27, 2025, and increased \$195 million, or 4.8%, to \$4,266 million for the 39 weeks ended September 27, 2025. For the 13 weeks and 39 weeks ended September 27, 2025, the increase was primarily a result of an increase in total case volume and higher distribution, selling and administrative costs, partially offset by continued distribution productivity improvement as well as actions to streamline administrative processes and costs. As a percentage of net sales, operating expenses were 14.4% and 14.3% for the 13 weeks ended September 27, 2025 and September 28, 2024, respectively, and 14.4% and 14.3% for the 39 weeks ended September 27, 2025 and September 28, 2024, respectively.

Results of Operations

The following table presents selected historical results of operations for the periods indicated:

	13 weeks ended		39 weeks ended	
	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
Consolidated Statements of Operations:				
Net sales	\$ 10,191	\$ 9,728	\$ 29,624	\$ 28,386
Cost of goods sold	8,438	8,061	24,480	23,518
Gross profit	1,753	1,667	5,144	4,868
Operating expenses:				
Distribution, selling and administrative costs	1,458	1,379	4,246	4,050
Restructuring activity and asset impairment charges	13	9	20	21
Total operating expenses	1,471	1,388	4,266	4,071
Operating income	282	279	878	797
Other expense (income)—net	—	3	(3)	5
Interest expense—net	76	75	227	235
Income before income taxes	206	201	654	557
Income tax provision	53	53	162	129
Net income	153	148	492	428
Percentage of Net Sales:				
Gross profit	17.2 %	17.1 %	17.4 %	17.1 %
Operating expenses	14.4 %	14.3 %	14.4 %	14.3 %
Operating income	2.8 %	2.9 %	3.0 %	2.8 %
Net income	1.5 %	1.5 %	1.7 %	1.5 %
Adjusted EBITDA ⁽¹⁾	5.0 %	4.7 %	4.9 %	4.6 %
Other Data:				
Cash flows—operating activities	\$ 351	\$ 270	\$ 1,076	\$ 891
Cash flows—investing activities	(114)	(79)	(319)	(447)
Cash flows—financing activities	(242)	(515)	(760)	(632)
Capital expenditures	115	80	276	236
EBITDA ⁽¹⁾	400	390	1,226	1,119
Adjusted EBITDA ⁽¹⁾	505	455	1,442	1,300
Adjusted Net Income ⁽¹⁾	245	208	681	573
Free Cash Flow ⁽²⁾	237	191	806	658

(1) EBITDA is defined as net income, plus interest expense—net, income tax provision, and depreciation and amortization. Adjusted EBITDA is defined as EBITDA adjusted for: (1) restructuring activity and asset impairment charges; (2) share-based compensation expense; (3) the impact of LIFO reserve adjustments; (4) loss on extinguishment of debt; (5) business transformation costs; and (6) other gains, losses, or costs as specified in the agreements governing our indebtedness. Adjusted EBITDA Margin is Adjusted EBITDA divided by total net sales. Adjusted Net Income is defined as net income excluding the items used to calculate Adjusted EBITDA listed above and further adjusted for the tax effect of the exclusions and discrete tax items. EBITDA, Adjusted EBITDA, and Adjusted Net Income as presented are supplemental measures of our performance that are not required by, or presented in accordance with, GAAP. They are not measurements of our performance under GAAP and should not be considered as alternatives to net income or any other performance measures derived in accordance with GAAP. For additional information, see the discussion under the caption “Non-GAAP Reconciliations” below.

(2) Free Cash Flow is defined as cash flows provided by operating activities and proceeds from sales of property and equipment less cash capital expenditures. Free Cash Flow as presented is a supplemental measure of our liquidity that is not required by, or presented in accordance with, GAAP. It is not a measure of our liquidity under GAAP and should not be considered as an alternative to cash flows provided by operating activities or any other liquidity measures derived in accordance with GAAP. For additional information, see the discussion under the caption “Non-GAAP Reconciliations” below.

Non-GAAP Reconciliations

We provide EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Free Cash Flow as supplemental measures to GAAP financial measures regarding our operating performance and liquidity. These non-GAAP financial measures, as defined above, exclude the impact of certain items and, therefore, have not been calculated in accordance with GAAP.

We believe EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin provide meaningful supplemental information about our operating performance because they exclude amounts that we do not consider part of our core operating results when assessing our performance.

We believe that Adjusted Net Income is a useful measure of operating performance for both management and investors because it excludes items that are not reflective of our core operating performance and provides an additional view of our operating performance including depreciation, interest expense and income taxes on a consistent basis from period to period. We believe that Adjusted Net Income may be used by investors, analysts and other interested parties to facilitate period-over-period comparisons and provides additional clarity as to how factors and trends impact our operating performance.

Management uses these non-GAAP financial measures (1) to evaluate our historical and prospective financial performance as well as our performance relative to our competitors as they assist in highlighting trends, (2) to set internal sales targets and spending budgets, (3) to measure operational profitability and the accuracy of forecasting, (4) to assess financial discipline over operational expenditures, and (5) as an important factor in determining variable compensation for management and employees. EBITDA and Adjusted EBITDA are also used in connection with certain covenants and activity restrictions under the agreements governing our indebtedness. We also believe these and similar non-GAAP financial measures are frequently used by securities analysts, investors, and other interested parties to evaluate companies in our industry. EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted Net Income are not measurements of our performance under GAAP and should not be considered as alternatives to net income or any other performance measures derived in accordance with GAAP.

We use Free Cash Flow as a supplemental measure to GAAP financial measures regarding the liquidity of our operations. We measure Free Cash Flow as cash flows provided by operating activities and proceeds from sales of property and equipment less cash capital expenditures. We believe that Free Cash Flow is a useful financial metric to assess our ability to pursue business opportunities and investments. Free Cash Flow is not a measure of our liquidity under GAAP and should not be considered as an alternative to cash flows provided by operating activities or any other liquidity measures derived in accordance with GAAP.

We caution readers that amounts presented in accordance with our definitions of EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, and Free Cash Flow may not be the same as similar measures used by other companies. Not all companies and analysts calculate EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income or Free Cash Flow in the same manner. We compensate for these limitations by using these non-GAAP financial measures as supplements to GAAP financial measures and by presenting the reconciliations of the non-GAAP financial measures to their most comparable GAAP financial measures.

