

BUY SYY  
Current Price:  
\$73.05

Target Price:  
\$95.63

Upside:  
30.92%

## Sysco Corp. (NYSE: SYY)

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Consumer Staples Food & Beverage Sector

Sector Head: Sarah McKay

Lead Analyst: Daniel Coppola

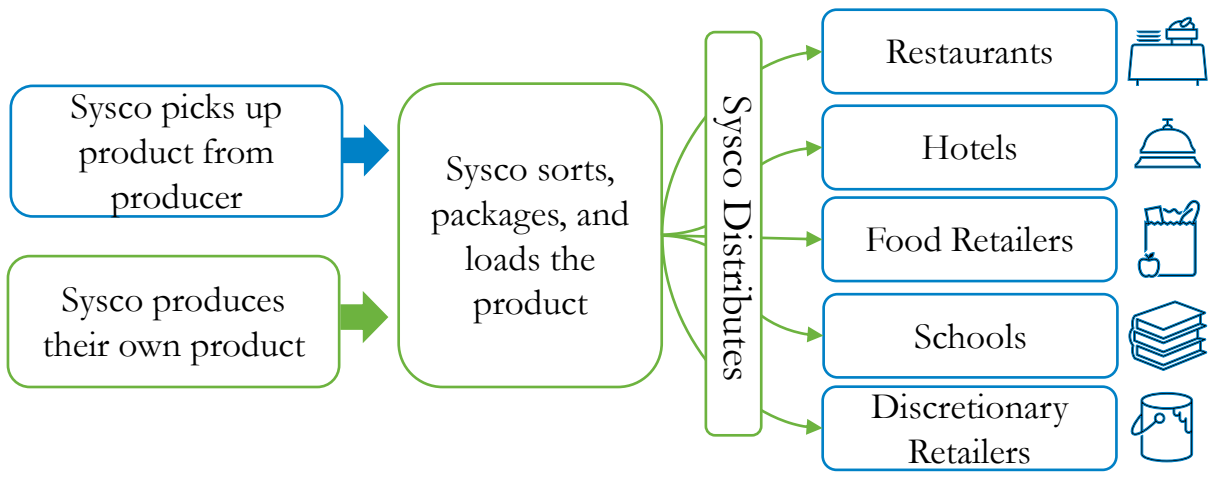
# Company Overview

## Business Breakdown

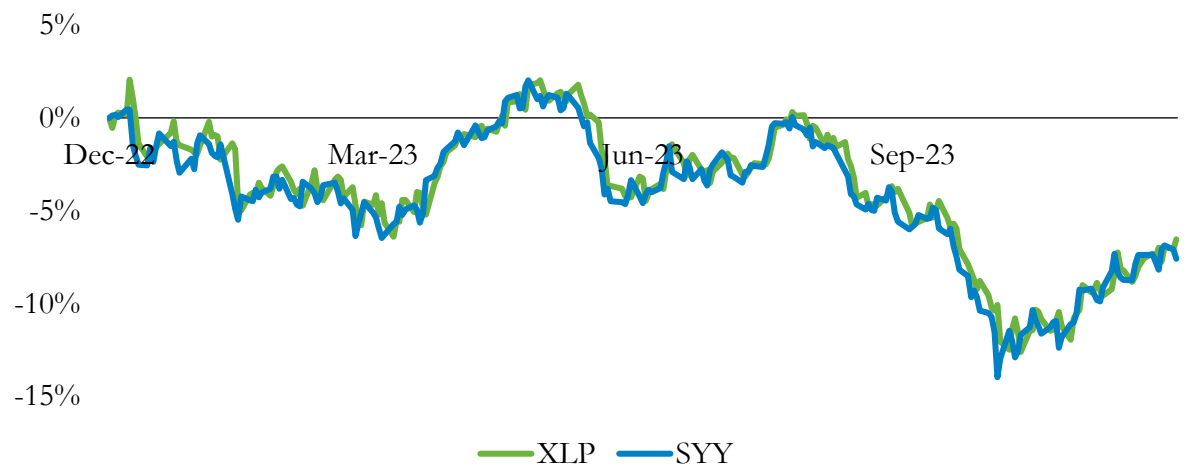
Sysco Corp. (NYSE: SYU) provides and distributes food products, kitchen equipment, packaging, and other products to restaurants, healthcare, and educational facilities, hospitality businesses, and wholesale to other companies that provide food service.

Stock Price: US\$73.00
Market Cap: US\$36.7b
Enterprise Value: 47.95B
52 Week Range: 62.24-85.75
CEO: Kevin Hourican

## Sysco Distribution Method



## SYU vs XLP



## Clients

Distributors

Retailers & Restaurants

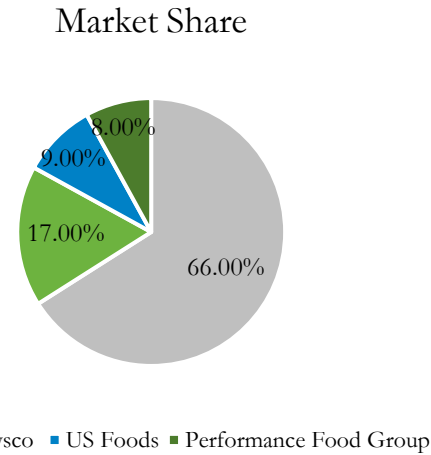
BIF: Consumer Staples Food & Beverage

# Industry Overview

## SY Y vs Competitors

	SY Y	USFD	PFGC
International Presence	○	✕	✕
Private Labels	○	○	✕
No Order Minimum	○	✕	✕
Pays Dividends	○	✕	✕

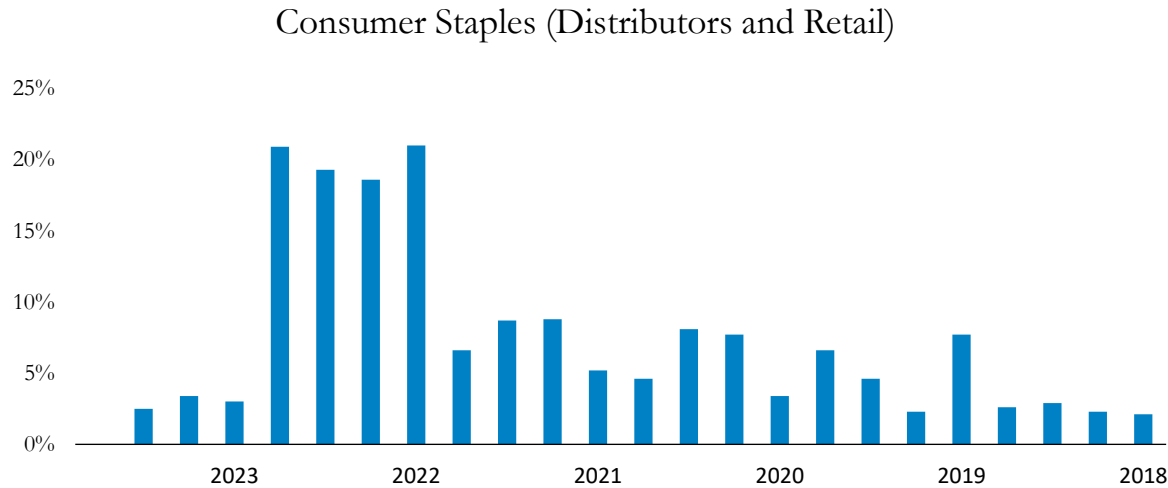
## Competitors



Two main competitors:

- Causes for fragmentation:**
- Use of local distributors for local businesses
  - Large cap companies can distribute themselves

## Revenue YoY Growth Rate



## Industry Trends

Industry	Short Term	Long Term
Food, Beverage & Restaurants	Restaurant Foot Traffic ↓	Restaurant Foot Traffic ↓
	Restaurant Openings ↑	Restaurant Openings ↑
Retail & Wholesale	Consumer Spending ↑	Consumer Spending ↓
	E-Commerce ↑	E-Commerce ↑
Distribution	Oil & Gas Prices ↓	Oil & Gas Prices ↑

BIF: Consumer Staples Food & Beverage

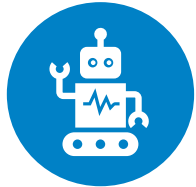
# SY Y's Decline in 2023

## Macro Factors



### **Bonds Hit A Decade-Long High:**

Consumer Staples is known for its slow, steady, recession-resilient growth, but the guaranteed returns on bonds was more enticing for many investors



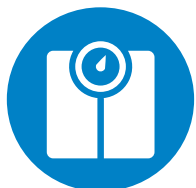
### **Perceived Better Growth Opportunities:**

Besides bonds – AI, Semiconductors, Ukraine, and Israel were all buzzwords for growth



### **Inflation, Spending & Rate Uncertainty:**

Going into 2023, many investors were much more bearish on the market, however, we have a more clear idea on where the market could be heading in 2024 as rates and inflation slow



### **Weight Loss Craze:**

Many people consider the rise of weight loss drugs to negatively impact many food & beverage stocks, however, it is still too early to predict their effect

## Company Factors



### **Covid-19 Scares:**

The massive decline in Sysco's stock in March 2020 can disturb investors at first sight since Sysco was hit much harder than an average company



### **Missed Earnings:**

Sysco missed Q1 earnings by \$0.02 cents, showing that Sysco was coming down from its irregular 159.2% YoY earnings of 2022, causing investors to sell while it was high



### **The Year Of The Strike:**

Sysco was not immune, but no strikes lasted over ten days; revenue fell 15% in Q2, but continued to increase over 40% in Q3 & Q4

# Investment Thesis

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## Market Adaptability

- Sysco can brace for both recessionary and growth-oriented markets
- Sysco performs well under economic stress and resists many macroeconomic catalysts

## Diversification

- Only 2/3rds of Sysco's revenue comes from the Food & Beverages sector
- Sysco can adapt their business model to industry trends with their diversification

## Market Share Increase

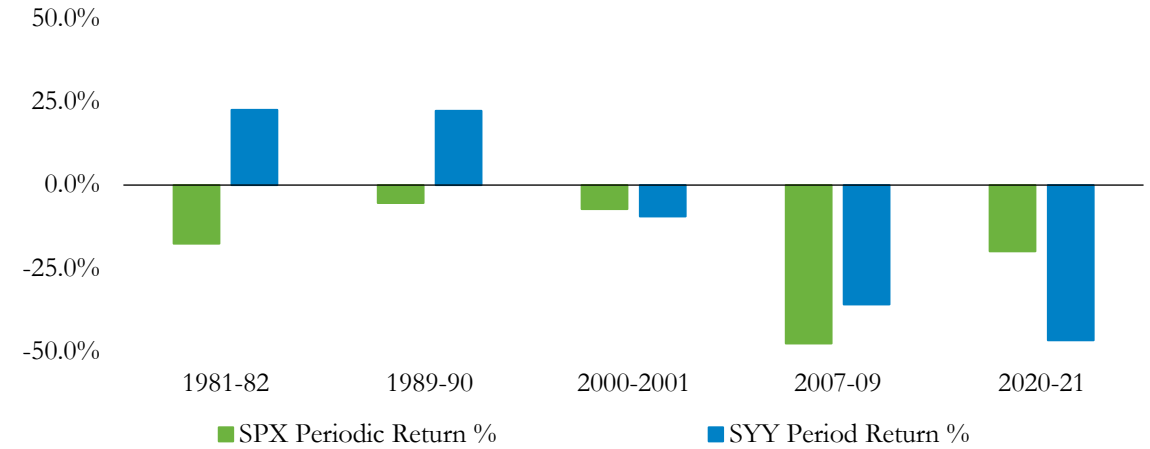
- Sysco has had a constant revenue increase post-Covid but a struggling share price
- They are likely to continue their revenue growth with the current economic conditions

# Market Resistance

## Minimal Volatility

SYY Average Weekly Movement	2.7%
Consumer Retailing Industry Average Movement	5.3%
Market Average Movement	6.1%
10% most volatile stocks in US Market	15.6%
10% least volatile stocks in US Market	2.9%
SYY is not driven by day trading but instead is established as one of three industry leaders that engage in limited competition	

