

Sysco Corporation -- Houston, TX -- Sysco's sales growth continues

Sysco Corporation saw its sales for its 13-week fourth quarter ended July 2 rise .7% to \$10.43 billion from \$10.35 billion in last year's 14-week comparative quarter. When adjusted for the extra week a year ago, fiscal 2011's fourth quarter sales climbed 8.5%.

Food cost inflation, as measured by the estimated change in Sysco's product costs, was 5.9%, driven mainly by increased prices for dairy, meat, seafood and canned/dry products compared to inflation of 2.2% in the prior year's fourth quarter. In addition, compared to adjusted sales in the prior year period, acquisitions within the last 12 months increased sales .9% and the impact of changes in foreign exchange rates for the fourth quarter increased sales .7%.

For the full fiscal 2011 year, the company's operating expenses increased 7.1% to \$5.39 billion compared to adjusted operating expenses of \$5.03 billion in fiscal 2010 due mainly to increased expenses for salaries and related costs, fuel, the corporate sponsored pension plan and the company's business transformation initiative. In addition, Sysco recorded a \$36 million charge related to the withdrawal of an operation company from a multi-employer pension plan in the third quarter of fiscal 2011.