The following table reconciles EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Free Cash Flow to the most directly comparable GAAP financial performance and liquidity measures for the periods indicated:

	13 weeks ended		39 weeks ended	
	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
Net income and Net income margin	\$ 153 1.5%	\$ 148 1.5%	492 1.7%	428 1.5%
Interest expense—net	76	75	227	235
Income tax provision	53	53	162	129
Depreciation expense	103	99	303	288
Amortization expense	15	15	42	39
EBITDA and EBITDA margin	400 3.9%	390 4.0%	1,226 4.1%	1,119 3.9%
Adjustments:				
Restructuring activity and asset impairment charges ⁽¹⁾	13	10	20	22
Share-based compensation expense ⁽²⁾	19	16	64	46
LIFO reserve adjustment ⁽³⁾	46	23	65	68
Business transformation costs ⁽⁴⁾	18	10	38	28
Business acquisition, integration related costs, divestitures and other ⁽⁵⁾	9	6	29	17
Adjusted EBITDA and Adjusted EBITDA margin	505 5.0%	455 4.7%	1,442 4.9%	1,300 4.6%
Depreciation expense	(103)	(99)	(303)	(288)
Interest expense—net	(76)	(75)	(227)	(235)
Income tax provision, as adjusted ⁽⁶⁾	(81)	(73)	(231)	(204)
Adjusted Net Income	<u>\$ 245</u>	<u>\$ 208</u>	<u>\$ 681</u>	<u>\$ 573</u>
Cash flow				
Cash flows from operating activities	\$ 351	\$ 270	\$ 1,076	\$ 891
Proceeds from sales of property and equipment	1	1	6	3
Capital expenditures	(115)	(80)	(276)	(236)
Free Cash Flow	<u>\$ 237</u>	<u>\$ 191</u>	<u>\$ 806</u>	<u>\$ 658</u>

(1) Consists primarily of severance and related costs, organizational realignment costs and asset impairment charges.

(2) Share-based compensation expense for expected vesting of stock awards and employee stock purchase plan.

(3) Represents the impact of LIFO reserve adjustments.

(4) Transformational costs represent non-recurring expenses prior to formal launch of strategic projects with anticipated long-term benefits to the Company. These costs generally relate to third party consulting and non-capitalizable technology. For both the 13 weeks and 39 weeks ended September 27, 2025 and September 28, 2024, business transformation costs related to projects associated with information technology infrastructure initiatives and workforce efficiencies.

(5) Includes: (i) aggregate acquisition, integration related costs and divestiture costs of \$6 million and \$6 million for the 13 weeks and 39 weeks ended September 27, 2025 and September 28, 2024, respectively, and \$24 million and \$17 million for the 39 weeks ended September 27, 2025 and September 28, 2024, respectively; and (ii) other gains, losses or costs that we are permitted to addback for purposes of calculating Adjusted EBITDA under certain agreements governing our indebtedness.

(6) Represents our income tax provision adjusted for the tax effect of pre-tax items excluded from Adjusted Net Income and the removal of applicable discrete tax items. Applicable discrete tax items include changes in tax laws or rates, changes related to prior year unrecognized tax benefits, discrete changes in valuation allowances, and excess tax benefits associated with share-based compensation. The tax effect of pre-tax items excluded from Adjusted Net Income is computed using a statutory tax rate after taking into account the impact of permanent differences and valuation allowances.

A reconciliation between the GAAP income tax provision and the income tax provision, as adjusted, is as follows:

	13 weeks ended		39 weeks ended	
	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
GAAP income tax provision	\$ 53	\$ 53	\$ 162	\$ 129
Tax impact of pre-tax income adjustments	28	18	61	51
Discrete tax items	—	2	8	24
Income tax provision, as adjusted	<u>\$ 81</u>	<u>\$ 73</u>	<u>\$ 231</u>	<u>\$ 204</u>

Comparison of Results

13 weeks ended September 27, 2025 and September 28, 2024

Highlights

- Net sales increased \$463 million, or 4.8%, to \$10,191 million in 2025.
- Total case volume increased 1.1% and independent restaurant case volume increased 3.9%.
- Total organic case volume increased 0.8% and organic independent restaurant case volume increased 3.5%.
- Operating income increased \$3 million to \$282 million in 2025.
- Net income increased \$5 million to \$153 million in 2025.
- Adjusted EBITDA increased \$50 million, or 11.0%, to \$505 million in 2025.
- Adjusted EBITDA as a percentage of net sales was 5.0% in 2025, compared to 4.7% in 2024.

Net Sales

Net sales increased \$463 million or 4.8%, to \$10,191 million in 2025, driven by case volume growth and food cost inflation of 3.0%. Total case volume increased 1.1% driven by a 3.9% increase in independent restaurant case volume, a 3.9% increase in healthcare volume and a 2.4% increase in hospitality volume, partially offset by a 2.4% decrease in chain volume. Total organic case volume increased 0.8% and organic independent restaurant case volume increased 3.5%. Organic broadline cases of private brands represented approximately 35% of total cases in 2025 and 2024.

Gross Profit

Gross profit increased \$86 million, or 5.2%, to \$1,753 million in 2025, primarily as a result of an increase in total case volume, improved cost of goods sold and inventory management, partially offset by an unfavorable year-over-year LIFO adjustment. Our LIFO method of inventory costing resulted in an expense of \$46 million in 2025 compared to \$23 million expense in 2024, driven by inflation and an increase in inventory values in multiple categories. Gross profit as a percentage of net sales was 17.2% in 2025, compared to 17.1% in 2024.

Operating Expenses

Operating expenses, comprised of distribution, selling and administrative costs, increased \$83 million, or 6.0%, to \$1,471 million in 2025. Operating expenses increased primarily as a result of an increase in total case volume and higher distribution, selling and administrative costs, partially offset by continued distribution productivity improvement as well as actions to streamline administrative processes and costs. Operating expenses as a percentage of net sales were 14.4% in 2025, compared to 14.3% in 2024.

Operating Income

Our operating income was \$282 million in 2025, compared to operating income of \$279 million in 2024. The increase in operating income was due to the factors discussed in the relevant sections above.

Other Expense —Net

Other expense—net includes components of net periodic pension benefit credits, exclusive of the service cost component associated with our defined benefit and other postretirement plans. We did not recognize other expense (income)—net in 2025 and recognized other expense—net of \$3 million in 2024.