## Recession Resilience



## Macro Resistances



### Wars & Conflicts

Sysco is the supply chain, they are not very reliant on third parties



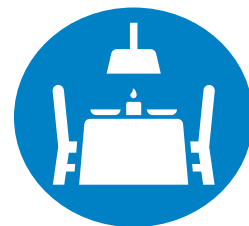
### Elections

Stocks based on energy, geopolitics, and investments will shift more



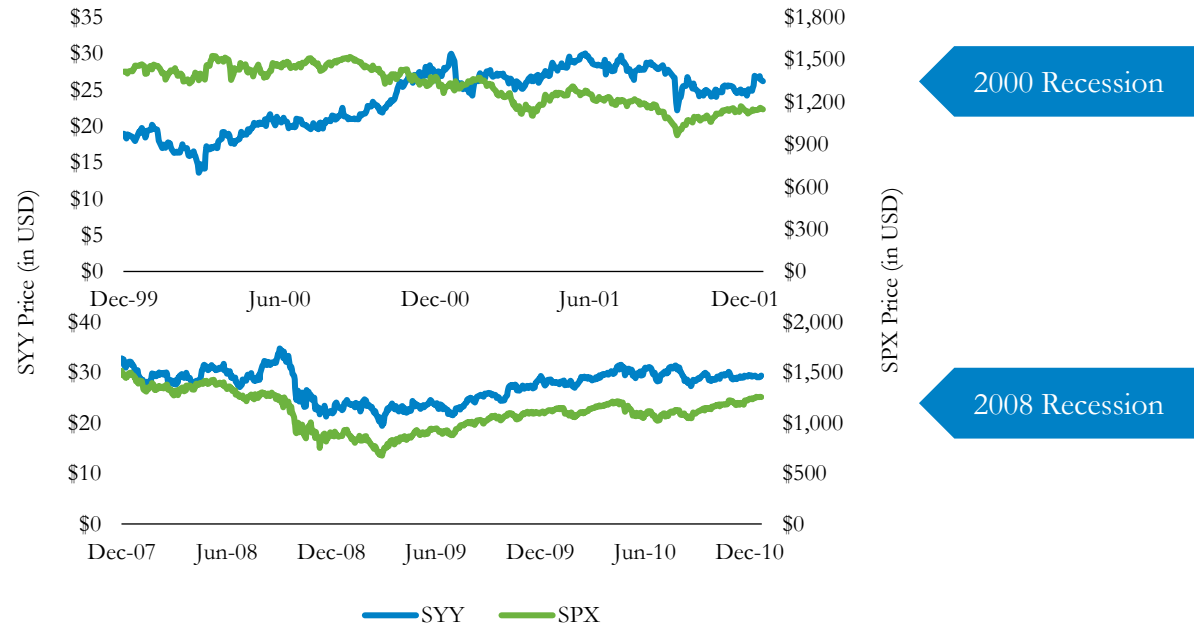
### Gas Prices

While the stock may vary, Sysco's revenue is loosely linked to gas prices



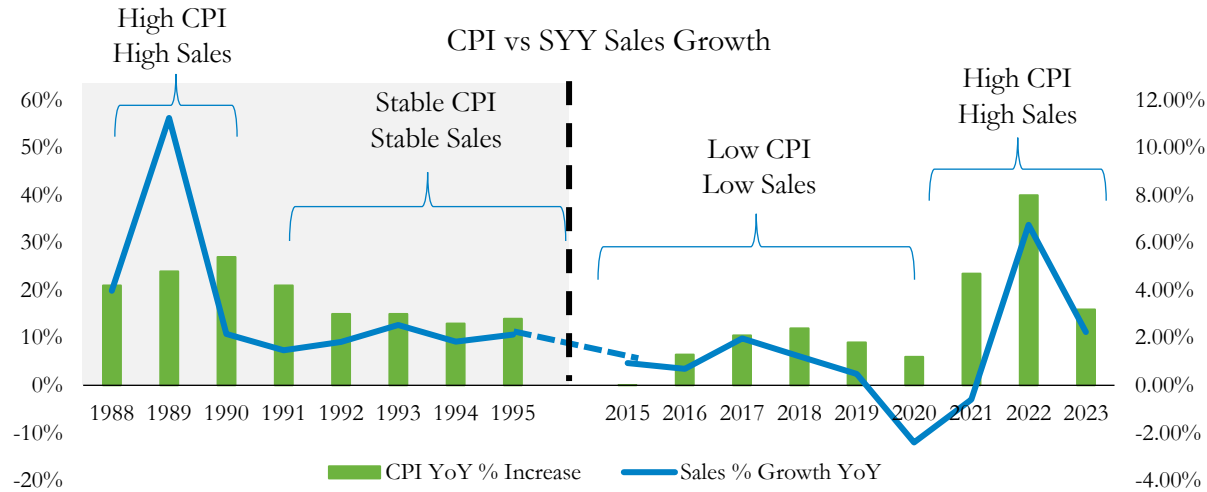
### Restaurant Traffic

A decrease in restaurant traffic means an increase in retail traffic



# Market Adaptability

## Adapting To A Weaker Consumer

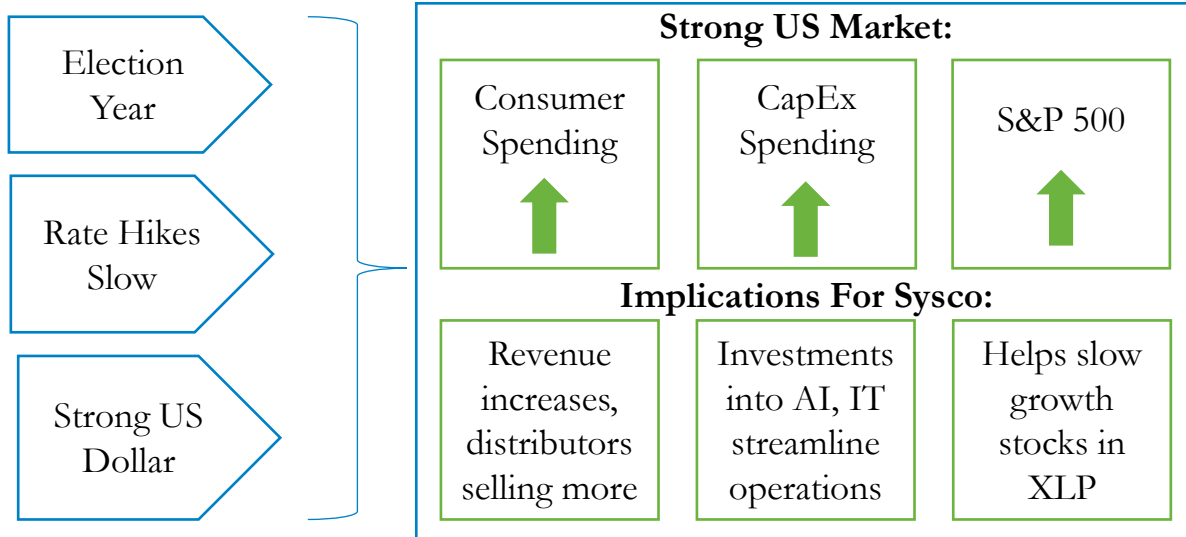


## How Sysco Stays Profitable

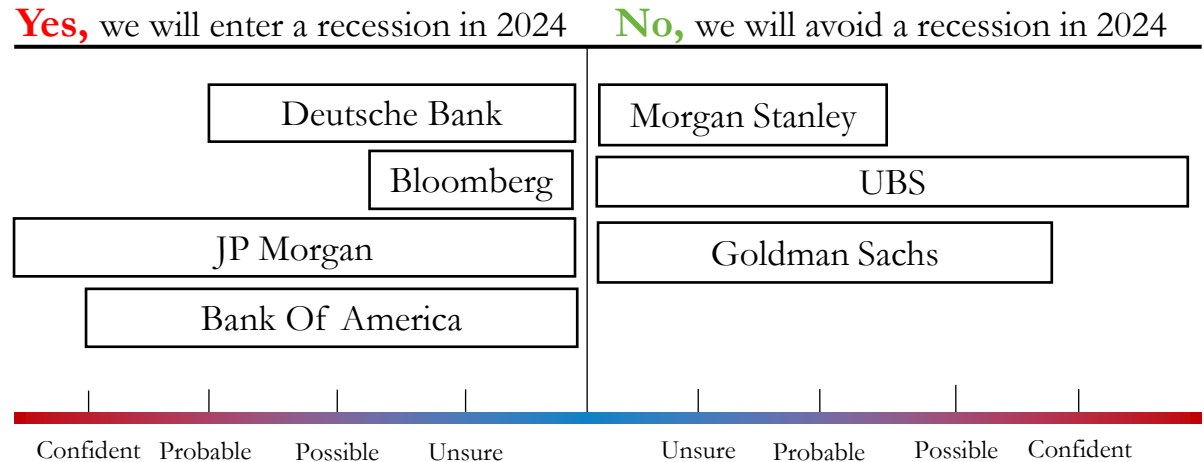
**Capital Allocation:** During times when some industries are affected more than others, Sysco can focus on higher distribution to the safer industries



