

SYSCO Corporation

***U.K. & Europe
Investor Meetings
June 2004***





Forward-Looking Statements

Certain statements made herein and in conjunction with these slides are Forward-Looking Statements. They include statements regarding continued strength and recognition of SYSCO Brand products, industry growth, continued competitive advantages, industry leadership, projected sales increases, anticipated capital expenditures, customer mix, product cost inflation/deflation, implementation and anticipated results of supply chain strategies, computer software and hardware technology, anticipated results of initiatives to improve gross margins and expenses, SYSCO's ability to realize efficiencies and cost savings and to solidify customer relationships and service levels from new technologies, "fold-outs," potential acquisitions and pending acquisitions and any potential benefits resulting therefrom, payment of dividends, consistency and predictability of earnings, cash flow growth and continuation of the share repurchase program, SYSCO's ability to build stronger relationships with existing customers and develop new relationships with additional foodservice operators, SYSCO's ability to outpace overall foodservice industry growth, SYSCO's ability to achieve its long-term objectives with respect to real sales growth and earnings per share growth, and the continued strength of the meals-prepared-away-from-home market.

These statements involve risks and uncertainties and are based on management's current expectations and estimates; actual results may differ materially. Those risks and uncertainties that could impact these statements include: industry growth, sales increases, customer mix, product cost inflation/deflation; Payment of dividends; continuation of the share repurchase program; the consistency and predictability of earnings and cash flow growth that could be affected by conditions in the economy, the industry and internal factors that may alter planned results, the risks relating to the foodservice distribution industry's relatively low profit margins and sensitivity to general economic conditions; SYSCO's leverage and debt risks; the successful completion of acquisitions and integration of acquired companies; the risk of interruption of supplies due to lack of long-term contracts, severe weather, work stoppages or otherwise; and internal factors such as the ability to control expenses. In addition, the decision to pursue acquisitions, "fold-outs" and other capital projects could vary due to construction schedules and the timing of other expenditures, while the implementation and timing of "fold-out" operations, acquisitions and other capital projects could be impacted by competitive conditions, labor issues, weather, satisfactory completion of due diligence, software systems integration and testing and other matters. For a discussion of additional factors that could cause actual results to differ from those described in the forward-looking statements, see the Company's Annual Report on Form 10-K for the fiscal year ended June 28, 2003 as filed with the Securities and Exchange Commission.



SYSCO Profile

Who:

- North America's #1 foodservice marketer & distributor
- CY 2003 sales of \$27.5 Billion

What:

- Serve \$200 Billion Foodservice & Hospitality market
- Approximately 420,000 customers

Where:

- 149 locations in the U.S. and Canada

When:

- Industry Leader since 1977
- Founded 1969; IPO in 1970

How:

- More than 300,000 products
- About 8,000 marketing associates

Why:

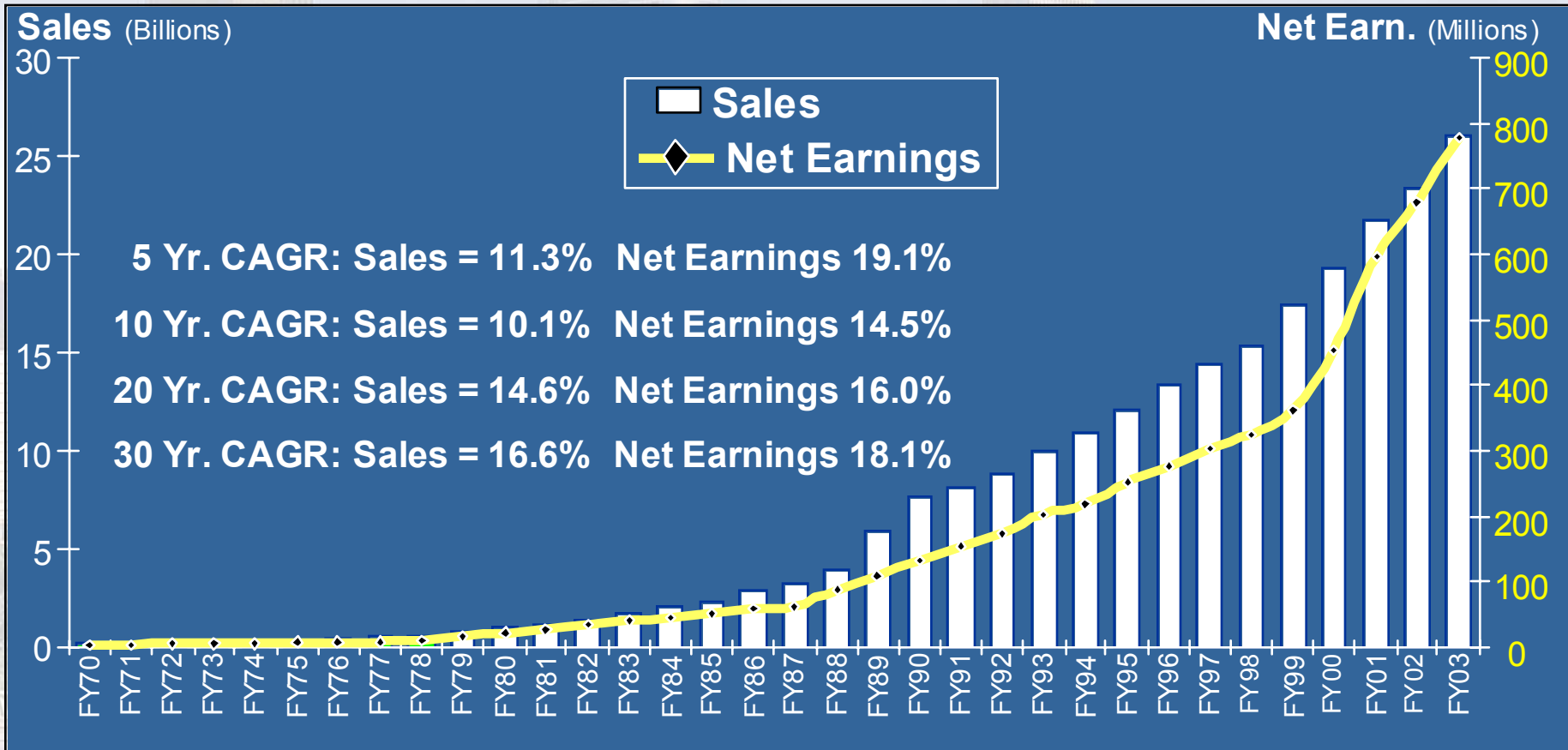
- Our Mission: To Help Our Customers Succeed





27+ Yrs. of Sales & Earnings Increases!

FY03 Sales +11.9%; Net Earnings +14.5%



* All net earnings data is before accounting changes.



FY04 YTD Results

(In millions except EPS data)

	39 Weeks <u>FY04</u>	39 Weeks <u>FY03</u>	% <u>Change</u>
Sales	\$21,196,386	\$19,168,497	10.6%
Net Earnings	626,616	535,552	17.0%
Dil. EPS	0.95	0.81	17.3%
Dil. Sh. O/S	662,482,772	662,873,939	(0.06%)

Total sales growth	10.6%	12.5%
Acquisition sales	<u>1.0%</u>	<u>6.5%</u>
Organic growth	9.6%	6.0%

Organic growth = total sales growth less sales growth from non-comparable acquisitions.