Interest Expense—Net

Interest expense—net increased \$1 million to \$76 million in 2025 primarily due to higher borrowings under the ABL Facility revolver.

Income Taxes

For the 13 weeks ended September 27, 2025, the Company's effective income tax rate of 26% differed from the 21% federal corporate income tax rate primarily as a result of state income taxes and the recognition of various discrete tax items. The discrete tax items were not material individually or in the aggregate. For the 13 weeks ended September 28, 2024, the Company's effective income tax rate of 26% differed from the 21% federal corporate income tax rate primarily as a result of state income taxes and the recognition of various discrete tax items. These discrete tax items included a tax benefit of \$1 million related to a decrease in an unrecognized tax benefit as a result of the expiration of the statute of limitations in several jurisdictions and a tax benefit of \$1 million, primarily related to excess tax benefits associated with share-based compensation.

Net Income

Our net income was \$153 million in 2025, compared to a net income of \$148 million in 2024. The improvement in net income was due to the relevant factors discussed above.

39 weeks ended September 27, 2025 and September 28, 2024

Highlights

- Net sales increased \$1,238 million, or 4.4%, to \$29,624 million in 2025.
- Total case volume increased 1.0% and independent restaurant case volume increased 3.0%.
- Total organic case volume increased 0.5% and organic independent restaurant case volume increased 2.4%.
- Operating income increased \$81 million to \$878 million in 2025.
- Net income increased \$64 million to \$492 million in 2025.
- Adjusted EBITDA increased \$142 million, or 10.9%, to \$1,442 million in 2025.
- Adjusted EBITDA as a percentage of net sales was 4.9% in 2025, compared to 4.6% in 2024.

Net Sales

Net sales increased \$1,238 million, or 4.4%, to \$29,624 million in 2025, driven by case volume growth and food cost inflation of 2.8%. Total case volume increased 1.0% driven by a 3.0% increase in independent restaurant case volume, a 4.9% increase in healthcare volume, a 2.8% increase in hospitality volume, partially offset by a 3.6% decrease in chain volume. Total organic case volume increased 0.5% and organic independent restaurant case volume increased 2.4%. Organic broadline cases of private brands represented approximately 35% and 34% of total cases in 2025 and 2024, respectively.

Gross Profit

Gross profit increased \$276 million, or 5.7%, to \$5,144 million in 2025, primarily as a result of an increase in total case volume, improved cost of goods sold, pricing optimization, and a favorable year-over-year LIFO adjustment. Our LIFO method of inventory costing resulted in an expense of \$65 million in 2025 compared to an expense of \$68 million in 2024 driven by inflation and an increase in inventory values in multiple categories. Gross profit as a percentage of net sales was 17.4% in 2025, compared to 17.1% in 2024.

Operating Expenses

Operating expenses, comprised of distribution, selling and administrative costs, increased \$195 million or 4.8%, to \$4,266 million in 2025. Operating expenses increased primarily as a result of an increase in total case volume and higher distribution, selling and administrative costs, partially offset by continued distribution productivity improvement as well as actions to streamline administrative processes and costs. Operating expenses as a percentage of net sales were 14.4% in 2025, compared to 14.3% in 2024.

Operating Income

Our operating income was \$878 million in 2025, compared to operating income of \$797 million in 2024. The increase in operating income was due to the factors discussed in the relevant sections above.

Other Expense (Income)—Net

Other expense (income)—net includes components of net periodic pension benefit credits, exclusive of the service cost component associated with our defined benefit and other postretirement plans. We recognized other income—net of \$3 million in 2025 and other expense—net \$5 million in 2024.

Interest Expense—Net

Interest expense—net decreased \$8 million to \$227 million in 2025 primarily due to lower interest rates and a favorable refinancing in the third quarter of fiscal 2024.

Income Taxes

For the 39 weeks ended September 27, 2025, the Company's effective income tax rate of 25% differed from the 21% federal corporate income tax rate primarily as a result of state income taxes and the recognition of various discrete tax items. These discrete tax items included a tax benefit of \$8 million primarily related to excess tax benefits associated with share-based compensation. For the 39 weeks ended September 28, 2024, our effective income tax rate of 23% was equivalent to the 21% federal corporate income tax rate primarily as a result of state income taxes and the recognition of various discrete tax items. These discrete tax items included a tax benefit of \$17 million, primarily related to a decrease in an unrecognized tax benefit as a result of the expiration of the statute of limitations in several jurisdictions, a tax benefit of \$8 million, primarily related to excess tax benefits associated with share-based compensation and a tax expense of \$3 million, primarily related to adjustments to prior year tax provision estimates.

Net Income

Our net income was \$492 million in 2025, compared to net income of \$428 million in 2024. The improvement in net income was due to the relevant factors discussed above.

Liquidity and Capital Resources

Our ongoing operations and strategic objectives require working capital and continuing capital investment. Our primary sources of liquidity include cash provided by operations, as well as access to capital from bank borrowings and other types of debt and financing arrangements. As of September 27, 2025, the Company had approximately \$1.9 billion in cash and available liquidity.

Indebtedness

Debt Description	Maturity	Interest Rate as of September 27, 2025	Carrying Value as of September 27, 2025	Carrying Value as of December 28, 2024
ABL Facility	December 7, 2027	6.33%	\$ 162	\$ 223
2021 Incremental Term Loan Facility (net of \$1 and \$0 of unamortized deferred financing costs, respectively)	November 22, 2028	6.07%	609	610
2024 Incremental Term Loan Facility (net of \$7 and \$8 of unamortized deferred financing costs, respectively)	October 3, 2031	6.07%	714	717
Senior Notes due 2028 (net of \$3 and \$4 of unamortized deferred financing costs, respectively)	September 15, 2028	6.88%	497	496
Senior Notes due 2029 (net of \$4 and \$5 of unamortized deferred financing costs, respectively)	February 15, 2029	4.75%	896	895
Senior Notes due 2030 (net of \$2 and \$3 of unamortized deferred financing costs, respectively)	June 1, 2030	4.63%	498	497
Senior Notes due 2032 (net of \$4 and \$4 of unamortized deferred financing costs, respectively)	January 15, 2032	7.25%	496	496
Senior Notes due 2033 (net of \$3 and \$4 of unamortized deferred financing costs, respectively)	April 15, 2033	5.75%	497	496
Obligations under financing leases	2025–2032	1.26%–8.31%	575	490
Other debt	January 1, 2031	5.75%	8	8
Total debt			4,952	4,928
Current portion of long-term debt			(120)	(109)
Long-term debt			<u>\$ 4,832</u>	<u>\$ 4,819</u>

We had outstanding borrowings totaling \$162 million and had issued letters of credit totaling \$315 million under the ABL Facility as of September 27, 2025. There was remaining capacity of \$1,822 million under the ABL Facility as of September 27, 2025. During the 39 weeks ended September 27, 2025, outstanding letters of credit were reduced by approximately \$254 million after additional surety bonds were issued in the first and second quarter of fiscal year 2025 to secure the Company's obligations with respect to its insurance program.