## Forward Looking Market



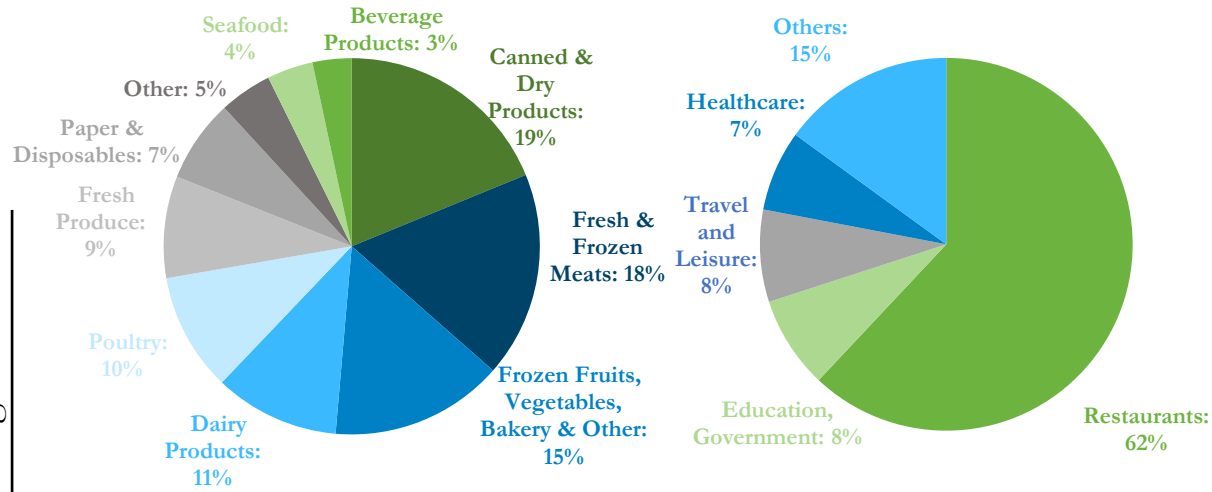
## Analysts Consensus



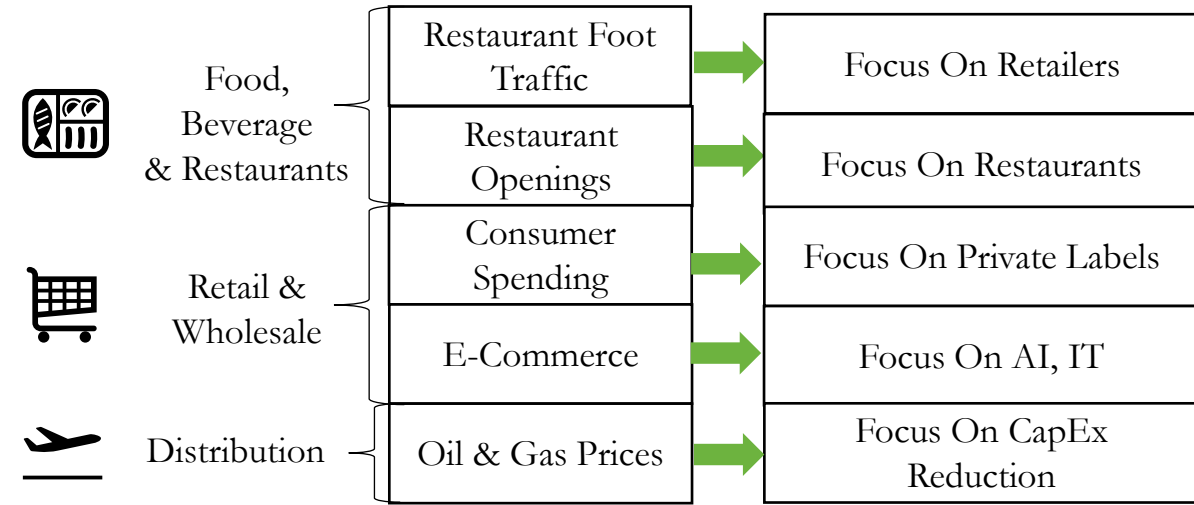
BIF: Consumer Staples Food & Beverage

# Diverse Clients

## Revenue Diversity



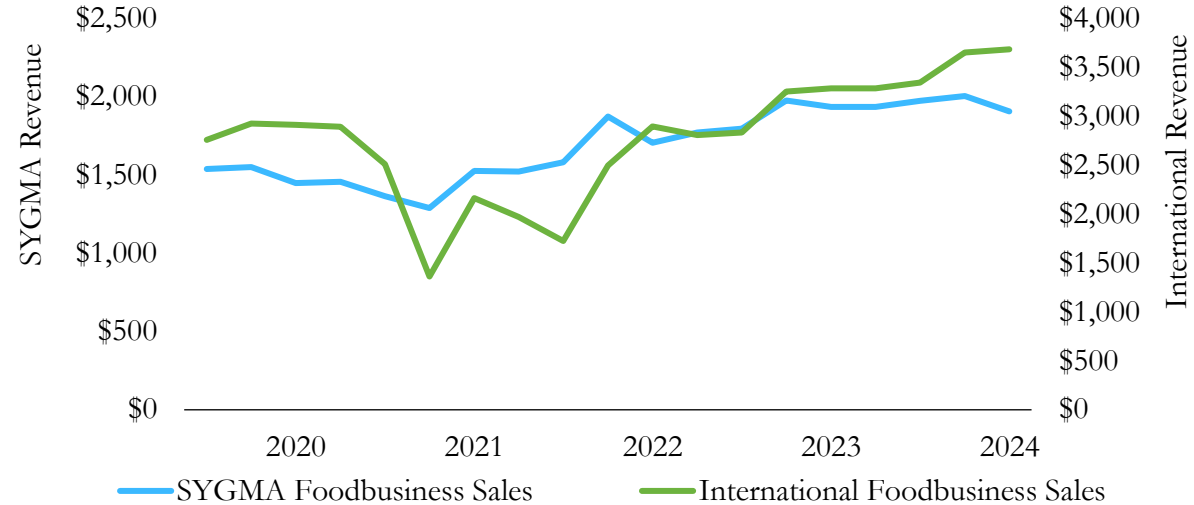
## Effect On Trends



## Industry, Market Cap & Regional Variation

Supplier Name	Industry	Region	Mkt Cap	Rev To SYY
Tyson Foods Inc	Food	NA	17698.05	7.59%
PepsiCo Inc	Beverages	Int'l	2325444.49	2.44%
Air Product & Chemicals Inc.	Chemicals	NA	60029.04	1.20%
PRO Real Estate Investments	REIT	Int'l	204.39	3.40%
Trident Ltd	Textiles	India	2228.53	1.34%
Aijinomoto Co Inc	Food	Asia	3110692.20	n/a
Retailer Name	Industry	Region	Mkt Cap	
Carrier Global Corp	Electrical Equipment	NA		44855.43
Restaurant Brands Int.	Leisure & Services	Int'l		9,526.90
Marks & Spencer Group	Retail - Consumer Staples	EU		6,322.37
Wendy's Co	Leisure & Services	Int'l		4,092.19
Healthcare Services Group	Healthcare	NA		745.14

## International Expansion & SYGMA

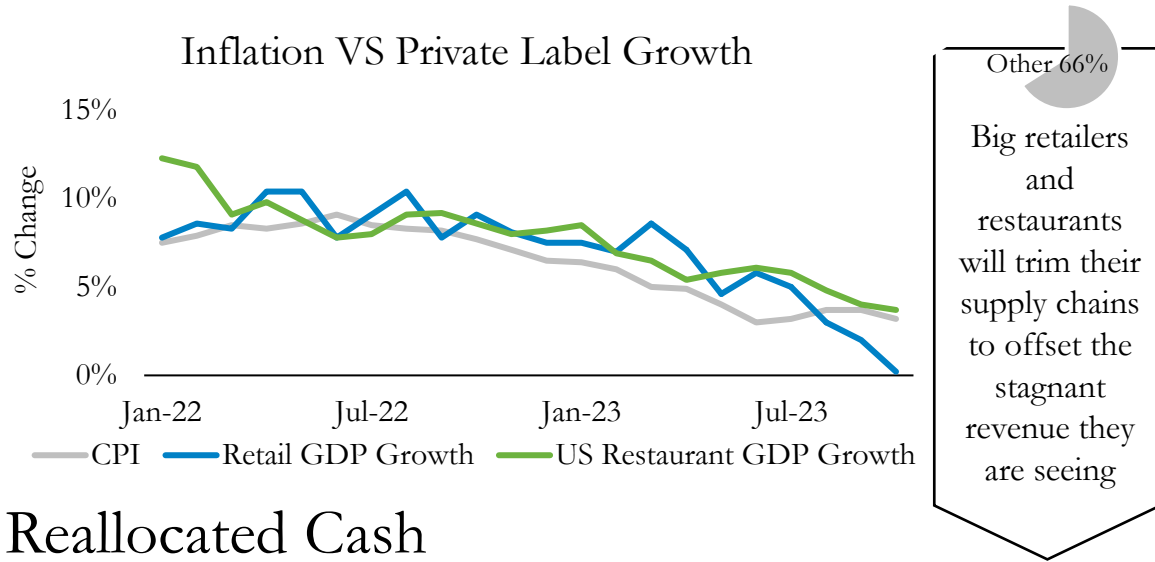


BIF: Consumer Staples Food & Beverage

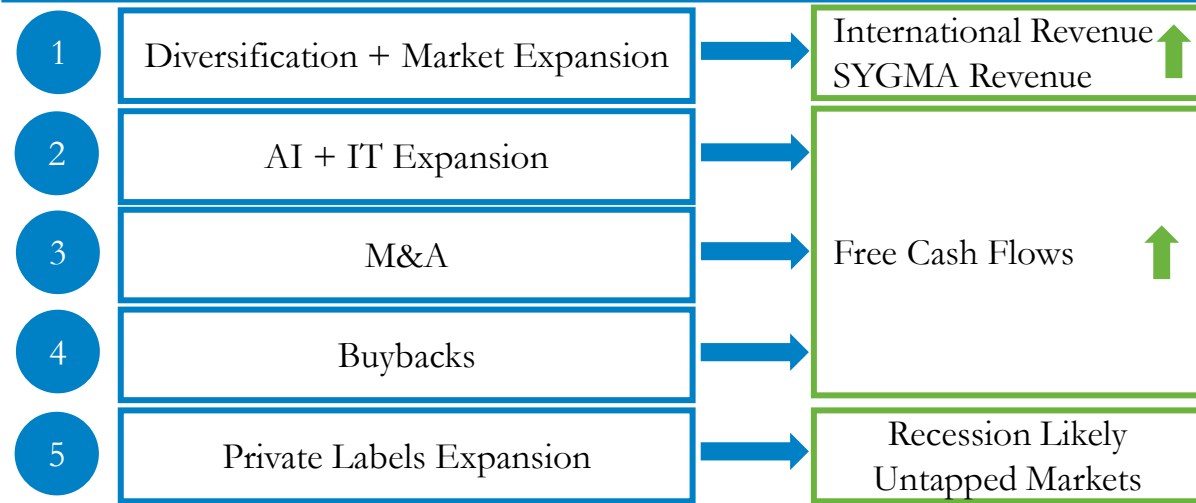


# Positioned For A Market Share Increase

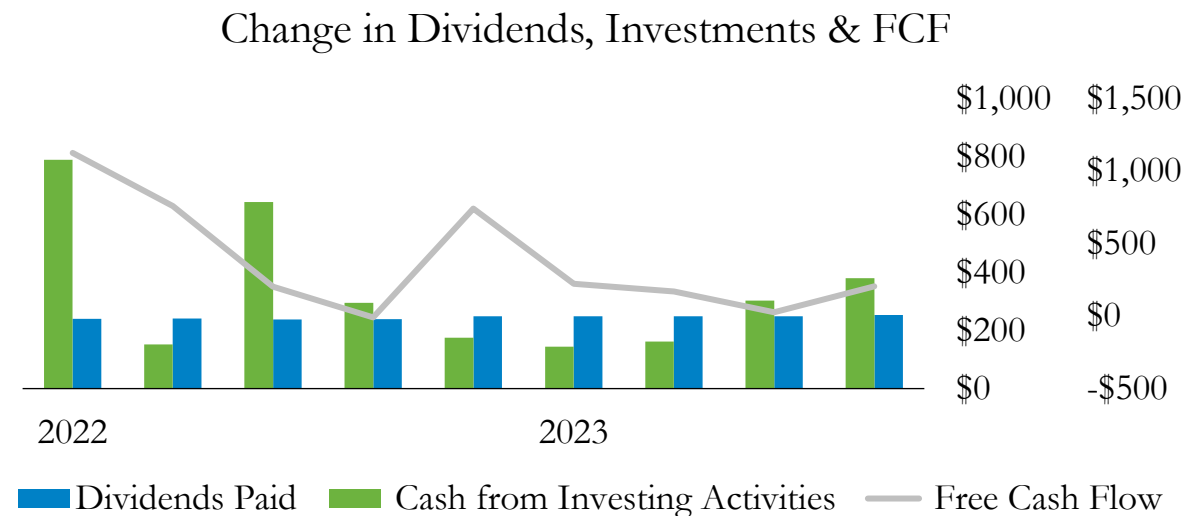
## Pressure On Clients



## Stock Drivers



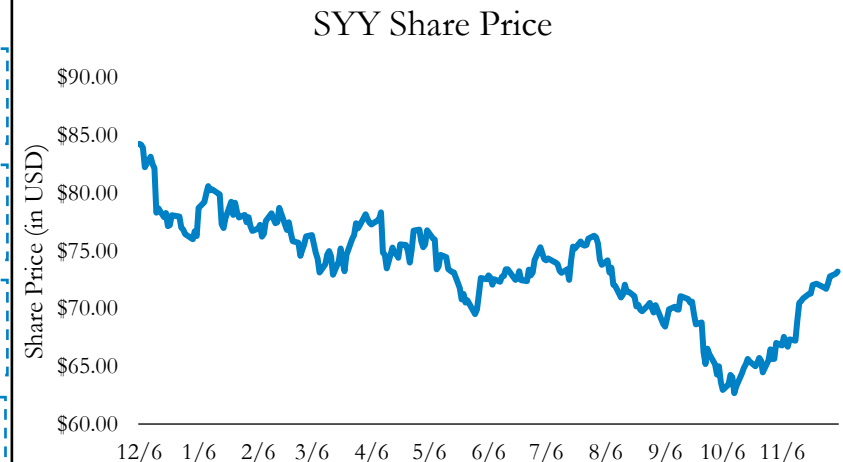
## Reallocated Cash



## Growth, But SYR Stays Put

In 2023, Sysco:

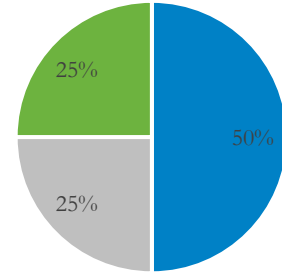
- Acquired two companies
- Grew revenue by 30%
- Returned US\$999M dividends
- Bought back US\$421M stocks



