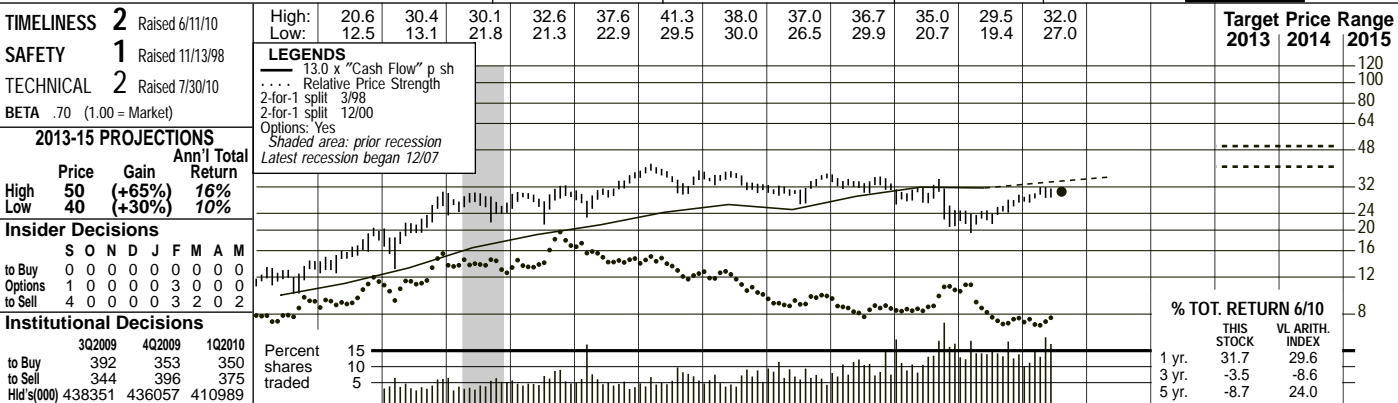


# SYSCO CORP. NYSE:SY

RECENT PRICE **30.37** P/E RATIO **15.4** (Trailing: 15.3; Median: 24.0) RELATIVE P/E RATIO **1.00** DIV'D YLD **3.3%**

**VALUE LINE**



Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Price	14.94	16.57	18.56	20.96	22.88	26.42	29.12	32.75	35.73	40.61	46.09	48.18	52.72	57.27	62.41	62.46	62.35	65.45
Gain	.46	.52	.58	.67	.76	.86	1.02	1.27	1.47	1.63	1.87	2.03	1.92	2.23	2.46	2.44	2.60	2.75
Return	.30	.35	.38	.43	.48	.54	.68	.90	1.01	1.18	1.37	1.47	1.36	1.60	1.81	1.77	1.95	2.05
Div's	.08	.10	.13	.15	.17	.19	.23	.28	.36	.40	.48	.56	.66	.72	.82	.93	1.00	1.00
Cap'l Sp.	.22	.28	.33	.31	.39	.43	.40	.51	.64	.68	.83	.62	.83	.99	.86	.79	1.00	1.05
Book Value	1.69	1.92	2.04	2.03	2.03	2.16	2.66	3.23	3.26	3.41	4.03	4.39	4.93	5.36	5.67	5.85	6.80	7.55
Common Shs	732.28	731.46	721.65	689.75	670.02	659.34	662.97	665.14	653.54	643.66	636.54	628.57	618.90	611.84	601.23	590.03	591.00	585.00
P/E Ratio	23.1	19.0	20.5	19.6	23.0	24.8	26.4	28.2	27.1	24.3	25.9	23.6	23.4	20.8	17.2	14.3	17.0	17.0
Relative P/E	1.52	1.27	1.28	1.13	1.20	1.41	1.72	1.45	1.48	1.39	1.37	1.26	1.26	1.10	1.04	1.01	1.15	1.15
Div Yield	1.2%	1.5%	1.6%	1.7%	1.5%	1.4%	1.3%	1.1%	1.3%	1.4%	1.4%	1.6%	2.1%	2.2%	2.6%	3.6%	3.0%	3.0%

Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Sales (\$mill)	19303	21784	23351	26140	29335	30282	32628	35042	37522	36853	36850	38300	42225	48225				
Operating Margin	5.3%	5.9%	6.2%	6.1%	6.2%	6.3%	5.6%	5.9%	6.0%	6.1%	6.5%	6.5%	6.3%					
Depreciation (\$mill)	220.7	248.2	278.3	273.1	283.6	316.7	345.1	362.6	372.5	382.3	385	395	425					
Net Profit (\$mill)	453.6	596.9	679.8	778.3	907.2	961.5	846.0	1001.1	1106.2	1055.9	1155	1220	1555					
Income Tax Rate	38.5%	38.3%	38.3%	38.3%	38.5%	37.0%	39.4%	38.3%	38.3%	40.4%	39.0%	39.0%	39.0%					
Net Profit Margin	2.4%	2.7%	2.9%	3.0%	3.1%	3.2%	2.6%	2.9%	2.9%	2.9%	3.1%	3.2%	3.2%					
Working Cap'l (\$mill)	950.3	895.0	945.9	928.4	724.8	544.2	1173.3	1260.5	1675.7	2120.5	2385	2355	2570					
Long-Term Debt (\$mill)	1023.6	961.4	1176.3	1249.5	1231.5	956.2	1627.1	1758.2	1975.4	2467.5	2450	2150	1500					
Shr. Equity (\$mill)	1761.6	2147.5	2132.5	2197.5	2564.5	2758.8	3052.3	3278.4	3409.0	3449.7	4010	4415	5360					
Return on Total Cap'l	17.5%	20.2%	21.4%	23.5%	24.7%	26.6%	19.1%	20.8%	21.5%	18.8%	19.0%	19.5%	23.0%					
Return on Shr. Equity	25.8%	27.8%	31.9%	35.4%	35.4%	34.9%	27.7%	30.5%	32.4%	30.6%	29.0%	27.5%	29.0%					
Retained to Com Eq	17.5%	19.7%	21.9%	23.5%	23.3%	21.9%	14.7%	16.9%	17.9%	14.7%	13.5%	12.0%	14.5%					
All Div's to Net Prof	32%	29%	31%	34%	34%	37%	47%	44%	45%	52%	54%	57%	50%					

Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Cash Assets	551.6	1087.1	652.8	2723.2	2468.5	2634.0	1836.5	1650.7	1751.2	93.8	63.7	64.4	93.8	5175.0	5270.7	5131.8		
Receivables	2048.8	1856.9	2038.9	4.9	9.2	7.8	1445.6	1284.1	870.5	3499.3	3150.2	2917.2						
Inventory (FIFO)	5175.0	5270.7	5131.8	2048.8	1856.9	2038.9	4.9	9.2	7.8	1445.6	1284.1	870.5	3499.3	3150.2	2917.2			
Other	63.7	64.4	93.8	5175.0	5270.7	5131.8	2048.8	1856.9	2038.9	4.9	9.2	7.8	1445.6	1284.1	870.5	3499.3	3150.2	2917.2
Current Assets	5175.0	5270.7	5131.8	2048.8	1856.9	2038.9	4.9	9.2	7.8	1445.6	1284.1	870.5	3499.3	3150.2	2917.2			
Accts Payable	2048.8	1856.9	2038.9	4.9	9.2	7.8	1445.6	1284.1	870.5	3499.3	3150.2	2917.2						
Debt Due	1445.6	1284.1	870.5	3499.3	3150.2	2917.2												
Other	3499.3	3150.2	2917.2															
Current Liab.	3499.3	3150.2	2917.2															

Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Annual Rates of change (per sh)	10.0%	10.0%	12.0%	13.5%	17.5%	10.5%	8.5%	6.0%	6.5%	8.0%	7.5%	3.5%	9.0%					
Sales	10.0%	10.0%	12.0%	13.5%	17.5%	10.5%	8.5%	6.0%	6.5%	8.0%	7.5%	3.5%	9.0%					
"Cash Flow"	12.0%	7.5%	6.5%	13.5%	8.0%	7.5%	17.5%	14.5%	3.5%	10.5%	9.5%	9.0%						
Earnings	13.5%	8.0%	7.5%	17.5%	14.5%	3.5%	10.5%	9.5%	9.0%									
Dividends	17.5%	14.5%	3.5%	10.5%	9.5%	9.0%												
Book Value	10.5%	9.5%	9.0%															

Fiscal Year Ends	2007	2008	2009	2010	2011
Q1	8672	8569	8573	9228	35042
Q2	9406	9240	9147	9729	37522
Q3	9877	9150	8739	9087	36853
Q4	9081	8868	8945	9956	36850
Annual	9450	9350	9500	10000	38300

Fiscal Year Ends	2007	2008	2009	2010	2011
Q1	.37	.39	.35	.49	1.60
Q2	.43	.43	.40	.55	1.81
Q3	.46	.40	.38	.53	1.77
Q4	.50	.45	.42	.58	1.95
Annual	.48	.49	.50	.58	2.05

Calendar	2006	2007	2008	2009	2010
Q1	.17	.17	.17	.17	.68
Q2	.19	.19	.19	.19	.76
Q3	.22	.22	.22	.22	.88
Q4	.24	.24	.24	.24	.96
Annual	.25	.25	.25		

**Sysco Corporation continues to register noteworthy results for fiscal 2010 (year began June 28, 2009).** Indeed, March-quarter earnings climbed over 10% compared to last year's period, with sales posting a slight uptick of roughly 2%. The company has benefited from increased case volume, lower overall product cost, and an improved pricing environment, which has allowed it to raise prices in the dairy, meat, and produce segments. **The company has purchased a new facility, which will house the Sysco Business Services division.** The recently acquired location is in Houston, TX and will be the site of choice for the enterprise resource planning initiative. Beginning in early 2011, along with a fresh online order management system, Sysco will utilize programs designed to determine efficient product placement on trailers, automatically scan orders, and manage fleet maintenance, as well as fuel consumption. **Sysco has been bolstering its operating margin of late.** The company's operating margin improved approximately 5% during the latest quarter, having been aided by standardized operating systems,

energy efficient labor practices, and recently introduced activity-based compensation. However, overall payroll expenses have been on the rise, along with climbing pension costs. Still, Sysco has been able to reduce employee headcount by more than 2% over the past year. **Capital expenditures should total somewhere between \$575 million and \$625 million for this fiscal year.** This spending will include fleet replacement and facility repairs, as well as key acquisitions and purchases of new technology. **We look for Sysco to buy back some common stock over the pull to 2013-2015.** This move should increase shareholder value, and help support earnings per share over this time frame. In addition, we are projecting it will pay down debt on the balance sheet, and provide exceptional returns on investment. **That said, these timely shares may appeal to patient income-seeking accounts,** since they carry an attractive payout and hold decent, risk-adjusted price appreciation potential for the upcoming 3- to 5-year time horizon. *Kenneth J. DeFranco, Jr. July 30, 2010*

(A) Fiscal year ends Saturday closest to June 30th.	not sum to total. Excludes nonrecurring gains/(losses). In '98, (\$0.04); '00, (\$0.01); '10, \$0.05. Next earnings report due early Aug.	April, July, October. ■ Dividend reinvestment plan available.	Company's Financial Strength	A++
(B) Based on average shares outstanding through fiscal '97, then diluted. Quarters may vary.	(C) Dividends historically paid late January.	(D) In millions, adjusted for stock splits.	Stock's Price Stability	100
(E) Includes intangibles. In '09, \$2.77 /share.			Price Growth Persistence	35
			Earnings Predictability	100