As economic conditions permit, we will consider opportunities to repurchase, refinance or otherwise reduce our debt obligations on favorable terms. Any potential debt reduction or refinancing could require significant use of our available liquidity and capital resources.

The agreements governing our indebtedness contain customary covenants. These include, among other things, covenants that restrict our ability to incur certain additional indebtedness, create or permit liens on our assets, pay dividends, or engage in mergers or consolidations. The Company had approximately \$2.7 billion of restricted payment capacity under these covenants and approximately \$1.7 billion of its net assets were restricted after taking into consideration the net deferred tax assets and intercompany balances that eliminate in consolidation as of September 27, 2025.

We believe that the combination of cash generated from operations, together with borrowing capacity under the agreements governing our indebtedness and other financing arrangements, will be adequate to permit us to meet our debt service obligations, ongoing costs of operations, working capital needs, and capital expenditure requirements for the next 12 months.

Every quarter, we review rating agency changes for all of the lenders that have a continuing obligation to provide us with funding. We are not aware of any facts that indicate our lenders will not be able to comply with the contractual terms of their agreements with us. We continue to monitor the credit markets generally and the strength of our lender counterparties.

From time to time, we may repurchase or otherwise retire our debt and take other steps to reduce our debt or otherwise improve our leverage. These actions may include open market repurchases, negotiated repurchases, and other retirements of outstanding debt. The amount of debt that may be repurchased or otherwise retired, if any, will depend on market conditions, our debt trading levels, our cash position, and other considerations. Any potential debt reduction or other debt retirement could require significant use of our other available liquidity and capital resources.

See Note 9, Debt, in our consolidated financial statements, for a further description of our indebtedness.

Cash Flows

The following table presents condensed highlights from our Consolidated Statements of Cash Flows for the periods presented:

	39 weeks ended	
	September 27, 2025	September 28, 2024
Net income	\$ 492	\$ 428
Changes in operating assets and liabilities	84	95
Other adjustments	500	368
Net cash provided by operating activities	1,076	891
Net cash used in investing activities	(319)	(447)
Net cash used in financing activities	(760)	(632)
Net increase in cash, cash equivalents and restricted cash	(3)	(188)
Cash, cash equivalents and restricted cash—beginning of period	59	269
Cash, cash equivalents and restricted cash—end of period	\$ 56	\$ 81

Operating Activities

Cash flows provided by operating activities was \$1,076 million for the 39 weeks ended September 27, 2025, representing an increase of \$185 million as compared to cash flows provided by operating activities of \$891 million for the 39 weeks ended September 28, 2024, driven by higher net income and a reduction in tax payments for the 39 weeks ended September 27, 2025 compared to the 39 weeks ended September 28, 2024.

Investing Activities

During the 39 weeks ended September 27, 2025, the Company completed the asset acquisition of Jake's Finer Foods. Cash paid for the acquisition of Jake's Finer Foods consisted of cash of approximately \$87 million. Investing activities for the 39 weeks ended September 27, 2025, also included the cash proceeds from the sale of Freshway of \$38 million. In addition, cash flows used in investing activities in the 39 weeks ended September 27, 2025 and September 28, 2024 included cash expenditures of \$276 million and \$236 million, respectively, related to investments in information technology, property and equipment and construction of and improvements to distribution facilities.

We expect total cash capital expenditures in fiscal year 2025 to be between \$395 million and \$410 million. We expect to fund our capital expenditures with available cash or cash generated from operations.

Financing Activities

Cash flows used in financing activities in the 39 weeks ended September 27, 2025 included \$61 million in net payments under the ABL Facility and \$86 million in scheduled payments under our financing leases. Financing activities in the 39 weeks ended September 27, 2025 also included \$602 million common stock repurchased under the Original Share Repurchase Program and the New Share Repurchase Program, \$22 million of proceeds received from stock purchases under our employee stock purchase plan, \$6 million of proceeds from the exercise of employee stock options, which were offset by \$35 million of employee tax withholdings paid in connection with the vesting of stock awards.

Cash flows used by financing activities in the 39 weeks ended September 28, 2024 included \$91 million of scheduled payments under our Term Loan Facilities and financing leases, \$75 million in net proceeds under the ABL Facility, \$14 million for repricing of the 2021 Incremental Term Loan Facility, \$1 million of financing fees related to the 2021 Incremental Term Loan Facility repricing and no net payments under the ABL Facility. Financing activities in the 39 weeks ended September 28, 2024 also included \$628 million common stock repurchased under the Amended Share Repurchase Program, \$19 million of proceeds received from stock purchases under our employee stock purchase plan, \$14 million of proceeds from the exercise of employee stock options and \$20 million of employee tax withholdings paid in connection with the vesting of stock awards.

Other Obligations and Commitments

There have been no material changes in the Company's cash obligations and commitments since the end of fiscal year 2024. Refer to Item 7 of our 2024 Annual Report for additional information regarding the Company's cash obligations and commitments as of the end of fiscal year 2024.

Retirement Plans

See Note 11, Retirement Plans, in our consolidated financial statements for a description of our retirement plans.

Off-Balance Sheet Arrangements

We had \$315 million of letters of credit outstanding primarily securing the Company's obligations with respect to certain real estate leases, under the ABL Facility as of September 27, 2025.

We held approximately \$327 million and \$58 million of surety bonds, as of September 27, 2025 and year ended December 28, 2024, respectively, primarily in favor of certain commercial insurers to secure obligations with respect to our insurance programs. In certain cases, surety bonds may be used as an alternative to letters of credit. For the 39 weeks ended September 27, 2025, outstanding letters of credit were reduced by approximately \$254 million after additional surety bonds were issued in the first and second quarter of 2025 to secure the Company's obligations with respect to its insurance program.