# Valuation & Allocation

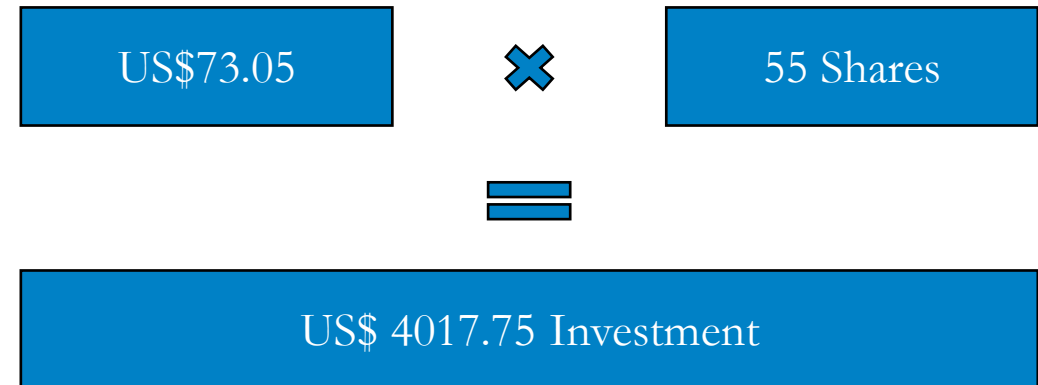
Current Price: \$73.05      Target Price: \$95.63

## Weighting

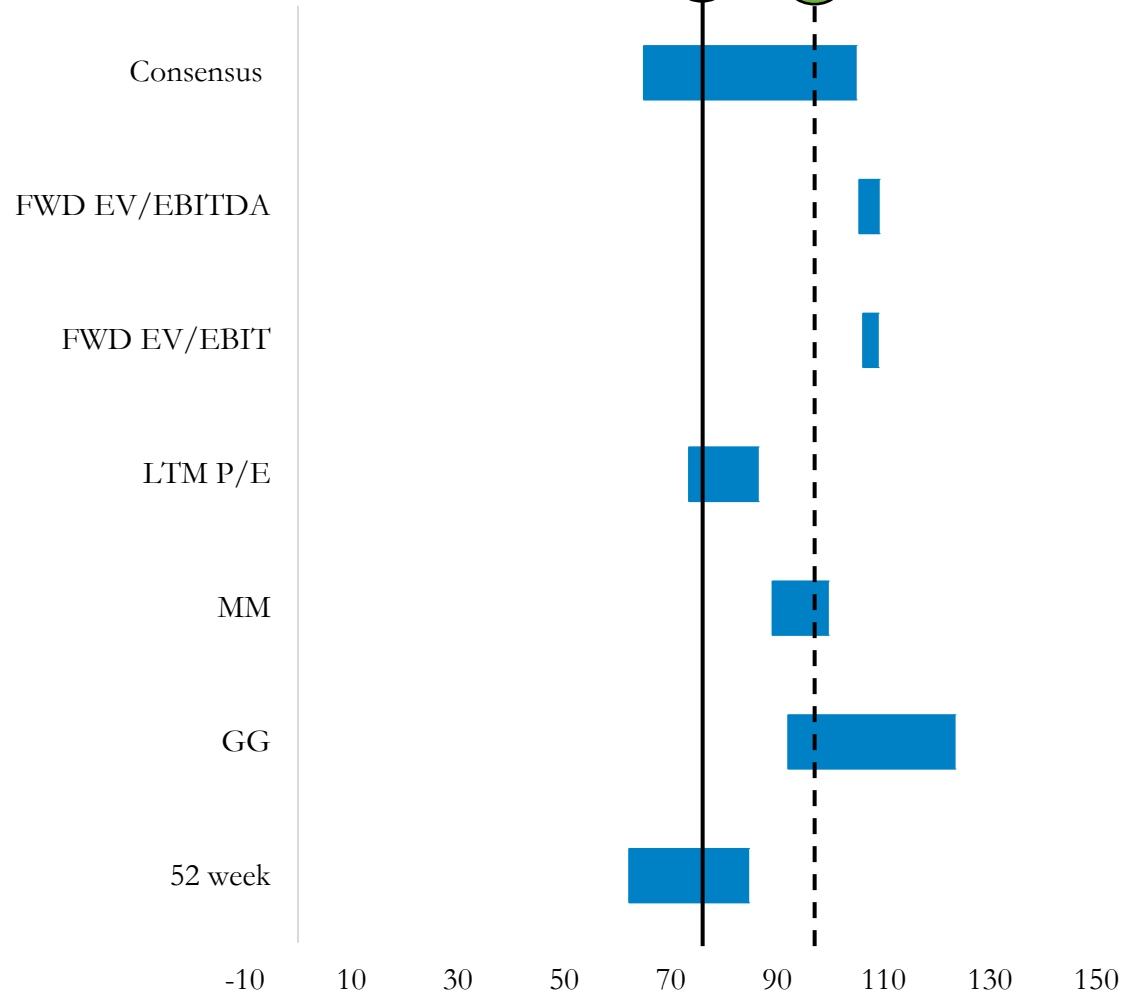


	Q1	Spread	Q3
52 week	62.24	22.55	84.79
GG	92.14	31.42	123.56
MM	89.17	10.56	99.73
LTM P/E	73.48	13.10	86.58
FWD EV/EBIT	106.16	2.98	109.14
FWD EV/EBITDA	105.43	3.88	109.31
Consensus	65.00	40.00	105.00

## Allocation



BIF: Consumer Staples Food & Beverage



BUY SYY  
Current Price:  
\$73.05

Target Price:  
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Upside:  
30.92%

Thank you!

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Questions

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# Appendix A: Balance Sheet

Sysco Corp (NASDAQ: SYY)										
Income Statement (in \$thousands except per share amounts)										
Quarter End	Q1 FY2021	Q2 FY2021	Q3 FY2021	Q4 FY2021	FY 2021	Q1 FY2022	Q2 FY2022	Q3 FY2022	Q4 FY2022	
<b>Current assets</b>										
Cash and cash equivalents	\$ 5,985,532	\$ 5,767,034	\$ 4,895,723		\$ 3,007,123	\$ 3,007,123	\$ 2,067,873	\$ 1,374,276	\$ 757,867	\$ 867,086
Accounts receivable, less allowances of \$61,475 and \$45,599	3,106,466	2,855,424	3,220,659		3,781,510	3,781,510	4,309,883	4,219,868	5,227,387	4,838,912
Inventories	3,134,732	3,100,478	3,218,827		3,695,219	3,695,219	4,054,844	4,115,683	4,620,614	4,437,498
Prepaid expenses and other current assets	197,074	223,872	250,022		240,956	240,956	255,588	252,351	292,726	303,789
Income tax receivable	9,294	44,621	1,534		8,759	8,759	0	100,973	0	35,934
<b>Total current assets</b>	<b>12,433,098</b>	<b>11,991,429</b>	<b>11,586,765</b>		<b>10,733,567</b>	<b>10,733,567</b>	<b>10,688,188</b>	<b>10,063,151</b>	<b>10,898,594</b>	<b>10,483,219</b>
Plant and equipment at cost, less accumulated depreciation	4,404,597	4,382,737	4,297,862		4,326,063	4,326,064	4,343,263	4,307,156	4,649,356	4,456,420
<b>Other long-term assets</b>										
Goodwill	3,794,152	3,929,636	3,932,570		3,944,139	3,944,139	4,402,354	4,416,912	4,613,805	4,542,315
Intangibles, less amortization	776,598	798,649	769,503		746,073	746,073	927,966	906,328	886,629	952,683
Deferred income taxes	228,234	280,511	321,674		352,523	352,523	360,193	387,050	435,800	377,604
Operating lease right-of-use assets, net	621,307	635,664	661,474		709,163	709,163	750,675	724,861	708,763	723,297
Other assets	483,572	471,225	473,433		602,011	602,011	630,227	621,304	509,086	550,150
<b>Total other long-term assets</b>	<b>5,903,863</b>	<b>6,115,685</b>	<b>6,158,654</b>		<b>6,353,909</b>	<b>6,353,909</b>	<b>7,071,415</b>	<b>7,056,455</b>	<b>7,154,083</b>	<b>7,146,049</b>
<b>Total assets</b>	<b>22,741,558</b>	<b>22,489,851</b>	<b>22,043,281</b>		<b>21,413,539</b>	<b>21,413,540</b>	<b>22,102,866</b>	<b>21,426,762</b>	<b>22,702,033</b>	<b>22,085,688</b>
<b>Current liabilities</b>										
Notes Payable	5408	8754	8,315		0	0	8,909	8,574	0	0
Accounts payable	4,035,332	3,554,624	4,221,252		4,884,781	4,884,781	5,238,313	5,019,052	5,902,249	5,752,958
Accrued expenses	1,697,995	1,679,429	1,645,139		1,814,837	1,814,837	1,809,459	1,980,293	2,136,322	2,270,753
Accrued income taxes	0	0	64,159		22,644	22,644	83,141	3,631	123,892	40,042
Current operating lease liabilities	108,704	107,633	111,761		102,659	102,659	106,927	94,603	94,799	105,690
Current maturities of long-term debt	1,320,628	1,366,103	957,303		494,923	494,923	491,233	487,407	723,473	580,611
<b>Total current liabilities</b>	<b>7,168,067</b>	<b>6,716,543</b>	<b>7,007,929</b>		<b>7,319,844</b>	<b>7,319,844</b>	<b>7,737,982</b>	<b>7,593,560</b>	<b>8,980,735</b>	<b>8,750,054</b>
<b>Long-term liabilities</b>										
Long-term debt	12,422,780	12,463,284	11,741,114		10,588,184	10,588,184	10,645,443	10,593,390	10,258,345	10,066,931
Deferred income taxes	54,011	47,780	49,426		147,066	147,066	171,653	160,718	212,407	250,171
Long-term operating lease liabilities	545,485	563,548	586,479		634,481	634,481	672,465	659,136	633,224	636,417
Other long-term liabilities	1,217,227	1,235,939	1,228,265		1,136,480	1,136,480	1,167,875	1,166,196	1,009,016	967,907
<b>Total long-term liabilities</b>	<b>14,239,503</b>	<b>14,310,551</b>	<b>13,605,284</b>		<b>12,506,211</b>	<b>12,506,211</b>	<b>12,657,436</b>	<b>12,579,440</b>	<b>12,112,992</b>	<b>11,921,426</b>
Noncontrolling interest	33,977	35,958	34,471		34,588	34,588	34,156	32,690	33,004	31,948
<b>Shareholders' equity</b>										
Preferred stock, par value \$1 per share Authorized 1,500,000 shares, issued none	0	0	0		0	0	0	0	0	0
Common stock, par value \$1 per share Authorized 2,000,000,000 shares, issued 765,174,900 shares	765,175	765,175	765,175		765,175	765,175	765,175	765,175	765,175	765,175
Paid-in capital	1,534,281	1,565,255	1,594,561		1,619,995	1,619,995	1,655,110	1,690,487	1,785,075	1,766,305
Retained earnings	10,546,598	10,383,493	10,241,666		10,151,706	10,151,706	10,288,291	10,216,625	10,829,909	10,539,722
Accumulated other comprehensive loss	(1,612,386)	(1,388,169)	(1,352,446)		(1,148,764)	(1,148,764)	(1,217,937)	(1,236,258)	(1,280,885)	(1,482,054)
Treasury stock at cost, 260,971,761 and 260,062,834 shares	(9,933,657)	(9,898,955)	(9,853,359)		(9,835,216)	(9,835,216)	(9,817,347)	(10,214,957)	(10,523,972)	(10,206,888)
<b>Total shareholders' equity</b>	<b>1,300,011</b>	<b>1,426,799</b>	<b>1,395,597</b>		<b>1,552,896</b>	<b>1,552,896</b>	<b>1,673,292</b>	<b>1,221,072</b>	<b>1,575,302</b>	<b>1,382,260</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 22,741,558</b>	<b>\$ 22,489,851</b>	<b>\$ 22,043,281</b>		<b>\$ 21,413,539</b>	<b>\$ 21,413,539</b>	<b>\$ 22,102,866</b>	<b>\$ 21,426,762</b>	<b>\$ 22,702,033</b>	<b>\$ 22,085,688</b>