SYSCO – A Model for Success

Keys to SYSCO's Past & Future Success:

- Autonomous entrepreneurial management structure
- Large & knowledgeable Marketing Associate force
- Innovative quality products
- Industry-leading development and use of technology
- Commitment to employees, customers, suppliers & shareholders

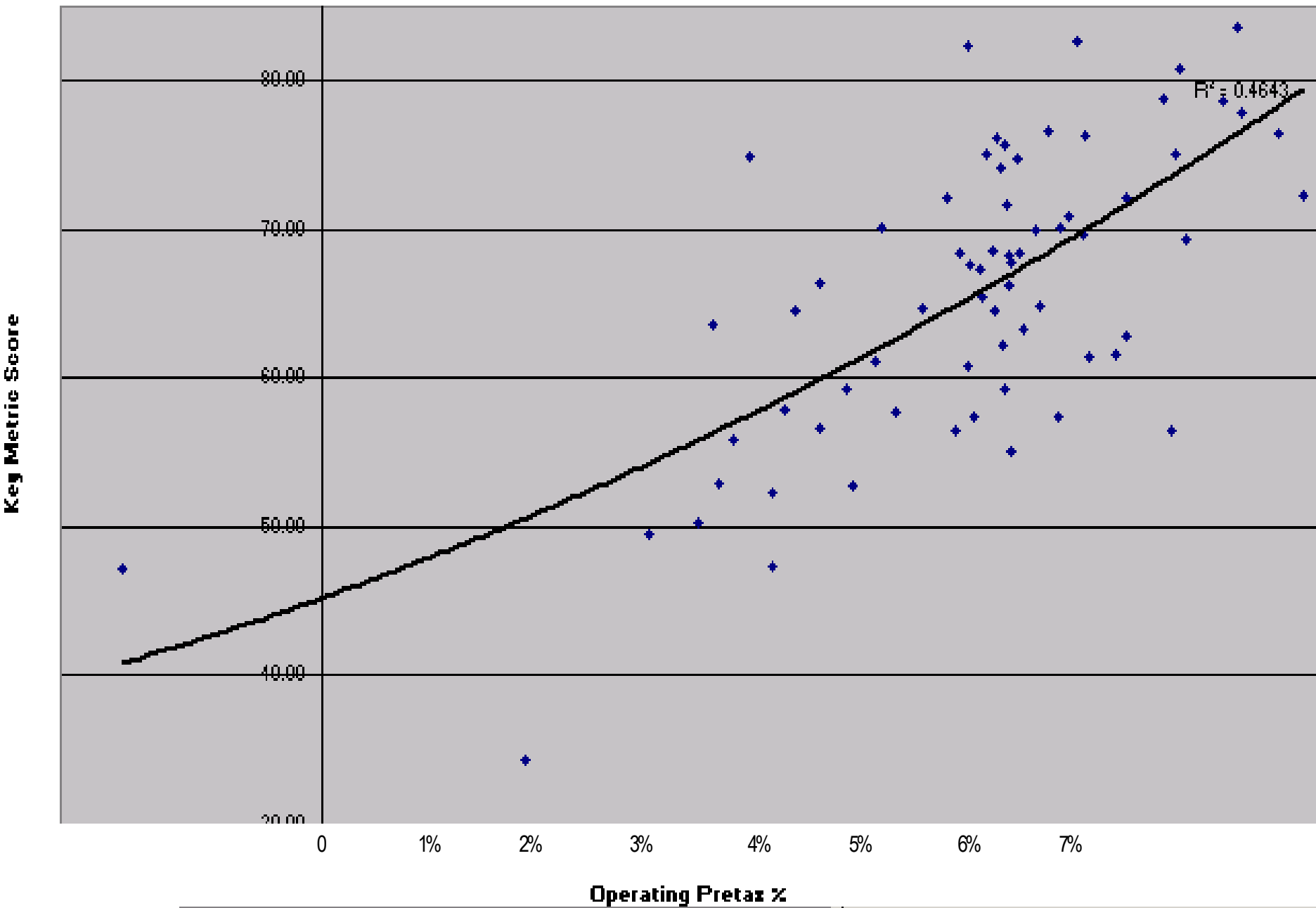


Operating Pretax Performance

85% of OPCO's Improved vs. FY02

	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>
> 7%	2	4	9	14	20
6% - 7%	5	8	17	19	27
5% - 6%	13	19	17	15	7
4% - 5%	16	15	5	9	7
3% - 4%	11	6	4	5	5
3% <	<u>15</u>	<u>9</u>	<u>9</u>	<u>4</u>	<u>0</u>
	<u><u>62</u></u>	<u><u>61</u></u>	<u><u>61</u></u>	<u><u>66</u></u>	<u><u>66</u></u>

Correlation between Key Metrics and Operating Pretax %





Food Industry Breakdown

(in Billions)