Except as disclosed above, we have no off-balance sheet arrangements that currently have or are reasonably likely to have a material effect on our consolidated financial condition, changes in financial condition, results of operations, liquidity, capital expenditures or capital resources.

Critical Accounting Policies and Estimates

We have prepared the financial information in this Quarterly Report in accordance with GAAP. Preparing the Company's consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during these reporting periods. We base our estimates and judgments on historical experience and other factors we believe are reasonable under the circumstances. These assumptions form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Part II, Item 7—"Management's Discussion and Analysis of Financial Condition and Results of Operations" of the 2024 Annual Report includes a summary of the critical accounting policies we believe are the most important to aid in understanding our financial results. There have been no changes to those critical accounting policies that have had a material impact on our reported amounts of assets, liabilities, revenue, or expenses during the 39 weeks ended September 27, 2025.

Recent Accounting Pronouncements

For a discussion of recent accounting pronouncements, see Note 2, Recent Accounting Pronouncements, in our consolidated financial statements.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We are exposed to certain risks arising from both our business operations and overall economic conditions. Our market risks include interest rate risk and fuel price risk. We do not enter into derivatives or other financial instruments for trading or speculative purposes.

Interest Rate Risk

Our debt exposes us to risk of fluctuations in interest rates. Floating rate debt, where the interest rate fluctuates periodically, exposes us to short-term changes in market interest rates. Fixed rate debt, where the interest rate is fixed over the life of the instrument, exposes us to changes in market interest rates reflected in the fair value of the debt and to the risk that we may need to refinance maturing debt with new debt at higher rates. We manage our debt portfolio to achieve an overall desired position of fixed and floating rates and may employ interest rate hedges as a tool to achieve that position. We may, in the future, enter into additional interest rate hedges, the risks of which include changes in the interest rates affecting the fair value of such instruments, potential increases in interest expense due to market increases in floating interest rates and the creditworthiness of the counterparties.

In April 2023, the Company entered into two, two-year rate cap agreements, which matured on April 30, 2025 with a total notional amount of \$450 million. In April 2025, the Company entered into an interest rate cap agreement with a total notional amount of \$450 million that will mature on April 30, 2026. In June 2025, the Company entered into an interest rate cap agreement effective April 30, 2026 with a total notional amount of \$450 million that will mature on April 30, 2027.

Through April 30, 2027, the Company now has interest rate caps in place that cap the Company's maximum exposure to the variable component of the interest rate on \$450 million of the Term Loan Facilities at 5%, thereby effectively capping the interest rate on approximately 34% of the current outstanding balance of the Term Loan Facilities.

As of September 27, 2025, the Term Loan Facility, ABL Facility and certain variable rate finance leases, which were approximately 31% of the Company's total debt, bore interest at a floating rate. A hypothetical 1% change in the applicable rate would cause the interest expense on our floating rate debt to change by approximately \$17 million per year (see Note 9, Debt, in our consolidated financial statements).

Fuel Price Risk

We are also exposed to risk due to fluctuations in the price and availability of diesel fuel. We require significant quantities of diesel fuel for our vehicle fleet, and the price and supply of diesel fuel are unpredictable and fluctuate based on events outside our control, including geopolitical developments, supply and demand for oil and gas, regional production patterns, weather conditions and environmental concerns. Increases in the cost of diesel fuel can negatively affect consumer confidence and discretionary spending and increase the prices we pay for products, and the costs we incur to deliver products to our customers.

Fuel costs related to outbound deliveries approximated \$171 million during the fiscal year ended December 28, 2024. Our activities to minimize fuel cost risk include route optimization, improving fleet utilization, growing our fleet of electric vehicles and assessing fuel surcharges. We typically directly offset approximately 40% of the increases in fuel costs through fuel surcharges to customers. We also enter into forward purchase commitments for a portion of our projected diesel fuel requirements. As of September 27, 2025, we had diesel fuel forward purchase commitments totaling \$27 million, which lock approximately 20% of our projected diesel fuel purchase needs through December 2026. Using current published market price projections for diesel and estimated fuel consumption needs, a hypothetical 10% unfavorable change in diesel prices from the market price could result in approximately \$17 million in additional fuel cost on uncommitted volumes through December 2026.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is processed, recorded, summarized, and reported within the time periods specified in the SEC's rules and forms, and that this information is accumulated and communicated to Company management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives.

As required by Exchange Act Rule 13a-15(b), we carried out an evaluation, under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of September 27, 2025.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the fiscal quarter ended September 27, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

For information relating to legal proceedings, see Note 14, Commitments and Contingencies, in our consolidated financial statements.

Item 1A. Risk Factors

There have been no material changes to the principal risks that we believe are material to our business, results of operations, and financial condition from those disclosed in Part I, Item 1A—“Risk Factors” of the 2024 Annual Report.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Share Repurchase Programs

On November 2, 2022, our Board of Directors approved a share repurchase program (“2022 Share Repurchase Program”) under which the Company was authorized to repurchase up to \$500 million of its outstanding common stock. On June 1, 2024, the Board approved, and on June 5, 2024, the Company announced, an increase in the amount of common stock that could be purchased under the 2022 Share Repurchase Program to \$1 billion (collectively, the “Original Share Repurchase Program”). On May 7, 2025, the Board of Directors approved, and on May 8, 2025, the Company announced, a new share repurchase program (“New Share Repurchase Program”) under which the Company is authorized to repurchase up to an additional \$1 billion of its outstanding common stock. As of September 27, 2025, there were no remaining funds authorized under the Original Share Repurchase Program and approximately \$467 million in remaining funds authorized under the New Share Repurchase Program.

For the 13 weeks ended September 27, 2025, the Company repurchased approximately 4.1 million shares at an aggregate purchase price of approximately \$335 million under the New Share Repurchase Program inclusive of fees, commissions, and the related 1% excise tax. For the 39 weeks ended September 27, 2025, the Company repurchased approximately 7.6 million shares at an aggregate purchase price of approximately \$608 million under the Original Share Repurchase Program and New Share Repurchase Program inclusive of fees, commissions, and the related 1% excise tax.