# Appendix A: Balance Sheet

BIF: Consumer Staples Food & Beverage

FY 2022	Q1 FY2023	Q2 FY2023	Q3 FY2023	Q4 2023	FY2023	Q1 FY2024
\$ 867,086	\$ 437,670	\$ 500,340	\$ 757,867	\$ 745,201	\$ 745,201	\$ 569,104
\$ 4,838,912	5,336,857	4,907,836	5,227,387	5,091,970	\$ 5,091,970	5,338,699
\$ 4,437,498	4,682,609	4,661,516	4,620,614	4,480,812	\$ 4,480,812	4,648,610
\$ 303,789	310,131	300,513	292,726	284,566	\$ 284,566	333,486
\$ 35,934	0	25,801	0	5,815	\$ 5,815	5,815
\$ 10,483,219	10,767,267	10,396,006	10,898,594	10,608,364	\$ 10,608,364	10,895,714
\$ 4,456,420	4,462,608	4,562,435	4,649,356	4,915,049	\$ 4,915,049	5,021,424
\$ 4,542,315	4,434,476	4,576,898	4,613,805	4,645,754	\$ 4,645,754	4,719,385
\$ 952,683	906,385	911,196	886,629	859,530	\$ 859,530	874,902
\$ 377,604	382,778	435,183	435,800	420,450	\$ 420,450	421,037
\$ 723,297	704,664	708,535	708,763	731,766	\$ 731,766	773,980
\$ 550,150	552,765	496,978	509,086	640,232	\$ 640,232	566,309
\$ 7,146,049	6,981,068	7,128,790	7,154,083	7,297,732	\$ 7,297,732	7,355,613
\$ 22,085,688	22,210,943	22,087,231	22,702,033	22,821,145	\$ 22,821,145	23,272,751
\$ 0	0	0	0	0	\$ 0	0
\$ 5,752,958	6,018,227	5,420,422	5,902,249	6,025,757	\$ 6,025,757	5,796,398
\$ 2,270,753	2,177,793	2,128,945	2,136,322	2,251,181	\$ 2,251,181	2,176,934
\$ 40,042	113,388	33,017	123,892	101,894	\$ 101,894	182,185
\$ 105,690	94,027	104,070	94,799	99,051	\$ 99,051	109,669
\$ 580,611	555,829	702,067	723,473	62,550	\$ 62,550	188,978
8,750,054	8,959,264	8,388,521	8,980,735	8,540,433	\$ 8,540,433	8,454,164
\$ 10,066,931	10,263,331	10,349,913	10,258,345	10,347,997	\$ 10,347,997	10,703,873
\$ 250,171	241,748	232,444	212,407	302,904	\$ 302,904	300,034
\$ 636,417	628,861	633,824	633,224	656,269	\$ 656,269	695,717
\$ 967,907	971,190	1,012,634	1,009,016	931,708	\$ 931,708	958,614
11,921,426	12,105,130	12,228,815	12,112,992	12,238,878	\$ 12,238,878	12,658,238
\$ 31,948	31,208	33,306	33,004	33,212	\$ 33,212	34,550
\$ 0	0	0	0	0	\$ 0	0
\$ 765,175	765,175	765,175	765,175	765,175	\$ 765,175	765,175
\$ 1,766,305	1,754,409	1,774,141	1,785,075	1,814,681	\$ 1,814,681	1,838,986
\$ 10,539,722	10,757,136	10,649,338	10,829,909	11,310,664	\$ 11,310,664	11,560,924
\$ (1,482,054)	(1,711,325)	(1,324,788)	(1,280,885)	(1,252,590)	\$ (1,252,590)	(1,326,800)
\$ (10,206,888)	(10,450,054)	(10,427,277)	(10,523,972)	(10,629,308)	\$ (10,629,308)	(10,712,486)
\$ 1,382,260	1,115,341	1,436,589	1,575,302	2,008,622	\$ 2,008,622	2,125,799
\$ 22,085,688	\$ 22,210,943	\$ 22,087,231	\$ 22,702,033	\$ 22,821,145	\$ 22,821,145	\$ 23,272,751

# Appendix B: Income Statement

Sysco Corp (NASDAQ: SY) )

Income Statement (in \$thousands except per share amounts)

Quarter End	Q1 FY21	Q2 FY22	Q3 FY21	Q4 FY21	FY 2021	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY 2022	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	FY2023	Q1 FY224	Q2 24E	Q3 24E	Q4 24E
Sales	\$ 11,777,379	\$ 11,558,982	\$ 11,824,589	\$ 16,136,893	\$ 51,297,843	\$ 16,456,546	\$ 16,320,203	\$ 16,902,139	\$ 18,957,258	\$ 68,636,146	\$ 19,126,830	\$ 18,593,953	\$ 18,875,676	\$ 19,728,216	\$ 76,324,675	\$ 19,620,454	\$ 20,024,050	\$ 20,506,311	\$ 20,829,013
Cost of sales	\$ 9,557,534	\$ 9,460,524	\$ 9,701,921	\$ 13,221,115	\$ 41,941,094	\$ 13,484,838	\$ 13,429,053	\$ 13,888,745	\$ 15,512,986	\$ 56,315,622	\$ 15,637,975	\$ 15,244,337	\$ 15,444,316	\$ 16,043,050	\$ 62,369,678	\$ 15,972,682	\$ 16,388,065	\$ 16,754,32	\$ 17,087,582
As a % of sales				81.93%	81.76%	81.94%	82.28%	82.17%	81.83%	82.05%	81.76%	81.99%	81.82%	81.32%	81.72%	81.41%	81.84%	81.70%	82.04%
Gross profit	2219845	2098458	2122668	2915778	9356749	2971708	2891150	3013394	3444272	12320524	3488855	3349616	3431360	3685166	13954997	3647772	3635984	3751987	3741432
Operating expenses	1,800,266	1,886,396	1,886,751	2,346,094	7,919,507	2,340,026	2,446,241	2,517,665	2,677,557	9,981,489	2,754,522	2,708,974	2,737,183	2,715,769	10,916,448	2,844,190	2,896,211	2,877,911	3,029,420
As a % of sales				15%	15%	14%	15%	15%	14%	15%	14%	15%	15%	14%	14%	14%	14.76%	14%	15%
Operating income	419,579	212,062	235,917	569,684	1,437,242	631,682	444,909	495,729	766,715	2,339,035	734,333	640,642	694,177	969,397	\$ 3,038,549	803,582	739,774	874,075	712,012
Interest expense	146717	146498	145773	441149	880137	128214	242899	124018	128512	623643	124150	132042	134931	135629	526752	134334	173813	134907	235097
Other expense (income), net	14124	-15556	-12708	-13483	-27623	-3252	-10676	-13777	-3676	-31381	15281	330124	5209	-124172	226442	6640	101297	-7092	-47110
Earnings before income taxes	258738	81120	102852	142018	584728	506720	212686	385488	641879	1746773	594902	178476	554037	957940	2285355	662608	464663	746260	524026
Income taxes	41,838	13,831	13,925	(9,075)	\$ 60,519	128,707	45,245	82,163	131,890	\$ 388,005	129,334	37,260	124,433	224,204	\$ 515,231	159,216	32,112	73,507	115,673
Net earnings	\$ 216,900	\$ 67,289	\$ 88,927	\$ 151,093	\$ 524,209	\$ 378,013	\$ 167,441	\$ 303,325	\$ 509,989	\$ 1,358,768	\$ 465,568	\$ 141,216	\$ 429,604	\$ 733,736	\$ 1,770,124	\$ 503,392	432,551	\$ 672,753	408,353
<b>Net earnings:</b>																			
Basic earnings per share (in dollars per share)	\$ 0.42	\$ 0.13	\$ 0.17	\$ 0.30	\$ 1.03	\$ 0.74	\$ 0.33	\$ 0.60	\$ 1.00	\$ 2.66	\$ 0.92	\$ 0.28	\$ 0.85	\$ 1.45	\$ 3.49	\$ 1.00			
Diluted earnings per share (in dollars per share)	\$ 0.42	\$ 0.13	\$ 0.17	\$ 0.29	\$ 1.03	\$ 0.74	\$ 0.33	\$ 0.59	\$ 0.99	\$ 2.64	\$ 0.91	\$ 0.28	\$ 0.84	\$ 1.44	\$ 3.47	\$ 0.99			
Average shares outstanding (in shares)	512,516,067	510,006,754	511,110,670	510,696,398	507,362,913	507,578,576	511,044,400	508,368,159	510,630,645	510,630,645	507,578,576	507,609,696	507,716,975	507,362,913	507,362,913	505,126,492			
Diluted shares outstanding (in shares)	515,782,928	512,742,792	514,585,129	513,555,088	509,719,756	510,383,149	514,574,889	512,238,523	514,005,827	514,005,827	510,383,149	510,145,794	509,842,400	509,719,756	509,719,756	507,069,435			

FY 24E	Q1 25E	Q2 25E	Q3 25E	Q4 25E	FY 25E	Q1 26E	Q2 26E	Q3 26E	Q4 26E	FY 26E	Q1 27E	Q2 27E	Q3 27E	Q4 27E	FY 27E	FY 28E	FY29E	FY30E
80,979,828	20,972,405	20,846,683	21,347,160	21,748,389	84,914,636	21,968,301	22,059,569	22,565,159	22,912,389	88,928,377	21,968,301	22,059,569	22,565,159	22,912,389	89,505,418	92,284,284	94,183,783	95,353,297
66,321,411	17,140,684	17,070,964	17,426,212	17,813,056	69,391,386	17,960,031	18,039,870	18,420,114	18,750,586	72,614,911	17,938,326	18,072,566	18,448,761	18,743,113	73,102,346	75,355,193	77,161,192	77,958,686
81.90%	81.73%	81.89%	81.63%	81.91%	81.72%	81.75%	81.78%	81.63%	81.84%	81.66%	81.66%	81.93%	81.76%	81.80%	81.67%	81.66%	81.93%	81.76%
14658417	3831720	3775719	3920947	3935333	15523249	4008270	4019699	4145045	4161803	16313467	4029975	3987003	4116398	4169276	16403072	16929091	17022591	17394611
11,647,732	2,982,500	3,036,448	2,996,256	3,117,297	12,132,501	3,159,180	3,171,321	3,169,059	3,285,140	12,784,700	3,292,587	3,217,216	3,189,474	3,252,881	12,952,159	13,261,562	13,514,859	13,617,525
15%	14%	14%	14%	15%	14%	14%	14%	14%	15%	14%	14%	15%	14%	14%	14%	14%	15%	14%
3,010,685	849,221	739,271	924,691	818,036	3,390,749	849,090	848,377	975,986	876,663	3,528,767	737,388	769,787	926,924	916,394	3,450,913	3,667,529	3,507,732	3,777,086
676844	128899	182918	131285	166413	609080	129128	162924	133708	179046	604225	604225	130787	173218	133300	630050	179046	179046	179046
55813	6223	140248	-5220	-58319	83625	9381	190557	-2368	-76534	121960	121960	7415	144034	-4893	87132	-76534	-76534	-76534
2278029	714098	416105	798625	709943	2698044	710581	494896	844646	774151	2802582	11203	631585	609672	787987	2733731	3565017	3405219	3674574
321,252	139,086	38,206	93,368	157,256	408,163	142,545	35,859	97,103	165,711	414,882	414,882	146,949	35,392	87,992	381,432	165,711	165,711	165,711
1,956,777	575,013	377,899	705,258	552,688	2,289,882	568,036	459,037	747,543	608,440	2,387,701	(403,679)	484,636	574,280	699,995	2,352,300	3,399,306	3,239,509	3,508,863