Foodservice

\$438

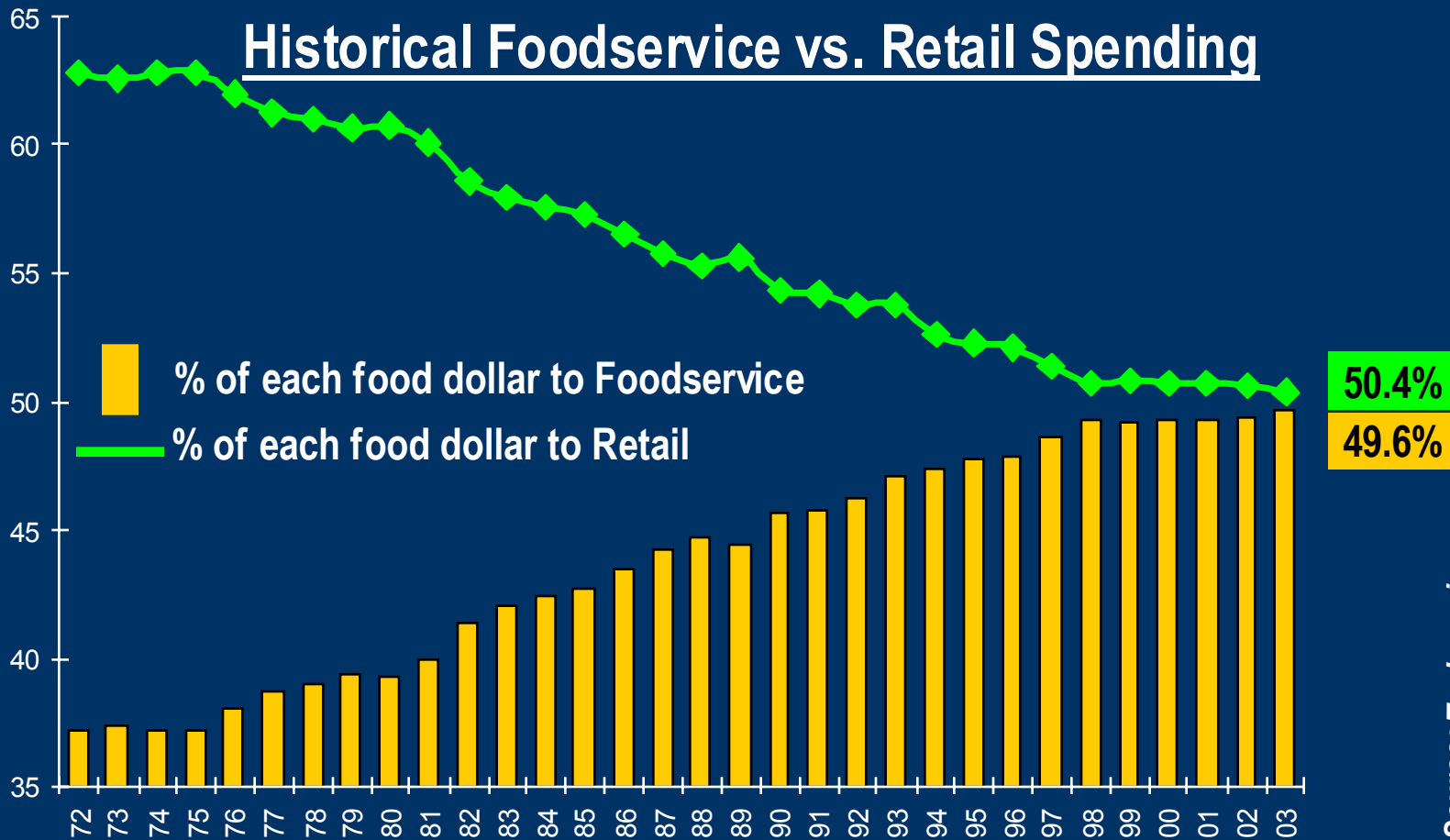
Retail

\$446

Total Food Industry Market

\$884

Historical Foodservice vs. Retail Spending



Source: Technomic



US vs. European Foodservice Market

United States

Europe

Cost

Low cost

More expensive

Demographics

Aging population & more women working are encouraging growth

Foodservice's share of total food dollar

App. 50%

App. 30%

Market

**Large fragmented mkt.;
Many regional/niche co's**

**Few large distributors;
Many regional/niche co's**

Franchising of retail formats

Common

Developing

Tastes / habits / culture

Variety is common, with regional diversity in areas

Diversity by country

Foodservice sales per capita

1,276 Euros

613 Euros

Source: Foodservice Intelligence.



SYSCO Brand Growth

- ❑ Represents app. \$12B in broadline sales
- ❑ A competitive advantage to SYSCO
- ❑ Designed to our specifications and supported by app. 180 Quality Assurance professionals
- ❑ App. 40,000 SYSCO Brand products are available exclusively from our MA's





Deeper Question . . .

Is there opportunity for profitable growth with our currently under-penetrated street customers?

Of street customers who name SYSCO as their Primary Distributor:

Customer Level

% Under-penetrated

Gold	41%
Silver	44
Bronze	49
Low Profit	72
Unprofitable	74

Large
opportunity for
profitable
growth

Under-penetrated: SYSCO receives less than 40% of the customer's total foodservice spending.



How SYSCO Stacks Up . . .

Of 6,000+ NYSE, NASDAQ & AMEX companies

of companies with

ROE > 30% **257**

And a: Market Cap > \$5 Billion **43**

And a: ROC > 20% **31**

And a: 5 Yr. EPS Growth > 15% **11**

And a: S&P Rating \geq AA **2**



How Do We Optimize Our Supply Chain?

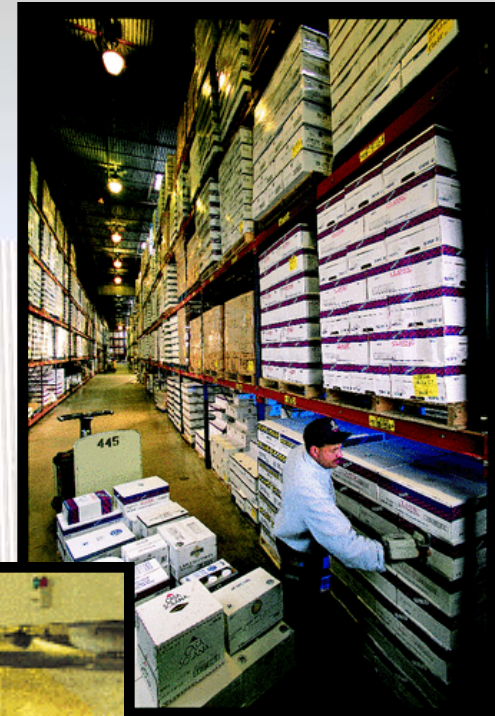




Largest Private Fleet in the U.S.