The following table summarizes repurchases of US Foods common stock for the three periods ended September 27, 2025:

Period (Millions of dollars, except number and price per share)	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Programs ⁽¹⁾
June 29, 2025 through August 2, 2025	3,336,919	\$ 82.41	3,336,919	\$ 527
August 3, 2025 through August 30, 2025	749,761	80.03	749,761	467
August 31, 2025 through September 27, 2025	—	—	—	467
Total	4,086,680	\$ 81.97	4,086,680	

(1) The size and timing of any repurchases will depend on a number of factors, including share price, general business and market conditions and other factors. Under the New Share Repurchase Program, repurchases can be made from time to time using a variety of methods, including open market purchases, privately negotiated transactions, accelerated share repurchases and Rule 10b5-1 trading plans. The New Share Repurchase Program does not obligate the Company to acquire any particular amount of shares, and the New Share Repurchase Program may be suspended or discontinued at any time at the Company’s discretion. The New Share Repurchase Program does not have an expiration date.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

No Adoption or Termination of Trading Arrangements

During the quarter ended September 27, 2025, no director or executive officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

Exhibit Number

- | | |
|------|---|
| 3.1 | Restated Certificate of Incorporation of US Foods Holding Corp., effective as of May 18, 2023 (incorporated herein by reference to Exhibit 3.1 to the Current Report on Form 8-K filed with the SEC on May 18, 2023). |
| 3.2 | Amended and Restated Bylaws of US Foods Holding Corp., effective as of November 2, 2022 (incorporated herein by reference to Exhibit 3.1 to the Current Report on Form 8-K filed with the SEC on November 7, 2022). |
| 10.1 | US Foods Holding Corp., Non-Employee Director Deferral Plan. |
| 31.1 | Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 31.2 | Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 32.1 | Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 32.2 | Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 101 | Interactive Data File. |
| 104 | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101). |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

US FOODS HOLDING CORP.

(Registrant)

Date: November 6, 2025

By: /s/ DAVID E. FLITMAN

David E. Flitman

Chief Executive Officer

Date: November 6, 2025

By: /s/ ANNMARIE LOBRED

AnnMarie Lobred

Senior Vice President, Chief Accounting Officer

(Principal Accounting Officer)

**US FOODS HOLDING CORP.
NON-EMPLOYEE DIRECTOR DEFERRAL PLAN**

1. GENERALLY.

(a) The purpose of the US Foods Holding Corp. Non-Employee Director Deferral Plan (this “**Deferral Plan**”) is to attract and retain the services of experienced Non-Employee Directors by providing them with opportunities to defer income taxes on their compensation and encouraging them to retain shares of Common Stock, thereby strengthening their commitment to the welfare of the Company Group and aligning their interests with those of the Company’s stockholders.

(b) The Deferral Plan does not authorize or contemplate any additional shares of Common Stock beyond the Absolute Share Limit authorized under the US Foods Holding Corp. 2019 Long-Term Incentive Plan (the “**LTIP**”), and the Deferral Plan incorporates by reference herein the terms of the LTIP.

(c) Except as otherwise determined by the Board, each Non-Employee Director is eligible to participate in the Deferral Plan.

2. DEFINITIONS.

Unless otherwise defined in the Deferral Plan, capitalized terms used in the Deferral Plan shall have the meanings assigned to them in the LTIP.

(a) “Deferral Date” means the date on which the shares of Common Stock covered by the corresponding RSU were scheduled to be issued to such Non-Employee Director, in either case had such Non-Employee Director not deferred such RSU.

(b) “Deferred RSU” means an RSU that is deferred by a Non-Employee Director pursuant to Section 4.

(c) “RSU” means a Restricted Stock Unit Award granted to a Non-Employee Director pursuant to Section 9 of the LTIP.

3. ADMINISTRATION.

(a) The Deferral Plan shall be administered by the Board. Subject to the terms of the Deferral Plan and applicable law, and in addition to other express powers and authorizations conferred on the Board by the Deferral Plan, the Board shall have full power and authority in its discretion (and in accordance with Code Section 409A with respect to Awards subject thereto) to: (i) determine any limits on Deferred RSUs, including whether to allow Deferred RSUs at any time; (ii) make and enforce such rules, regulations, and procedures, consistent with the terms of the Deferral Plan, as the Board deems necessary or proper for the efficient administration of the Deferral Plan; (iii) interpret the terms and provisions of the Deferral Plan and to decide any and all questions arising under the Deferral Plan, including, without limitation, the right to remedy possible ambiguities, inconsistencies, or omissions by a general rule or particular decision; (iv) determine the amounts to be distributed to any Non-

Employee Director or beneficiary in accordance with the terms of the Deferral Plan and determine the Person or Persons to whom such amounts will be distributed; (v) to allocate or delegate its powers to other Persons; and (vi) to appoint Persons to carry out administrative and recordkeeping functions with respect to the Deferral Plan.

(b) Unless otherwise expressly provided in the Deferral Plan or the LTIP, all rules, regulations, designations, determinations, interpretations, and other decisions under or with respect to the Deferral Plan or any Award shall be within the sole discretion of the Board, may be made at any time and shall be final, conclusive, and binding upon all Persons, including, without limitation, the Company, any other member of the Company Group, any Participant, any holder or beneficiary of any Award, and any stockholder of the Company.

(c) No Indemnifiable Person shall be liable for any action taken or omitted to be taken or any determination made with respect to the Deferral Plan or any Deferred RSU hereunder (unless constituting fraud or a willful criminal act or omission). Each Indemnifiable Person shall be indemnified and held harmless by the Company as further provided in the LTIP.

(d) To the extent consistent with Code Section 409A, the Board or its designee may delay any settlement until satisfied as to the correctness of the settlement or the Person to receive the settlement or to allow filing in any court of competent jurisdiction for a legal determination of the benefits to be paid and the Person to receive them. The Board specifically reserves the right to correct errors of every sort, and each Non-Employee Director hereby agrees, on his or her own behalf and on behalf of any beneficiary, to any method of error correction specified by the Board or its designee.