BIF: Consumer Staples Food & Beverage

# Appendix C: IS Assumptions

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Assumptions	
Effective Tax Rate (as stated by PEP)	20%
TTM Revenue	91,617
TTM EBIT	11,118
TTM EBITDA	10,922
TTM NI	0
TTM D&A	(196)
FWD EBITDA	4,568



# Appendix D: Statement Of Cash Flows

Sysco Corp (NASDAQ: SYY)									
Income Statement (in \$thousands except per share amounts)									
Quarter End	Q1 FY2021	Q2 FY2021	Q3 FY2021	Q4 FY2021	FY 2021	Q1 FY2022	Q2 FY2022	Q3 FY2022	Q4 FY2022
<b>Cash flows from operating activities:</b>									
Net earnings	\$ 216,900	\$ 67,289	\$ 88,927	\$ 151,093	\$ 524,209	\$ 378,013	\$ 167,441	\$ 303,325	509,989
<b>Adjustments to reconcile net earnings to cash provided by operating activities:</b>									
Pension settlement charge	0	\$ 0	0	\$ 0	0	0	0	0	0
Share-based compensation expense	25,834	\$ 0	42234	\$ 27,747	95,815	29,313	60,254	95,815	(94,715)
Depreciation and amortization	180,520	\$ 47,122	805765	\$ (295,491)	737,916	186,466	377,763	737,916	(730,538)
Operating lease asset amortization	27,379	\$ 365,332	108376	\$ (387,181)	113,906	28,221	54,856	113,906	(114,568)
Amortization of debt issuance and other debt-related costs	6,554	\$ 55,231	22663	\$ (58,333)	26,115	5,577	11,014	26,115	(26,546)
Deferred income taxes	(53,579)	\$ 12,946	(191317)	\$ 74,086	(157,864)	(30,452)	(72,892)	(157,864)	151,150
Provision for losses (gains) on receivables	(77,790)	\$ (107,821)	404158	\$ (371,287)	(152,740)	2,097	1,508	(152,740)	149,707
Loss on extinguishment of debt	0	\$ (94,242)	0	\$ 388,139	293,897	0	115,603	293,897	(293,897)
Loss on sale of business	12,043	\$ 12,043	0	\$ (1,349)	22,737	0	0	22,737	(22,737)
Goodwill impairment	0	\$ 0	203206	\$ (219,708)	0	0	0	0	0
Impairment of assets held for sale	0	\$ 0	55942	\$ (55,942)	(16,502)	0	0	0	0
Other non-cash items	(6,641)	\$ (9,312)	(525)	\$ (645,867)		(201)	1,103	(16,502)	6,655
<b>Additional changes in certain assets and liabilities, net of effect of businesses acquired:</b>									
Increase in receivables	(111,261)	\$ 192,121	915717	\$ (1,029,154)	(662,345)	(478,671)	(385,179)	(662,345)	618,068
Increase in inventories	(23,320)	\$ 37,345	114563	\$ 1,330,634	(32,577)	(294,517)	(357,908)	(551,405)	559,031
Decrease (increase) in prepaid expenses and other current assets	5,577	\$ (22,519)	9835	\$ 174,288	1,459,222	(12,528)	(32,577)	(32,577)	32,274
Increase in accounts payable	577,013	\$ 84,708	(834118)	\$ 30,046	167,181	329,523	83,214	1,459,222	(1,107,696)
Increase in accrued expenses	56,042	\$ 20,108	(139891)	\$ 182,694	(142,351)	(103,483)	95,388	167,181	(27,710)
Decrease in operating lease liabilities	(31,167)	\$ (63,496)	(124040)	\$ 237,525	118,953	(34,146)	(65,123)	(142,351)	142,277
Increase (decrease) in accrued income taxes	98,712	\$ 63,385	(102678)	\$ (18,566)	18,822	69,256	(111,227)	118,953	(118,995)
Decrease (increase) in other assets	7,187	\$ 20,576	20666	\$ 1,855,413	40,853	(9,345)	(4,255)	18,822	(11,817)
(Decrease) increase in other long-term liabilities	20,911	\$ 38,962	92649	\$ 1,751,320	1,903,842	45,689	40,034	40,853	(156,876)
Net cash provided by operating activities	930,914	\$ 936,678	1618680	\$ (3,956,948)		110,812	377,047	1,903,842	(1,645,830)
<b>Cash flows from investing activities:</b>									
Additions to plant and equipment	(75,539)	(163,944)	(720423)	\$ 959,906	(470,676)	(85,019)	(181,374)	(470,676)	409,534
Proceeds from sales of plant and equipment	7,064	15,510	28717	\$ (104,439)	0	5,627	5,450	59,147	(54,278)
Acquisition of businesses, net of cash acquired	0	0	(142780)	\$ 178,759	(53,148)	(714,010)	(769,658)	0	201,833
Purchase of marketable securities	(26,557)	(36,121)	(11424)	\$ 74,102	35,979	(9,925)	(18,539)	(53,148)	62,294
Proceeds from sales of marketable securities	12,166	20,797	20532	\$ (482,193)	0	8,700	16,648	35,979	(44,679)
Other investing activities	0	0	69071	\$ (69,071)	0	6,022	6,651	0	100
Net cash used for investing activities	(82,866)	-163758	(756307)	\$ 176,749	(428,698)	(788,605)	(940,822)	(428,698)	574,804
<b>Cash flows from financing activities:</b>									
Bank and commercial paper borrowings, net	3,110	6,463	616657	\$ (2,629,365)	(826,182)	0	0	(826,182)	2,077,666
Other debt borrowings including senior notes	6,159	4,094	6783562	\$ (7,793,811)	1,484	3	1,249,995	1,484	(1,289,852)
Other debt repayments including senior notes	0	0	(1119232)	\$ 1,119,232	(2,003,135)	(10,051)	(23,050)	(2,003,135)	640,568
Redemption premiums and repayments for senior notes	(762,858)	(773,663)	0	\$ 1,666,895	(999,996)	0	(1,395,668)	0	1,395,668
Cash received from termination of interest rate swap agreements	0	0	0	\$ 0	0	0	23,127	0	0
Debt Issuance Costs	0	0	0	\$ (917,564)	0	0	(15,547)	0	0
Proceeds from stock option exercises	31,933	66,635	227602	\$ (339,379)	130,374	17,881	36,083	(999,996)	1,035,217
Stock repurchases	0	0	(844699)	\$ (3,783,529)	0	(240,561)	(415,824)	130,374	110,187
Dividends paid	(228,714)	(458,717)	(856312)	\$ 1,638,357	(917,564)	0	(481,386)	(917,564)	679,085
Other financing activities	(457)	(873)	(87778)	\$ (2,969,362)	(13,209)	(5,003)	(5,297)	(13,209)	4,053
Net cash used for financing activities	(950,827)	(1,156,061)	4719800	\$ 3,482,658	(4,628,228)	(237,731)	(1,027,567)	(4,628,228)	4,652,592
Effect of exchange rates on cash, cash equivalents and restricted cash	17,095	77,056	(18848)	\$ 2,961,797	94,614	(9,355)	(10,868)	94,614	(88,014)
Net increase (decrease) in cash, cash equivalents and restricted cash	(85,684)	(306,085)	5563325	\$ (5,171,556)	(3,058,470)	(924,879)	(1,602,210)	(3,058,470)	3,493,552
Cash, cash equivalents and restricted cash at beginning of period	6,095,570	6,095,570	532245	\$ (11,845,873)	6,095,570	3,037,100	3,037,100	6,095,570	(9,132,670)
Cash, cash equivalents and restricted cash at end of period	6,009,886	5,789,485	6095570	\$ (17,791,394)	3,037,100	2,112,221	1,434,890	3,037,100	(5,639,118)
<b>Cash paid during the period for:</b>									
Interest	104,879	290926	325308	\$ (721,113)	877,512	225,031	258,436	877,512	(903,983)
Income taxes, net of refunds	\$ 6,851	110,453	376609	\$ (491,888)	\$ 103,547	\$ 76,712	\$ 342,628	\$ 103,547	\$ (127,822)



# Appendix E: Cash Flow Projections



Cash Flow Projections	FY 21	FY 22	FY 23	FY 24E	FY 25E	FY 26E	FY 27E	FY 28E	FY 29E	FY 29E
Sales	51,297,84	368,636,146	76,324,675	80,979,828	6,889,283,77	8,950,541,8	9,228,428,4	9,418,378,3	9,535,329,7	
CapEx	-470,676	-327,535	-793,325	-657,056	-658,936	-778,654	-710,396	-751,348	-779,671	-774,166
<i>as a % of Sales</i>	-0.92%	-0.48%	-1.04%	-0.81%	-0.78%	-0.88%	-0.79%	-0.81%	-0.83%	-0.81%
D&A	27,379	571,607	775,604	609,094	801,672	810,132	753,978	831,089	833,703	835,268
<i>as a % of CapEx</i>	-6%	-175%	-98%	-93%	-122%	-104%	-106%	-111%	-107%	-108%

# Appendix F: Net Working Capital

NWC Projections	FY21	FY 22	FY 23	FY 24E	FY 25E	FY 26E	FY27E	FY28E	FY29E	FY30E		
<b>Current Assets</b>												
Sales	51,297,843	68,636,146	76,324,675	80,979,828		84,914,636	88,928,377	89,505,418	92,284,284	94,183,783	95,353,297	
Accounts and notes receivable		3781510	4838912	5091970		5693753	5874006	6112367	6212266	6377324	6506385	6598245
<i>AR Days</i>		26.91	25.73	24.35		25.66	25.25	25.09	25.33	25.22	25.21	25.26
COGS		41,941,094	56,315,622	62,369,678	66,321,411		69,391,386	72,614,911	73,102,346	75,355,193	77,161,192	77,958,686
Inventories		3,695,219	4,437,498	4,480,812	4,732,854.23		5,135,011.42	1	5,306,378.76	5,500,703.45	5,606,720.49	5,671,437.15
<i>Inventory Days</i>	32.16	28.76	26.22	26.05		27.01	26.43	26.49	26.64	26.52	26.55	
SG&A		7,919,507	9,981,489	10,916,448	11,647,732		12,132,501	12,784,700	12,952,159	13,261,562	13,514,859	13,617,525
Prepaid expenses and other current assets		197,074	223,872	250,022		272,621	277,986	294,991	299,591	305,532	311,938	314,341
<i>As a % of SG&amp;A</i>		2.49%	2.24%	2.29%		2.34%	2.29%	2.31%	2.31%	2.30%	2.31%	2.31%
<b>Total Current Assets</b>		7,673,803	9,500,282	9,822,804	272,621.32	10,699,229	11,287,004	11,664,820	11,818,236	12,183,560	12,425,043	12,584,022
<b>Current Liabilities</b>												
COGS		41,941,094	56,315,622	62,369,678	66,321,411		69,391,386	72,614,911	73,102,346	75,355,193	77,161,192	77,958,686
Accounts payable and other current liabilities		4,035,332	3,554,624	4,221,252	4,136,581		4,674,764	4,772,953	4,764,006	4,232,906	4,228,416	4,218,640
<i>AP Days</i>	3,793.62	5,782.67	5,392.93	4,989.74		5,389.45	5,258.37	5,213.52	5,288.11	5,254.33	5,252.99	
<b>Total Current Liabilities</b>		4,035,332	3,554,624	4,221,252	4,136,581	4,674,764	4,772,953	4,764,006	4,232,906	4,228,416	4,218,640	
NWC		(3,638,471)	(5,945,658)	(5,601,552)	(6,562,647)	(6,612,239)	(6,891,867)	(7,054,230)	(7,950,655)	(8,196,627)	(8,365,382)	
Change in NWC			(2,307,187)	344,106	(961,095)	(49,592)	(279,627)	(162,363)	(896,424)	(245,973)	(168,755)	



# Appendix G: Revenue Build

Sysco Corp (NASDAQ:  
SYY)  
Income Statement (in  
\$thousands except per share  
amounts)  
Quarter End