Transport Topics
100

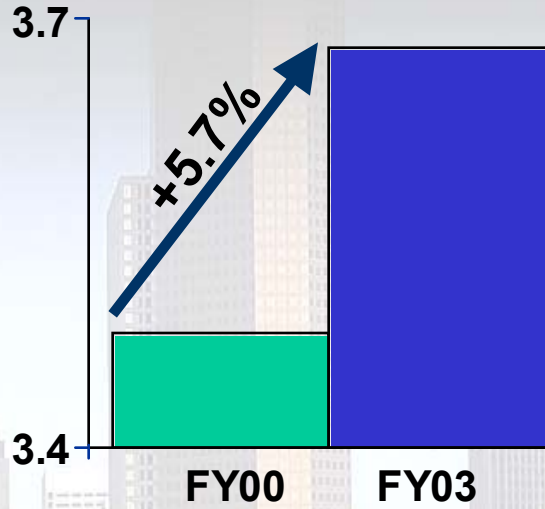


SYSCO Delivers More Than 1 Billion Cases per Year

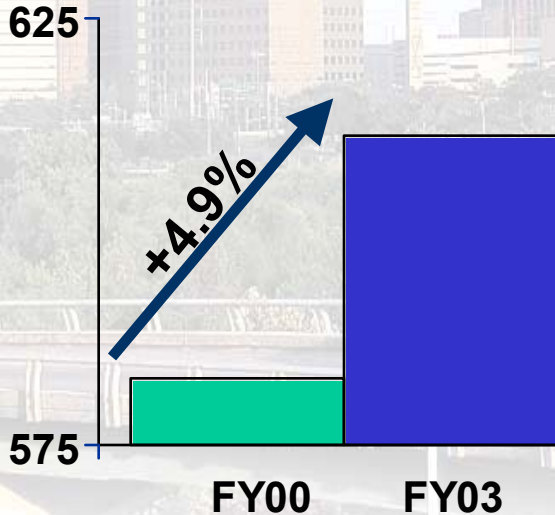


Distribution Efficiencies

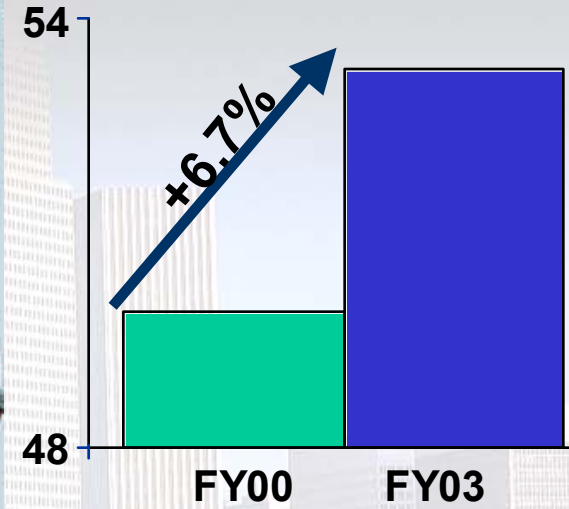
Pieces per Mile



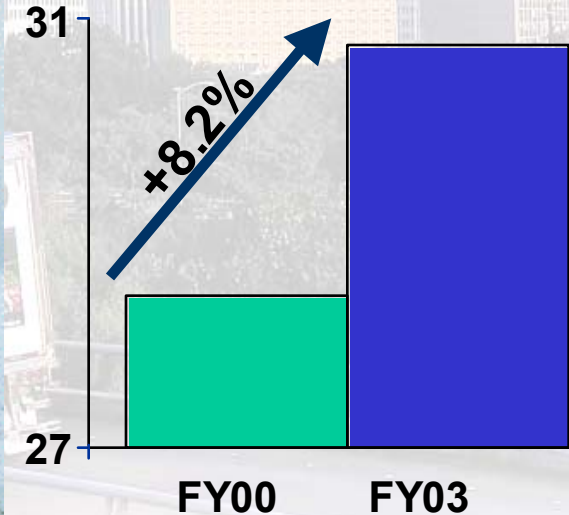
Pieces per Trip



Pieces per Stop

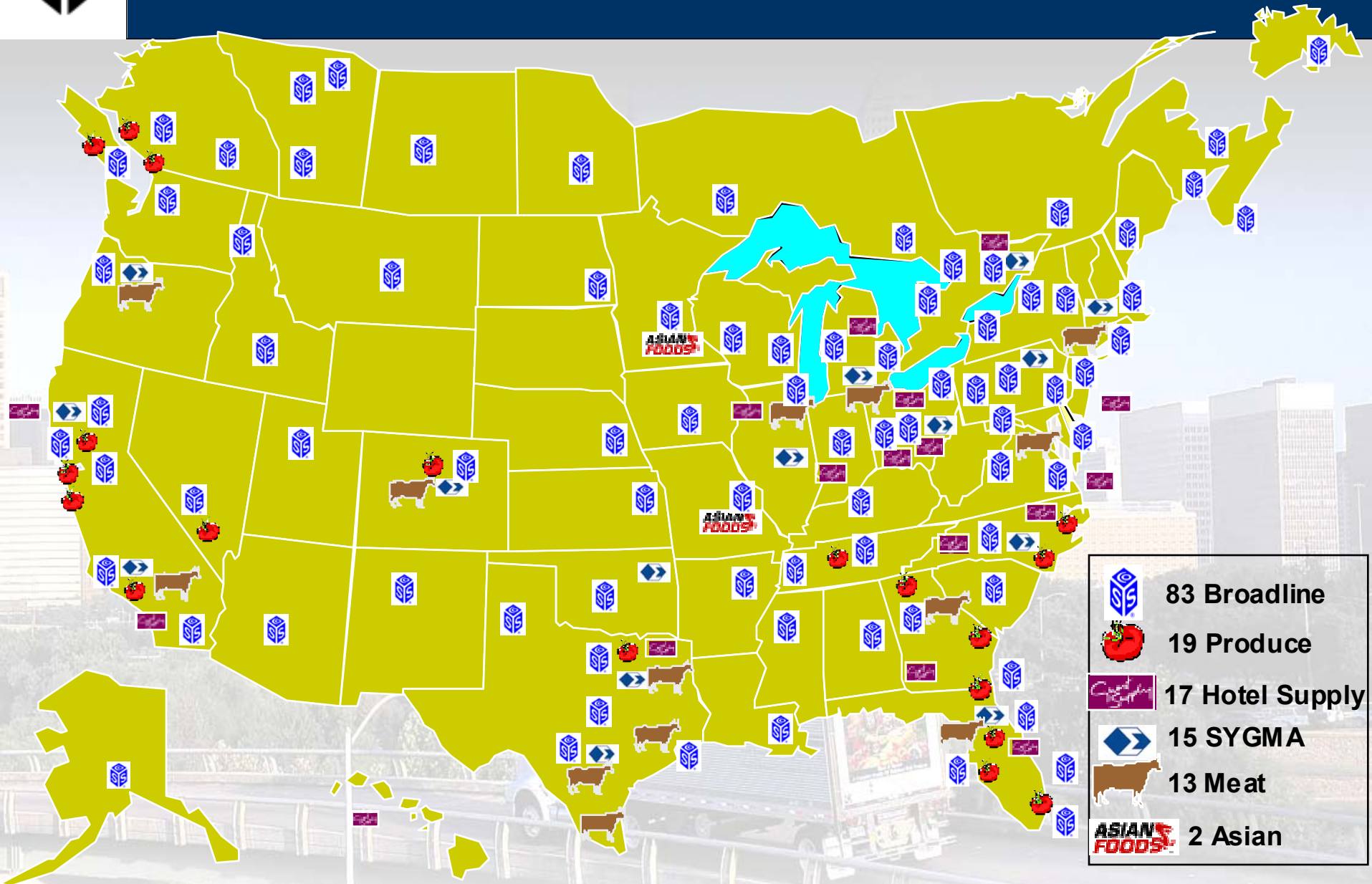


Lines per Stop





149 Distribution Locations





Specialty Companies: *Adding Niche Expertise*

Meat Co's



Specialty Meat:

- Custom-cut steaks and protein products

SYGMA:

- Custom distributor to chain restaurants

FreshPoint:

- Value-added & exotic produce

Guest Supply:

- Distributor to hotel & lodging industry

Asian Foods:

- Supplies Asian cuisine foodservice operators

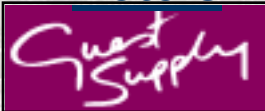
Chains



Produce



Hotels



Asian



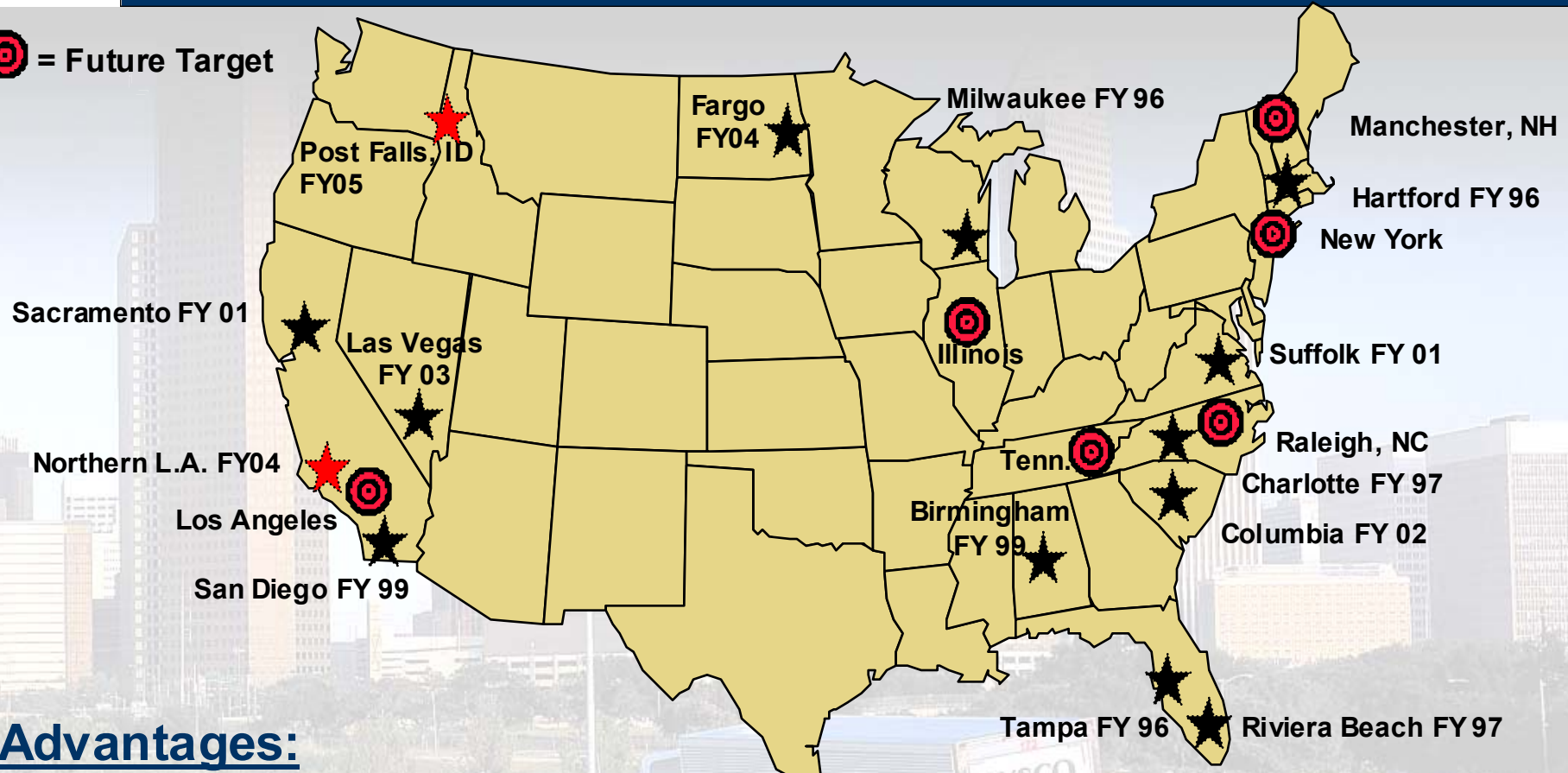
Benefits:

- ✓ Unique, value-added products.
- ✓ Access to niche customer markets.
- ✓ Sales & customer relationship growth opportunities.



Fold-Outs – Getting Closer to our Customers

 = Future Target

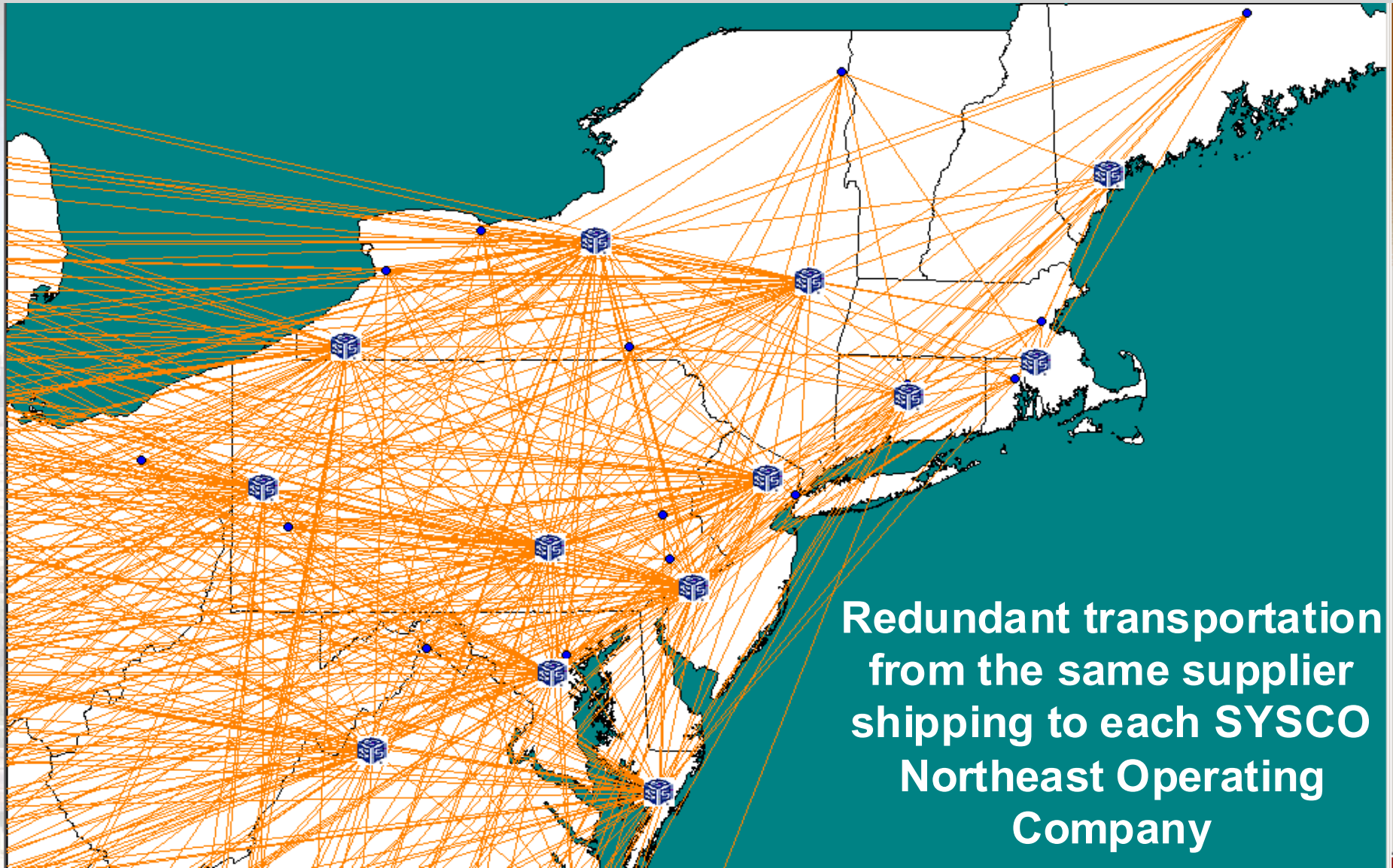


Advantages:

- Established customer base (\$120 - \$150 mm)
- Experienced management team familiar with SYSCO's culture & systems
- Warehouse built to our specifications
- Sales in "fold-outs" have grown faster than overall SYSCO average
- Ability to develop markets while reducing delivery mileage