4. DEFERRAL ELECTIONS.

(a) A Non-Employee Director may elect to defer receipt of an RSU pursuant to a form approved by the Board and filed with Legal Department's Corporate Secretary Group (an "Election Form"). Each Election Form will remain in effect only for the specific award designated on such Election Form. An Election Form may provide for a Non-Employee Director to elect to receive distribution of such Non-Employee Director's Deferral at the following times or such other times as are determined by the Board and consistent with Code Section 409A (but in no event earlier than the applicable Deferral Date): (x) a specified date (which, for the avoidance, of doubt, includes installments), (y) cessation of such Non-Employee Director's service on the Board or (z) the earlier or the later of a specified date or cessation of such Non-Employee Director's service on the Board.

(b) An Election Form shall apply to any RSU that is granted to a Non-Employee Director for any period of service that commences following the calendar year in which such Election Form is filed. Notwithstanding the foregoing, a Non-Employee Director who first becomes eligible to participate in the Deferral Plan (including any other plan that is required to be treated as a single plan with the Deferral Plan under Code Section 409A) may file an Election Form during the first 30 days of such eligibility; provided that such Election Form shall apply only to any RSU that is granted to such Non-Employee Director for any period of service that commences after the date that such Election Form is filed.

(c) A Non-Employee Director whose services with the Company Group have not terminated may make an irrevocable change to the time or form of settlement elected hereunder only if (i) such election is made at least twelve (12) months prior to the date settlement would have otherwise commenced, (ii) the election does not take effect until at least twelve (12) months after applicable Election Form has been executed and delivered, and (iii) the effect of such elections is to defer commencement of such settlement by at least five (5) years. For purposes of this Paragraph 4(c), a series of installment payments (i.e., settlements) is treated as a single payment (i.e., settlement) to be made in the year that the first installment would have otherwise been paid. Such subsequent deferral election shall be made in an Election Form approved by the Board and filed with Legal Department's Corporate Secretary Group.

(d) Each Deferred RSU shall vest in accordance with the terms of the LTIP and any applicable Award Agreement.

5. DISTRIBUTIONS.

(a) Subject to this Section 5, distribution with respect to a Non-Employee Director's Deferred RSUs shall be made to such Non-Employee Director in a single, one-time settlement or annual installments (up to the maximum annual installments specified in the applicable Election Form), as applicable, at the time or times specified in the applicable Election Form.

(b) All of a Non-Employee Director's Deferred RSUs shall be distributed to such Non-Employee Director in a single, one-time settlement on a Change in Control or such Non-Employee Director's death.

(c) If the Board considers a Non-Employee Director to be one of the Company's "specified employees" under Code Section 409A at the time of such Non-Employee Director's cessation of service on the Board, any distribution that otherwise would be made to such Non-Employee Director with respect to a Deferred RSU as a result of such cessation of service shall not be made until the date that is six months after such cessation of service, except to the extent that earlier distribution would not result in such Non-Employee Director's incurring interest or additional tax under Code Section 409A.

6. AMOUNT OF DISTRIBUTION.

(a) Each Deferred RSU shall be allocated to a separate bookkeeping account (an "Account") established and maintained by the Board. All Deferred RSUs shall be notionally invested in shares of Common Stock.

(b) In the event that the Board shall determine that any Adjustment Event has occurred, then the Board shall, in respect of such Adjustment Event, make such proportionate substitution or adjustment, if any, as it deems equitable, with respect to outstanding Deferred RSUs provided, that in the case of any "equity restructuring" (within the meaning of the Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor pronouncement thereto)), the Committee shall make an equitable or proportionate

adjustment to outstanding Deferred RSUs to reflect such equity restructuring. Any adjustment under this Section 6(b) shall be conclusive and binding for all purposes.

(c) On the distribution date applicable to a Non-Employee Director's Deferred RSU, such Non-Employee Director shall receive that number of shares of Common Stock equal to the number of notional shares of Common Stock credited to the applicable Account as of such distribution date; provided that such number of shares of Common Stock shall be rounded down to the nearest whole share and any fractional share not then distributed shall be added to the next installment, and that no shares of Common Stock shall be distributed other than as authorized by the LTIP.

7. GENERAL PROVISIONS APPLICABLE TO DEFERRED RSUS.

(a) Except as provided by the Board, no Deferred RSU and no right under any Deferred RSU, shall be assignable, alienable, saleable or transferable by a Non-Employee Director otherwise than by will or by the laws of descent and distribution; provided, however, that, a Non-Employee Director may designate a beneficiary or beneficiaries to exercise the rights of the Non-Employee Director with respect to a Deferred RSU on the death of the Non-Employee Director in accordance with the provisions of the LTIP (including Section 13(h) thereof). Each Deferred RSU, and each right under any Deferred RSU, shall be exercisable, during the Non-Employee Director's lifetime, only by the Non-Employee Director or, if permissible under applicable law, by the Non-Employee Director's guardian or legal representative. No Deferred RSU, and no right under any Deferred RSU, may be pledged, alienated, attached or otherwise encumbered, and any purported pledge, alienation, attachment or encumbrance thereof shall be void and unenforceable against the Company or any Affiliate.

(b) All shares of Common Stock or other securities delivered under the Deferral Plan shall be subject to such stop transfer orders and other restrictions as the Board may deem advisable under the Deferral Plan or the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange on which such shares of Common Stock or other securities are then listed, and any applicable federal, state or local securities laws, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

8. AMENDMENTS AND TERMINATION.

(a) The Board, in its sole discretion, may amend, suspend or discontinue the Deferral Plan or any Deferred RSU at any time; provided that no such amendment, suspension or discontinuance shall reduce the accrued benefit of any Non-Employee Director except to the extent necessary to comply with any provision of federal, state or other applicable law. The Board further has the right, without a Non-Employee Director's consent, to amend or modify the terms of the Deferral Plan and such Non-Employee Director's Deferred RSUs to the extent that the Board deems it necessary to avoid adverse or unintended tax consequences to such Non-Employee Director under Code Section 409A.

(b) The Board, in its sole discretion, may terminate the Deferral Plan at any time, as long as such termination complies with then applicable tax and other requirements.

Distributions of Deferred RSUs outstanding under the Deferral Plan as of the date on which the Deferral Plan is terminated will be made in a single, one-time settlement 12 months after such termination (except in instances of a termination in connection with a Change in Control under Code Section 409A), unless the right to receive a distribution in accordance with the terms of the Deferral Plan would occur before the end of such 12-month period, in which case distribution will be made in accordance with the terms of the Deferral Plan.

(c) Such other changes to Deferred RSUs shall be permitted and honored under the Deferral Plan to the extent authorized by the Board and consistent with Code Section 409A.