	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY 21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY 22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 23E	FY 23E	Q1 24E	Q2 24E	Q3 24E	Q4 24E	FY 24E	Q1 25E	Q2 25E	Q3 25E	Q4 25E	FY 25E	Q1 26E	Q2 26E	Q3 26E	Q4 26E																
<b>Total Revenue</b>	\$ 11,777,379	\$ 11,558,982	\$ 11,824,589	\$ 16,136,893	\$ 51,297,843	\$ 16,456,546	\$ 16,320,203	\$ 16,902,139	\$ 18,957,258	\$ 68,636,146	\$ 19,126,830	\$ 18,593,953	\$ 18,875,671	\$ 19,728,261	\$ 76,324,675	\$ 19,620,454	20,024	20,506	20,829	20,980	20,972	20,847	21,347	21,748	84,915	22,001	21,934	22,372	22,621																
<i>% Growth</i>		-1.85%	2.30%	36.47%		1.98%	-0.83%	3.57%	12.16%	33.80%	0.89%	-2.79%	1.52%	4.52%	11.20%	-0.55%	2.06%	2.41%	1.57%	6.10%	0.69%	-0.60%	2.40%	0	4.86%	1.16%	-0.30%	2.00%	0																
US Foodservice Operations	9587	6115	8360	11519	35581	11603	11498	12006	13413	48521	13602	13077	13258	13746	53683	13724	13985	14390	14673	56772	14770	14629	15053	15420	59871	15518	15367	15735	15985																
<i>% Growth</i>		-36.22%	-12.80%	37.78%		0.73%	-0.90%	4.42%	16.66%	36.37%	1.41%	-3.86%	1.38%	3.68%	10.64%	-0.16%	1.90%	2.90%	1.96%	5.75%	0.66%	-0.95%	2.90%	2.44%	5.46%	0.64%	-0.97%	2.39%	1.59%																
International Food Service Operations	2509	1361	1723	2496	8089	2895	2806	3282	3252	12236	3284	3282	3344	3649	13560	3683	3845	3946	4008	15481	4064	4086	4151	4178	16478	4338	4436	4512	4519																
<i>% Growth</i>		-45.7%	-31.3%	44.9%		16.0%	-3.1%	17.0%	15.9%	51.3%	1.0%	0.0%	1.9%	9.1%	10.8%	7.3%	4.4%	2.6%	1.6%	14.2%	1.40%	0.53%	1.60%	0.65%	6.44%	3.83%	2.26%	1.71%	0.16%																
SYGMA	1364	1289	1581	1873	6107	1704	1771	1795	1976	7246	1933	1934	1972	2004	7843	1906	1878	1848	1818	7450	1800	1787	1791	1790	7168	1778	1759	1747	1732																
<i>% Growth</i>		-5.51%	15.88%	18.51%		-9.04%	3.95%	1.33%	11.53%	18.65%	-2.13%	0.00%	1.99%	1.62%	8.24%	-1.42%	-1.49%	-1.56%	-1.64%	-5.02%	-0.98%	-0.74%	0.21%	-0.01%	-3.78%	-0.67%	-1.12%	-0.68%	-0.83%																
Other	238.9	101.6	160.5	248.6	750	254.3	244.5	267.1	316.5	1,082	307.2	301.0	302.0	329.0	1,239	307.4	317	322	331	1,277	339	346	353	361	1,398	367	373	379	385																
<i>% Growth</i>		-57.5%	58.0%	54.9%		2.3%	-3.9%	9.2%	18.5%	44.4%	-3.0%	-2.0%	0.3%	8.9%	14.5%	0.1%	3.1%	1.6%	2.6%	3.1%	2.4%	2.1%	2.1%	2.1%	9.5%	1.8%	1.6%	1.6%	1.6%																
<b>FY 26E</b>	<b>Q1 27E</b>					<b>Q2 27E</b>					<b>Q3 27E</b>					<b>Q4 27E</b>					<b>FY 27E</b>					<b>FY28E</b>					<b>FY29E</b>					<b>FY30E</b>									
88,928	21,968					22,060					22,565					22,912					89,505					92,284					94,184					95,353.30									
	4.73%					1.01%					0.42%					2.29%					1.54%					0.65%					3.10%					2.06%					1.24%				
62604	15478					15477					15899					16217					63071					65335					67027					68093									
	4.57%					0.38%					-0.01%					2.73%					2.00%					0.75%					3.59%					2.59%					1.59%				
17804	4352					4456					4545					4581					17934					18149					18276					18313									
	8.04%					4.18%					2.39%					1.98%					0.80%					0.73%					1.20%					0.70%					0.20%				
7016	1772					1752					1740					1726					6991					7203					7206					7210									
	-2.12%					-1.02%					-1.12%					-0.68%					-0.83%					-0.36%					0.05%					0.05%					0.05%				
1,504	366					374					381					389					1,509					1,597					1,674					1,738									
	7.6%					1.46%					2.26%					1.77%					2.12%					0.3%					5.81%					4.81%					3.81%				

BIF: Consumer Staples Food & Beverage

# Appendix H: Beta & WACC

BIF: Consumer Staples Food & Beverage

Walmart Inc. WACC	
<b>Cost of Equity</b>	
Beta	1.01
Risk-Free Rate	4.18%
Expected Market Return	8.50%
Risk Premium	4.32%
<b>Cost of Equity</b>	<b>8.54%</b>
<b>Cost of Debt</b>	
Credit Spread	5.62%
Pre-Tax Cost of Debt	9.80%
Tax Rate	20.00%
<b>Cost of Debt</b>	<b>7.84%</b>
Shares Outstanding	504,925,847
Share Price	\$ 73.21
Market Capitalization	36,965,621,259
Debt Outstanding	10,347,997,000
Total Capitalization	47,313,618,259
Weight of Equity	78.13%
Weight of Debt	21.87%
<b>WACC</b>	<b>8.39%</b>

Covariance	0.000989379
Variance	0.000980736
<b>Beta</b>	<b>1.01</b>

# Appendix I: DCF



Sysco Corp Discounted Cash Flows (\$USD in Thousands)	FY 2021	FY 2022	FY 2023	FY 2024E	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2029E
EBIT	584,728	1,746,773	2,285,355	2,278,029	2,698,044	2,802,582	2,733,731	3,565,017	3,405,219
(1-T)	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%
NOPAT	467,782	1,397,418	1,828,284	1,822,423	2,158,435	2,242,066	2,186,985	2,852,014	2,724,176
Add: D&A	737,916	571,607	775,604	939,727	912,198	984,275	873,770	847,367	822,312
Less: CapEx	(470,676)	(327,535)	(793,325)	(657,056)	(658,936)	(778,654)	(734,833)	(760,603)	(791,390)
Less: Change in NWC		(2,307,187)	344,106	(961,095)	(49,592)	(279,627)	(162,363)	(896,424)	(245,973)
<b>FCFF</b>	<b>1,676,374</b>	<b>4,603,747</b>	<b>3,053,107</b>	<b>4,380,301</b>	<b>3,779,162</b>	<b>4,284,622</b>	<b>3,957,951</b>	<b>5,356,409</b>	<b>4,583,850</b>
Discount Factor				0.25	1.250	2.250	3.250	4.250	5.250
PV of Cash Flows				\$4,293,004	\$3,417,292	\$3,574,607	\$3,046,600	\$3,804,066	\$3,003,544
WACC	8.39%								
Terminal Growth Rate	2.00%								
Terminal Multiple	15.30								

Gordon Growth	
Terminal CF	4,583,850
WACC	8.39%
Terminal Growth Rate	2.00%
Terminal Value	73,222,238
PV of Terminal Value	47,978,485
Enterprise Value	69,117,598
Less: Debt	16,373,754
Add: Cash	503,392
Equity Value	53,247,236
Diluted Shares Outstanding	504,925
Price Per Share	\$ 105.46

Multiples Method	
Terminal EBITDA	4,227,532
EV/EBITDA	15.30
Terminal Value	64,677,524
PV of Terminal Value	42,379,606
Enterprise Value	63,518,720
Less: Debt	16,373,754
Add: Cash	503,392
Equity Value	47,648,358
Diluted Shares Outstanding	504,925
Price Per Share	94.37
	29.05%

44.22%

WACC	Perpetuity Growth Rate				
	1.00%	1.50%	2.00%	2.50%	3.00%
7.39%	104.46	112.94	123.00	135.12	150.00
7.89%	97.63	104.92	113.45	123.56	135.73
8.39%	91.73	98.06	105.39	113.95	124.11
8.89%	86.58	92.14	98.50	105.85	114.46
9.39%	82.04	86.96	92.54	98.93	106.32

WACC	EV/EBITDA				
	14.30	14.8	15.30	15.8	16.3
7.39%	93.81	96.69	99.56	102.44	105.32
7.89%	91.30	94.11	96.92	99.73	102.54
8.39%	88.86	91.61	94.35	97.09	99.83
8.89%	86.49	89.17	91.85	94.52	97.20
9.39%	84.18	86.80	89.41	92.02	94.64

# Appendix J: Comparable Companies

Sysco Corp. (NASDAQ: SYY)  
 Comparable Companies  
 Figures in Thousands USD

Company	Ticker	Price	Shares Outstanding	Market Cap	Cash	Debt	Minority Interest	EV
Sysco Corp.	SYY	\$ 73.21	\$ 73.21	\$ 36,840.00	\$ 503,392.00	\$ 11,192.00	\$ 34,550.00	\$ 48,033.30
US Foods Holding Corp.	USFD	\$ 44.21	\$ 246.30	\$ 10,869.10	\$ 346.00	\$ 4,554.00	\$ -	\$ 15,423.10
Performance Food Group	PFGC	\$ 65.36	\$ 154.70	\$ 10,170.10	\$ 7.80	\$ 5,101.80	\$ -	\$ 15,271.90
Mondelez International	MDLZ	\$ 71.22	\$ 1,360.90	\$ 96,932.00	\$ 1,610.00	\$ 18,842.00	\$ 25.00	\$ 115,790.00
Archer-Daniels Midland	ADM	\$ 74.63	\$ 535.00	\$ 39,806.20	\$ 1,498.00	\$ 8,002.00	\$ 353.00	\$ 48,161.20
Old Dominion Freight Line	ODFL	\$ 403.90	\$ 109.20	\$ 44,071.00	\$ 206.60	\$ (126.60)	\$ -	\$ 43,944.40
Union Pacific	UNP	\$ 233.90	\$ 609.60	\$ 142,584.90	\$ 750.90	\$ 33,717.00	\$ -	\$ 25,025.20

	Share Price	EV
Minimum	\$ 44.21	\$ 15,271.90
Quartile 1	\$ 68.29	\$ 20,224.15
Median	\$ 73.21	\$ 43,944.40
Quartile 3	\$ 154.27	\$ 48,097.25
Maximum	\$ 403.90	\$ 115,790.00
Average	\$ 138.06	\$ 44,521.30

Minimum
Quartile 1
Median
Quartile 3
Maximum
Average



# Appendix J: Comparable Companies

LTM										
Revenue	EBIT	EBITDA	EPS	EV/Revenue	EV/EBIT	EV/EBITDA	P/E			
\$ 76,818.30	\$ 3,107.80	\$ 3,900.50	\$ 3.58	0.63x	15.46x	12.31x	20.45x			
\$ 35,176.00	\$ 935.00	\$ 13,240.00	\$ 1.84	0.44x	16.50x	1.16x	25.65x			
\$ 57,474.00	\$ 790.80	\$ 1,447.30	\$ 2.73	0.27x	19.31x	10.55x	22.72x			
\$ 35,397.00	\$ 5,143.00	\$ 6,333.00	\$ 3.36	3.27x	22.51x	18.28x	37.67x			
\$ 97,188.00	\$ 3,919.00	\$ 4,955.00	\$ 7.19	0.50x	12.29x	9.72x	20.82x			
\$ 5,862.30	\$ 1,649.00	\$ 1,961.70	\$ 11.31	7.50x	26.65x	22.40x	16.03x			
\$ 24,140.00	\$ 9,087.00	\$ 11,385.00	\$ 10.43	1.04x	2.75x	2.20x	20.60x			