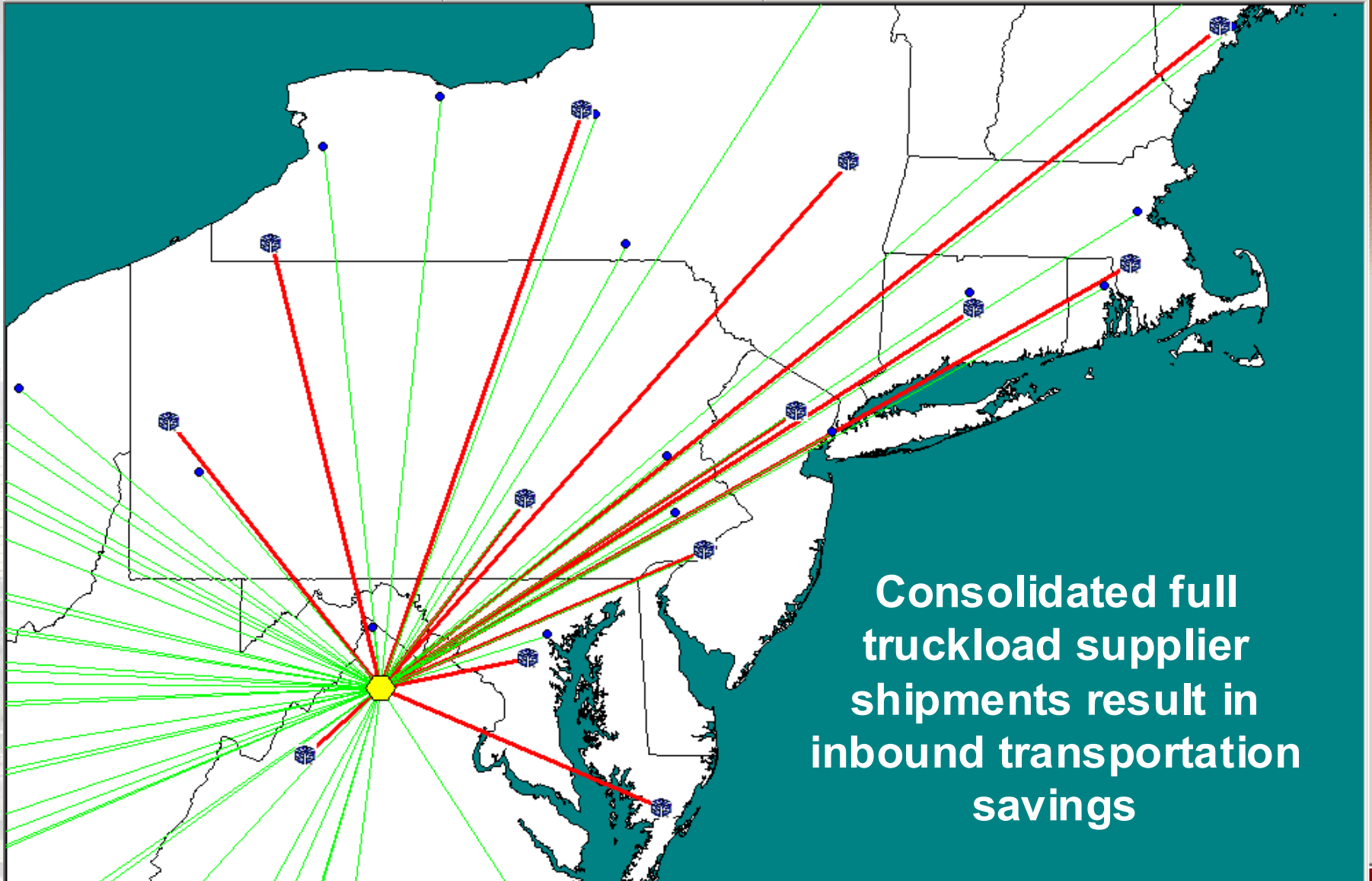
The Case for Redistribution



**Redundant transportation
from the same supplier
shipping to each SYSCO
Northeast Operating
Company**

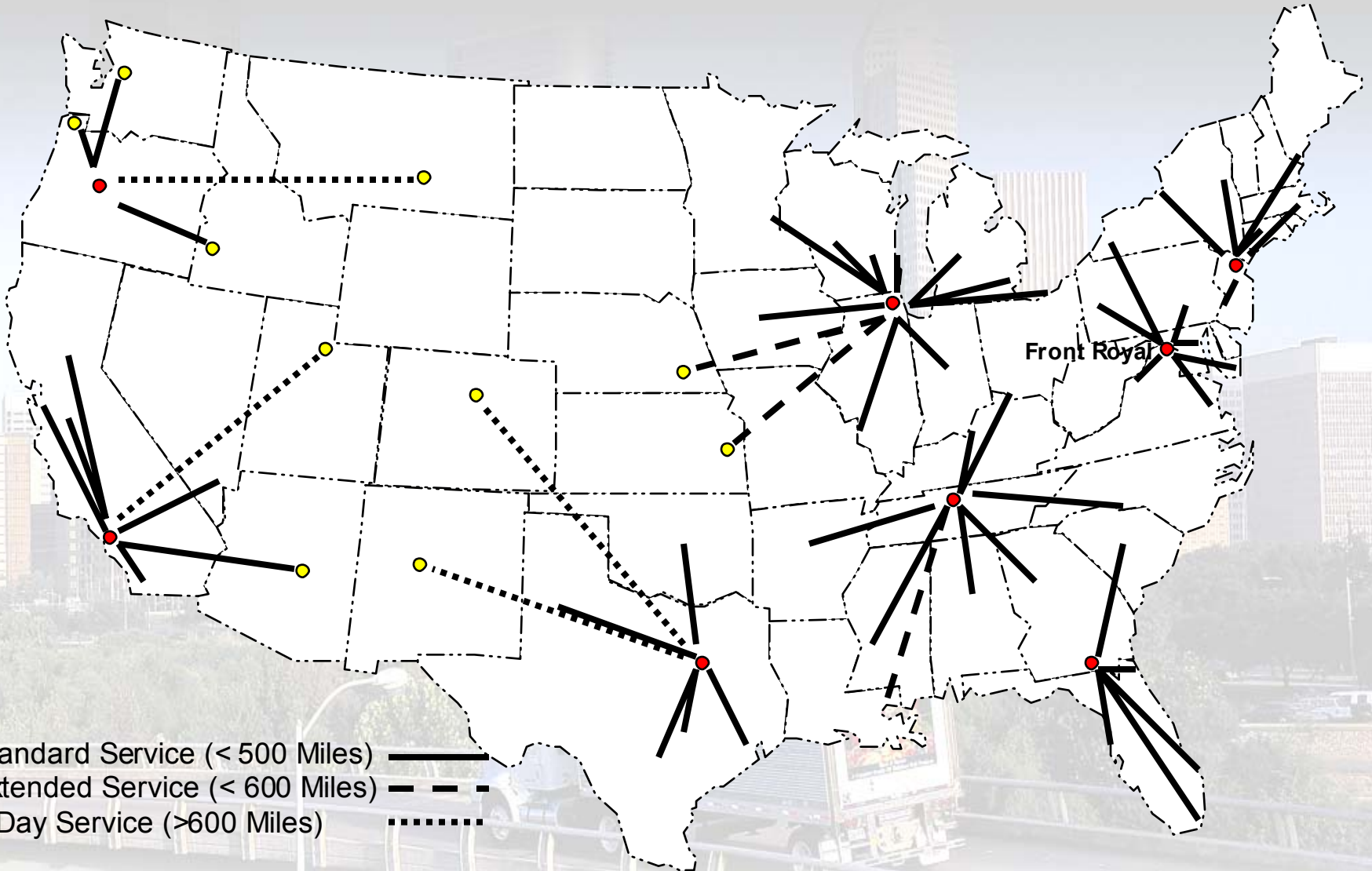


The Case for Redistribution





Redistribution National Network – Potential Future Locations

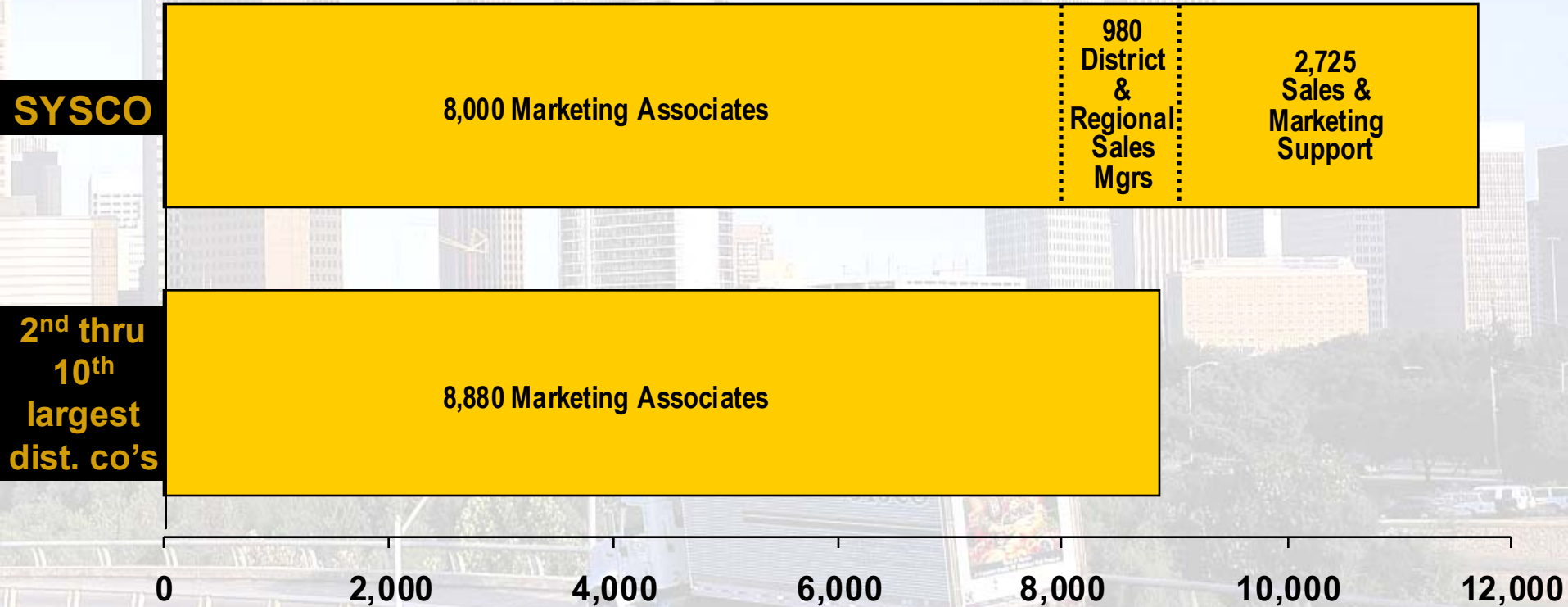


Standard Service (< 500 Miles) ———
Extended Service (< 600 Miles) - - - -