9. **MISCELLANEOUS.**

(a) No Non-Employee Director or other Person shall have any claim to be entitled to make a deferral under the Deferral Plan, and there is no obligation for uniformity of treatment of Non-Employee Directors or beneficiaries under the Deferral Plan. The terms and conditions of deferrals under the Deferral Plan need not be the same with respect to each Non-Employee Director.

(b) The Company or any member of the Company Group shall be authorized to withhold from any Deferred RSU the amount (in cash, shares of Common Stock or other securities) of taxes required or permitted to be withheld (up to the maximum statutory tax rate in the relevant jurisdiction) in respect of such Deferred RSU and to take such other action as may be necessary or appropriate in the opinion of the Company or any other member of the Company Group to satisfy withholding taxes.

(c) Nothing contained in the Deferral Plan shall prevent the Company or any other member of the Company Group from adopting or continuing in effect other or additional compensation arrangements.

(d) Neither the Deferral Plan nor the opportunity to make a Deferred RSU under the Deferral Plan or any other action taken hereunder shall be construed as giving any Non-Employee Director any right to be retained in the service of the Board or the Company. A Non-Employee Director's Deferred RSU under the Deferral Plan is not intended to confer any rights on such Non-Employee Director except as set forth in the Deferral Plan. The Company expressly reserves the right at any time to replace or to not nominate a Non-Employee Director without any liability for any claim against the Company for any settlement, payment or distribution except to the extent provided for in the Deferral Plan.

(e) Except as otherwise specifically provided in the LTIP or any Award Agreement, no Non-Employee Director shall be entitled to the privileges of ownership in respect of shares of Common Stock which are subject to Awards hereunder until such shares have been issued or delivered to such Person.

(f) The Deferral Plan shall be governed by and construed in accordance with the internal laws of the State of Delaware applicable to contracts made and performed wholly within the State of Delaware, without giving effect to the conflict of laws provisions thereof. EACH PARTICIPANT WHO MAKES A DEFERRAL HEREUNDER IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY SUIT, ACTION, OR OTHER

PROCEEDING INSTITUTED BY OR AGAINST SUCH PARTICIPANT IN RESPECT OF THE PARTICIPANT'S RIGHTS OR OBLIGATIONS HEREUNDER.

(g) If any provision of the Deferral Plan or any Election Form is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or as to any Person, or would disqualify the Deferral Plan or any Deferred RSU under any law deemed applicable by the Board, such provision shall be construed or deemed amended to conform to the applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Board, materially altering the intent of the Deferral Plan or such Deferred RSU, such provision shall be stricken as to such jurisdiction, Person or Deferred RSU, and the remainder of the Deferral Plan and such Election Form shall remain in full force and effect.

(h) The Deferral Plan is unfunded. The Deferral Plan, together with the applicable Election Form, shall represent at all times an unfunded and unsecured contractual obligation of the Company. Each Non-Employee Director and beneficiary will be an unsecured creditor of the Company with respect to all obligations owed to them under the Deferral Plan. Amounts payable (i.e., settled) under the Deferral Plan will be satisfied solely out of the general assets of the Company subject to the claims of its creditors. No Non-Employee Director or beneficiary will have any interest in any fund or in any specific asset of the Company of any kind, nor shall any Non-Employee Director or beneficiary or any other Person have any right to receive any settlement, payment or distribution under the Deferral Plan except as, and to the extent, expressly provided in the Deferral Plan and the applicable Election Form. The Company will not be required to segregate any funds or assets to provide for any distribution under the Deferral Plan; however, funds may be segregated or invested (including in shares of Common Stock) as determined by the Board. Any reserve or other asset that the Company may establish or acquire to assure itself of the funds to provide settlements or payments required under the Deferral Plan shall not serve in any way as security to any Non-Employee Director or beneficiary for the Company's performance under the Deferral Plan.

(i) The expenses of administering the Deferral Plan shall be borne by the Company Group. The titles and headings of the sections in the Deferral Plan are for convenience of reference only, and in the event of any conflict, the text of the Deferral Plan, rather than such titles or headings, shall control.

(j) The Deferral Plan is intended to comply with the requirements of Code Section 409A, and the provisions of the Deferral Plan and any Election Form shall be interpreted in a manner that satisfies the requirements of Code Section 409A, and the Deferral Plan shall be operated accordingly. If any provision of the Deferral Plan or any Election Form would otherwise frustrate or conflict with this intent, such provision will be interpreted and deemed amended so as to avoid such conflict. Each Participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or in respect of such Participant in connection with the Plan (including any taxes and penalties under Code Section 409A), and neither the Service Recipient nor any other member of the Company Group shall have any obligation to indemnify or otherwise hold such Participant (or any beneficiary) harmless from any or all of such taxes or penalties. Unless otherwise provided by the Board in an Election Form or otherwise, in the event that the timing of settlements or payments in respect

of any Deferred RSU (that would otherwise be considered “deferred compensation” subject to Code Section 409A) would be accelerated upon the occurrence of a Change in Control, no such acceleration shall be permitted unless the event giving rise to the Change in Control satisfies the definition of a change in the ownership or effective control of a corporation, or a change in the ownership of a substantial portion of the assets of a corporation pursuant to Code Section 409A.

10. **TERM OF THE DEFERRAL PLAN.** The Deferral Plan shall be effective as of the date on which the Deferral Plan is adopted by the Board.

**CERTIFICATION PURSUANT TO RULE 13a-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, David E. Flitman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of US Foods Holding Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2025

/s/ DAVID E. FLITMAN

David E. Flitman

Chief Executive Officer

**CERTIFICATION PURSUANT TO RULE 13a-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Dirk J. Locascio, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of US Foods Holding Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2025

/s/ DIRK J. LOCASCIO

Dirk J. Locascio

Chief Financial Officer

**CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of US Foods Holding Corp. (the “Company”) on Form 10-Q for the quarterly period ended September 27, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, David E. Flitman, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 6, 2025

/s/ DAVID E. FLITMAN

David E. Flitman

Chief Executive Officer

**CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of US Foods Holding Corp. (the “Company”) on Form 10-Q for the quarterly period ended September 27, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Dirk J. Locascio, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 6, 2025

/s/ DIRK J. LOCASCIO

Dirk J. Locascio

Chief Financial Officer