Revenue	EBIT	EBITDA	EPS	EV/Revenue	EV/EBIT	EV/EBITDA	P/E			
\$ 5,862.30	\$ 790.80	\$ 1,447.30	\$ 1.84	0.27x	2.75x	1.16x	16.03x			
\$ 29,658.00	\$ 1,292.00	\$ 2,931.10	\$ 3.05	0.47x	13.87x	5.96x	20.52x			
\$ 35,397.00	\$ 3,107.80	\$ 4,955.00	\$ 3.58	0.63x	16.50x	10.55x	20.82x			
\$ 67,146.15	\$ 4,531.00	\$ 8,859.00	\$ 8.81	2.15x	20.91x	15.30x	24.19x			
\$ 97,188.00	\$ 9,087.00	\$ 13,240.00	\$ 11.31	7.50x	26.65x	22.40x	37.67x			
\$ 47,436.51	\$ 3,518.80	\$ 6,174.64	\$ 5.78	1.95x	16.50x	10.95x	23.42x			

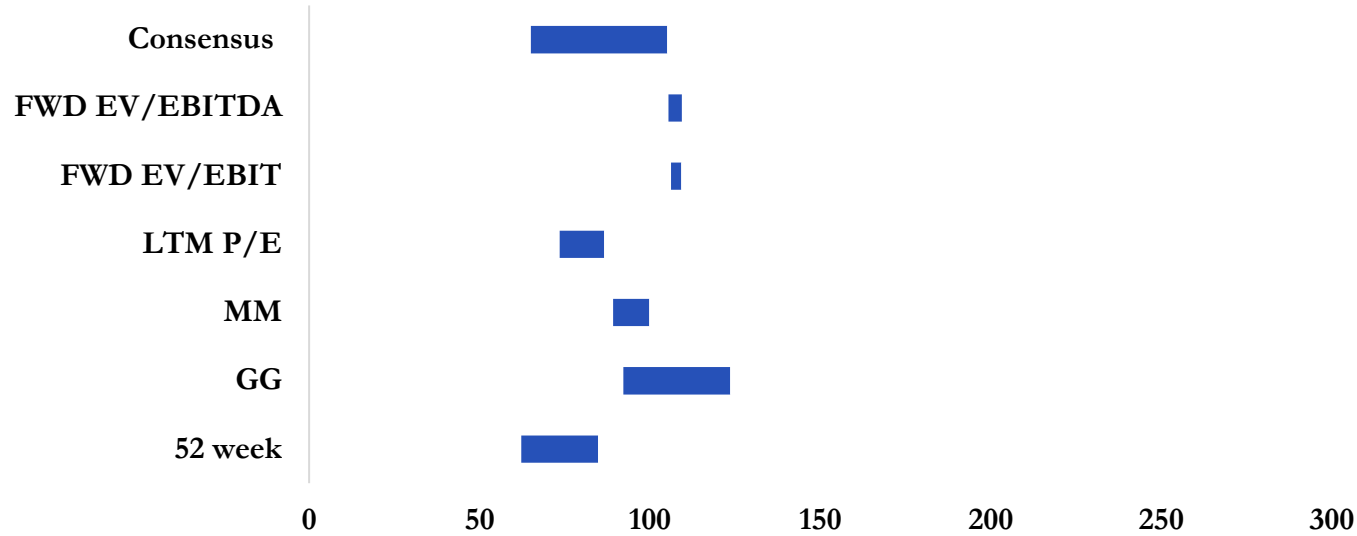
  

\$ 7,001.94	\$ 6,840.03	\$ 6,785.19	\$ 57.39							
\$ 7,213.14	\$ 7,312.02	\$ 7,040.61	\$ 73.48							
\$ 7,379.23	\$ 7,423.36	\$ 7,285.32	\$ 74.54							
\$ 8,983.21	\$ 7,610.89	\$ 7,538.24	\$ 86.58							
\$ 14,588.69	\$ 7,854.39	\$ 7,916.62	\$ 134.86							
\$ 8,766.08	\$ 7,423.37	\$ 7,306.40	\$ 83.84							

# Appendix J: Comparable Companies

2025E										
Revenue	EBIT	EBITA	EPS	FWD EV/Revenue	FWD EV/EBIT	FWD EV/EBITDA	FWD P/E			
\$ 83,059.50	\$ 3,727.40	\$ 4,568.30	\$ 4.69	0.58x	12.89x	10.51x	15.61x			
\$ 37,371.90	\$ 1,342.40	\$ 1,715.60	\$ 2.87	0.41x	11.49x	8.99x	15.40x			
\$ 62,088.60	\$ 1,260.50	\$ 1,654.70	\$ 4.49	0.25x	12.12x	9.23x	14.56x			
\$ 37,537.30	\$ 6,190.90	\$ 7,409.50	\$ 3.57	3.08x	18.70x	15.63x	19.95x			
\$ 95,335.60	\$ 4,000.70	\$ 5,610.80	\$ 6.58	0.51x	12.04x	8.58x	11.34x			
\$ 6,594.10	\$ 1,957.40	\$ 2,315.70	\$ 13.46	6.66x	22.45x	18.98x	30.01x			
\$ 25,025.60	\$ 9,885.90	\$ 12,238.90	\$ 11.41	1.00x	2.53x	2.04x	20.50x			
Revenue	EBIT	EBITA	EPS	FWD EV/Revenue	FWD EV/EBIT	FWD EV/EBITDA	FWD P/E			
\$ 6,594.10	\$ 1,260.50	\$ 1,654.70	\$ 2.87	0.25x	2.53x	2.04x	11.34x			
\$ 31,198.75	\$ 1,649.90	\$ 2,015.65	\$ 4.03	0.46x	11.76x	8.79x	14.98x			
\$ 37,537.30	\$ 3,727.40	\$ 4,568.30	\$ 4.69	0.58x	12.12x	9.23x	15.61x			
\$ 72,574.05	\$ 5,095.80	\$ 6,510.15	\$ 9.00	2.04x	15.79x	13.07x	20.22x			
\$ 95,335.60	\$ 9,885.90	\$ 12,238.90	\$ 13.46	6.66x	22.45x	18.98x	30.01x			
\$ 49,573.23	\$ 4,052.17	\$ 5,073.36	\$ 6.72	1.78x	13.17x	10.57x	18.20x			
				\$ 7,002.19	\$ 6,852.01	\$ 6,850.72	\$ 53.19			
				\$ 7,243.80	\$ 7,322.06	\$ 7,271.42	\$ 70.26			
				\$ 7,379.23	\$ 7,339.98	\$ 7,299.04	\$ 73.21			
				\$ 9,040.22	\$ 7,527.30	\$ 7,538.75	\$ 94.85			
				\$ 14,283.91	\$ 7,866.16	\$ 7,907.27	\$ 140.73			
				\$ 8,747.62	\$ 7,393.84	\$ 7,382.48	\$ 85.34			

# Appendix K: Football Field, Sensitivity Table



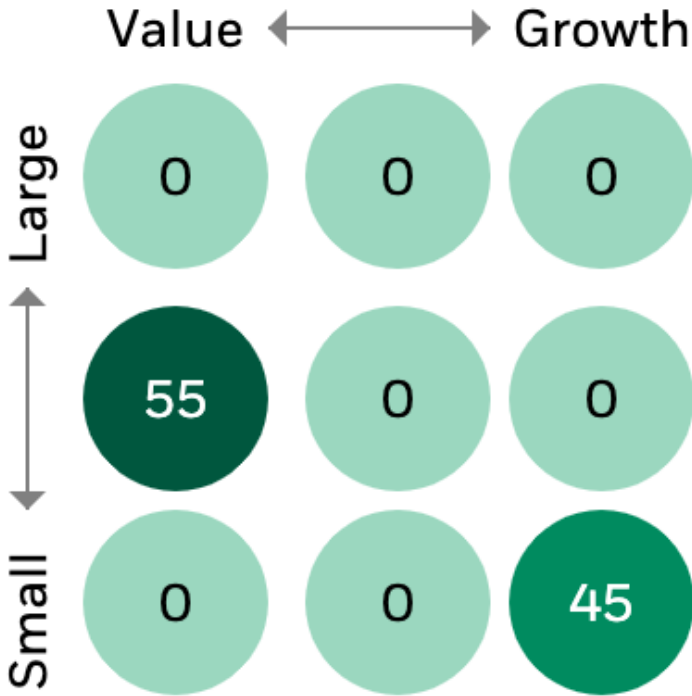
		Perpetuity Growth Rate				
		1.00%	1.50%	2.00%	2.50%	3.00%
WACC	7.39%	104.46	112.94	123.00	135.12	150.00
	7.89%	97.63	104.92	113.45	123.56	135.73
	8.39%	91.73	98.06	105.39	113.95	124.11
	8.89%	86.58	92.14	98.50	105.85	114.46
	9.39%	82.04	86.96	92.54	98.93	106.32

		EV/EBITDA				
		14.30	14.8	15.30	15.8	16.3
WACC	7.39%	93.81	96.69	99.56	102.44	105.32
	7.89%	91.30	94.11	96.92	99.73	102.54
	8.39%	88.86	91.61	94.35	97.09	99.83
	8.89%	86.49	89.17	91.85	94.52	97.20
	9.39%	84.18	86.80	89.41	92.02	94.64

# Appendix L: Portfolio Equity Styles

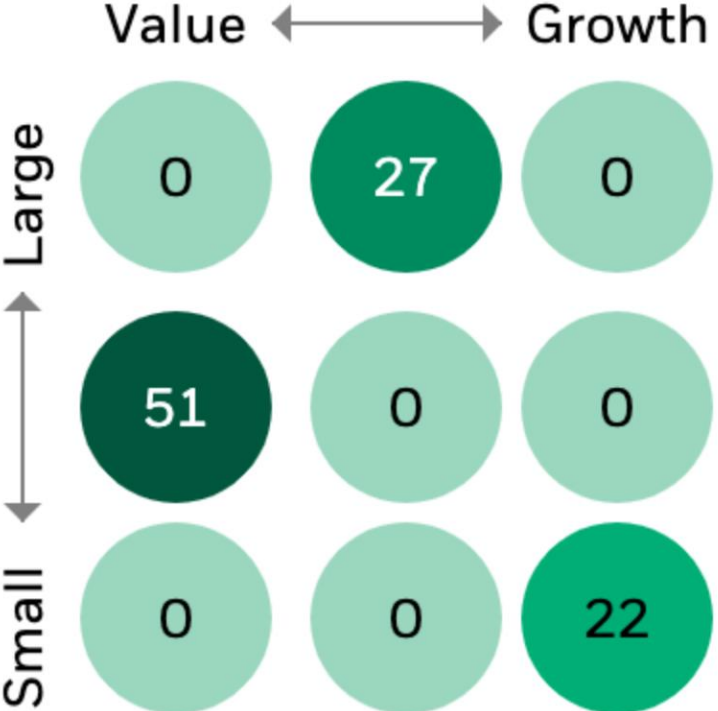
Without SY Y

**Staples AFBA**








With SY Y

**Staples AFBA**



# Appendix M: Historical Risk & Return



Portfolio	Performance Type	3 Year Annualized Return 	Historical Risk 	3 Year Sharpe Ratio 	Upside Capture vs S&P 500 	Downside Capture vs S&P 500 
Staples AFBA	Gross of an advisory fee	12.85%	22.49%	0.56	97.66%	86.35%

# Appendix N: Historical Scenarios

BIF: Consumer Staples Food & Beverage

Scenario			
	Interest Rates / Inflation		
	10-Yr US Treasury Rate Rises 1%		<b>-0.08%</b> -\$75
	Inflation Expectations Rise 1%		<b>+9.65%</b> +\$9,647
	Bonds / Credit Quality		
	High Yield Spreads Widen 30%		<b>-10.34%</b> -\$10,344
	Equities		
	US Large Cap Stocks Fall 15%		<b>-14.90%</b> -\$14,898
	Stock Market Volatility Rises 15%		<b>-9.17%</b> -\$9,172
	Past Market Events		
	Crash of 2008		<b>-36.10%</b> -\$36,097
	Crash of 2008		<b>-36.10%</b> -\$36,891