2 Day Service (>600 Miles) ·····



Sales and Marketing Strength

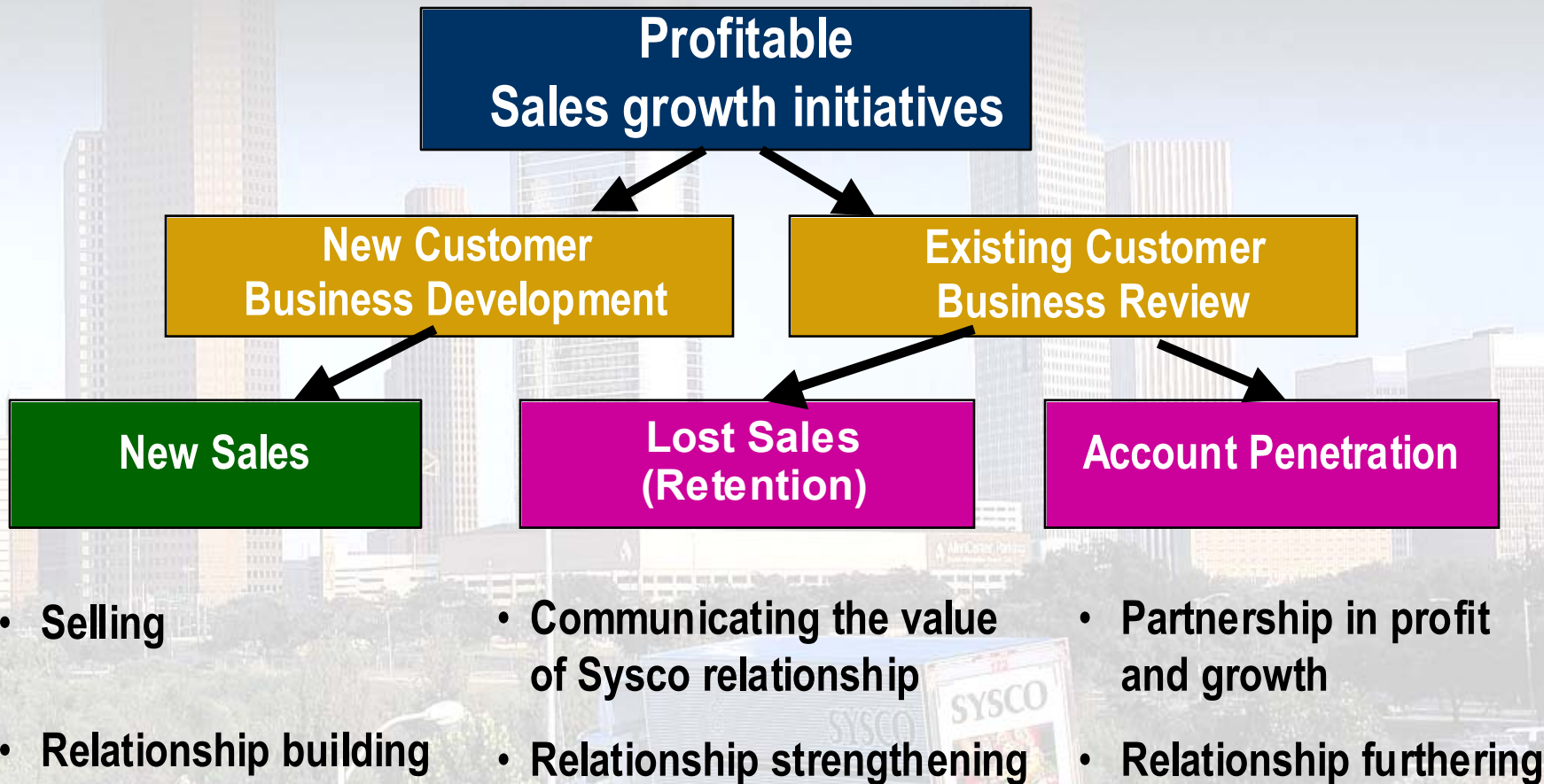
Largest Sales Force in the Industry



Source: ID Magazine & SYSCO Corporation; data as of 12/31/02



Evolving Role of the SYSCO Marketing Associate





Evolving Role of the SYSCO Marketing Associate

Business Development

A strategic, focused approach to prospecting & establishing profitable customer relationships.

Goal

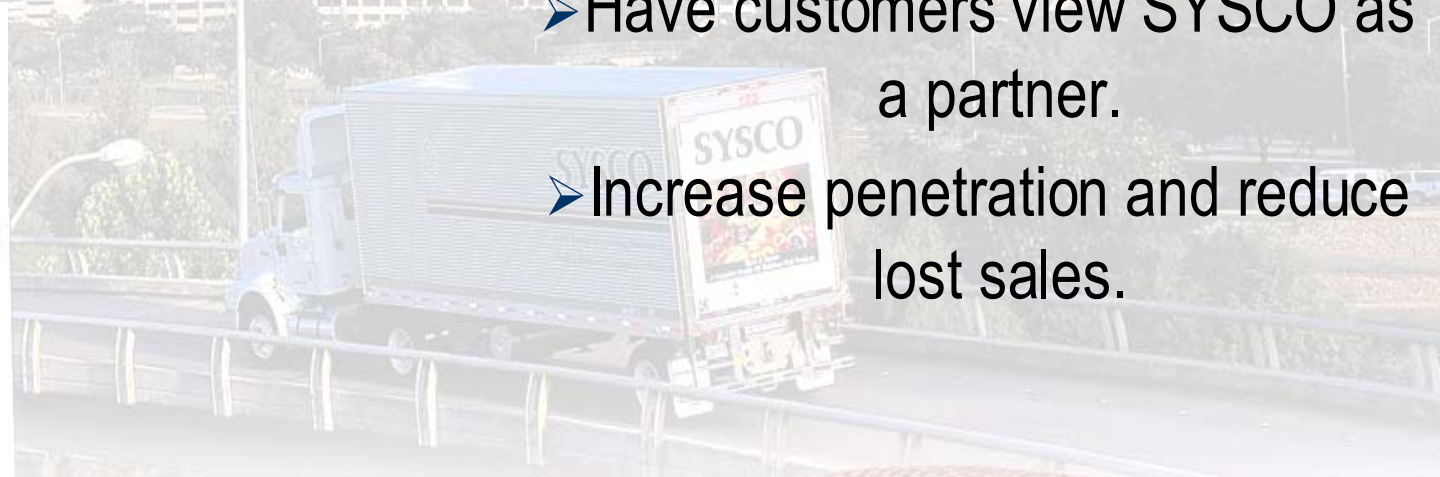
Profitable sales from new customers.

Business Review

A structured process to better identify & address customer needs, goals, priorities and concerns.

Goals

- Strengthen relationships with existing customers.
- Have customers view SYSCO as a partner.
- Increase penetration and reduce lost sales.





Customer Analytics

Legend and Overview



Customer Class by Street Address

- BRONZE
- GOLD
- LOW PERFORMER
- SILVER
- UNPROFITABLE

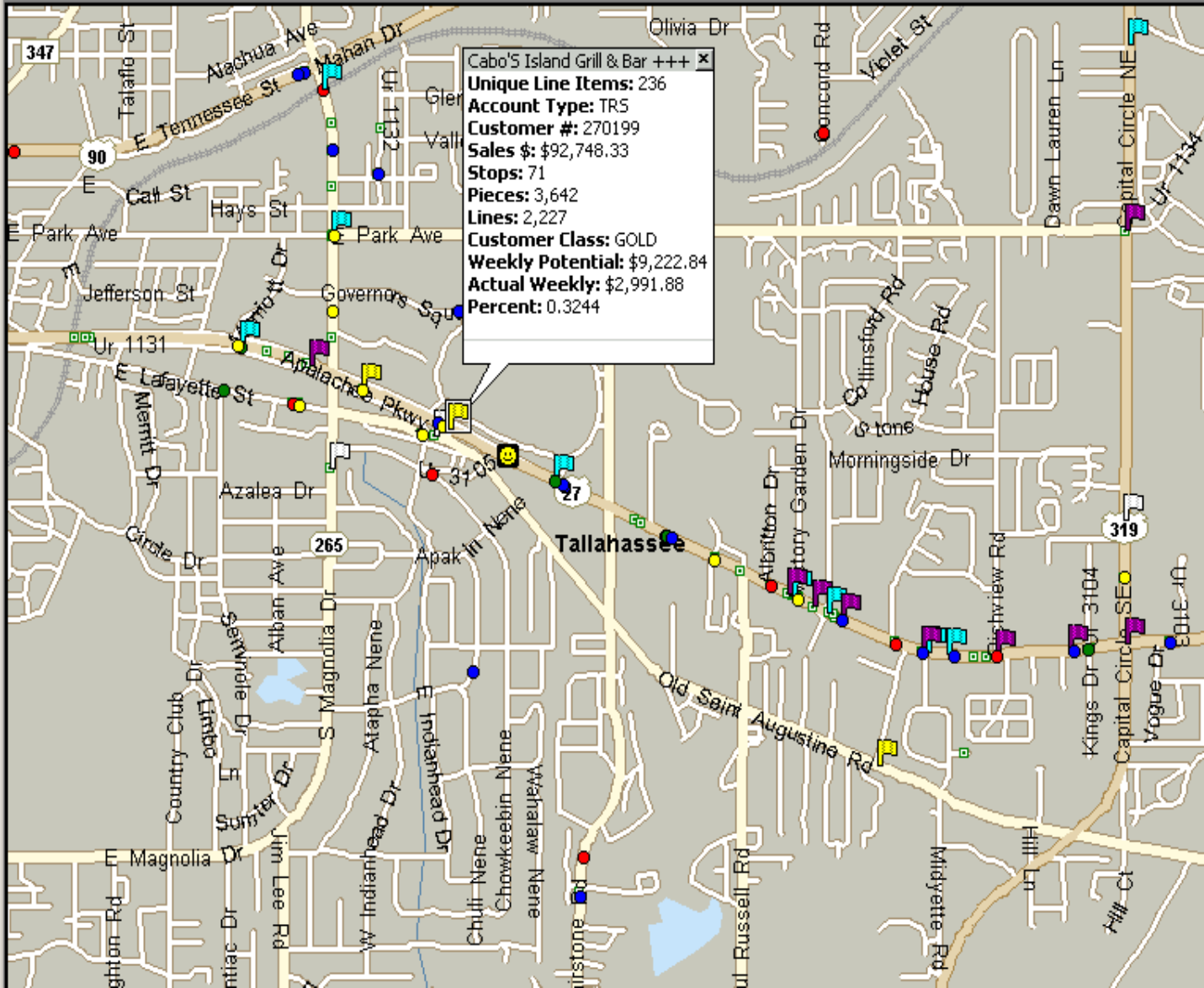
WEEKLY POTENTIAL by Street Address

- \$3,000.00 to \$9,999.00
- \$1,001.00 to \$2,999.00
- \$10.00 to \$1,000.00

Pushpins

- MA Locations

North America United States Florida Tallahassee





Our Mission:

Help Our Customers Succeed





Long-Term Growth Objectives

- ✓ Grow total sales in the low- to mid-teens range
- ✓ Acquisitions, on average, add 3% per year to total sales growth
- ✓ Leverage earnings growth to outpace sales growth
- ✓ Maintain a 35% Return on Equity
- ✓ Maintain a Debt to Total Capital Ratio of 35% - 40%

Thank You!

