

Third Quarter 2016 Results

August 10, 2016

Forward-Looking Statements

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This press release includes “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 that reflect our current views as to future events and financial performance with respect to, without limitation, conditions in our industry, our operations, our economic performance and financial condition, including, in particular, statements relating to our business and growth strategy. These statements can be identified by the fact that they do not relate strictly to historical or current facts. They use words such as “outlook,” “aim,” “anticipate,” “are confident,” “have confidence,” “estimate,” “expect,” “will be,” “will continue,” “will likely result,” “project,” “intend,” “plan,” “believe,” “see,” “look to” and other words and terms of similar meaning or the negative versions of such words.

Forward-looking statements speak only as of the date made. All statements we make relating to our estimated and projected earnings, costs, expenditures, cash flows, growth rates and financial results are forward-looking statements. In addition, we, through our senior management, from time to time make forward-looking public statements concerning our expected future operations and performance and other developments. These forward-looking statements are subject to risks and uncertainties that may change at any time, and, therefore, our actual results may differ materially from those that we expected. We derive many of our forward-looking statements from our operating budgets and forecasts, which are based upon many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and, of course, it is impossible for us to anticipate all factors that could affect our actual results. All subsequent written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements. Some of the factors that we believe could affect our results include without limitation: unfavorable economic conditions; natural disasters, global calamities, sports strikes and other adverse incidents; the failure to retain current clients, renew existing client contracts and obtain new client contracts; a determination by clients to reduce their outsourcing or use of preferred vendors; competition in our industries; increased operating costs and obstacles to cost recovery due to the pricing and cancellation terms of our food and support services contracts; the inability to achieve cost savings through our cost reduction efforts; our expansion strategy; the failure to maintain food safety throughout our supply chain, food-borne illness concerns and claims of illness or injury; governmental regulations including those relating to food and beverages, the environment, wage and hour and government contracting; liability associated with noncompliance with applicable law or other governmental regulations; new interpretations of or changes in the enforcement of the government regulatory framework; currency risks and other risks associated with international operations, including Foreign Corrupt Practices Act, U.K. Bribery Act and other anti-corruption law compliance; continued or further unionization of our workforce; liability resulting from our participation in multiemployer defined benefit pension plans; risks associated with suppliers from whom our products are sourced; disruptions to our relationship with, or to the business of, our primary distributor; the inability to hire and retain sufficient qualified personnel or increases in labor costs; healthcare reform legislation; the contract intensive nature of our business, which may lead to client disputes; seasonality; disruptions in the availability of our computer systems or privacy breaches; failure to achieve and maintain effective internal controls; our leverage; the inability to generate sufficient cash to service all of our indebtedness; debt agreements that limit our flexibility in operating our business and other factors set forth in the “Risk Factors,” “Legal Proceedings” and “Management Discussion and Analysis of Financial Condition and Results of Operations” sections and other sections of our Annual Report on Form 10-K filed with the Securities and Exchange Commission on December 1, 2015 as such factors may be updated from time to time in our other periodic filings with the SEC, which are accessible on the SEC’s website at www.sec.gov and which may be obtained by contacting Aramark’s investor relations department via its website www.aramark.com. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this release and in our filings with the SEC. As a result of these risks and uncertainties, readers are cautioned not to place undue reliance on any forward-looking statements included herein or that may be made elsewhere from time to time by, or on behalf of, us. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments, changes in our expectations, or otherwise, except as required by law.

Overview

➤ Strong Third Quarter

- ❑ Strong Financial & Operational Performance;
- ❑ Constant Currency AOI Margin 5.6%;
- ❑ AOI Margin +50 Basis Points;
- ❑ Constant Currency Adjusted EPS +17%.

➤ Full Year Adjusted EPS Expectations Unchanged

- ❑ \$1.65 to \$1.75

Q3 Sales Reconciliation

➤ Organic Growth +4%;

	\$M	% vs PY
Q3 2015 Sales	\$3,486	
Currency	(45)	(1%)
Acquisitions	16	0.5%
Growth	<u>130</u>	<u>4%</u>
Q3 2016 Sales	\$3,587	3%

Q3 Adjusted Operating Income (AOI) Reconciliation

- Growth of 15% on a constant currency basis, Margin up 50 basis points;

	\$M	% vs PY
Q3 2015 Adjusted Operating Income Margin 5.1%	\$178	
Growth	<u>24</u>	14%
Q3 2016 Adjusted Operating Income	\$202	
Addback Currency Headwind	<u>2</u>	1%
Q3 2016 Adjusted Operating Income Constant Currency Margin 5.6%	\$204	15%

Q3 Adjusted EPS Reconciliation

- Growth of 17% on a constant currency basis;

	FY	
Q3 2015 Adjusted EPS	\$0.29	} +17%
Growth	0.05	
Q3 2016 Adjusted EPS	\$0.34	
Addback Currency Headwind	0.00	
Q3 2016 Adjusted EPS Constant Currency	\$0.34	

Capital Structure Review

- Liquidity is Strong
 - ❑ Cash and revolver availability \$900M;
- Financial Flexibility Continues to Improve
 - ❑ Total Debt to Adjusted EBITDA 4.0x, 40bps improvement yoy
 - ❑ \$1B Bond Issuance/Extension at historically low funding cost;
- HPSI Acquisition Funded w/Cash on Hand;
- YE Leverage Expected just under 4.0x.

2016 Business Outlook Unchanged

Full Year Expectations

- ❑ Adjusted EPS \$1.65 to \$1.75
- ❑ FY Currency ~(\$0.03)/share
 - ❑ Brexit - GBP ~3% of Sales
- ❑ CAPEX ~3.50% of Sales
- ❑ Interest & Tax comparable to PY
- ❑ FCF Growth 2x Earnings Growth

Second Half Expectations

2H 2016	Organic Revenue	AOI
FSS NA	↑	↑
FSS Int'l	↑	↑
Uniform	↑	↑
ARMK	↑	↑

Summary

- Strong Q3 Earnings,
- Productivity Momentum;
- 2016 Adjusted EPS Expected \$1.65-\$1.75/share;
- Revenue – Continue Balancing Growth w/Margin;
- Ongoing FCF Growth & Balance Sheet Improvement.

Appendix

Non-GAAP Reconciliation

Selected Operational and Financial Metrics

Adjusted Sales (Organic)

Management believes that presentation of sales growth, adjusted to eliminate the effects of acquisitions and divestitures and the impact of currency translation, provides useful information to investors because it enhances comparability between the current year and prior year reporting periods.

Adjusted Operating Income

Adjusted operating income represents operating income adjusted to eliminate the change in amortization of acquisition-related customer relationship intangible assets and depreciation of property and equipment resulting from the going-private transaction in 2007 (the "2007 LBO"); the impact of the change in fair value related to certain gasoline and diesel agreements; severance and other charges; share-based compensation; the effects of acquisitions and divestitures and other items impacting comparability.

Adjusted Operating Income (Constant Currency)

Adjusted Operating Income (Constant Currency) represents Adjusted Operating Income adjusted to eliminate the impact of currency translation.

Adjusted Net Income

Adjusted Net Income represents net income attributable to Aramark stockholders adjusted to eliminate the impact of discontinued operations; the change in amortization of acquisition-related customer relationship intangible assets and depreciation of property and equipment resulting from the 2007 LBO; the impact of changes in the fair value related to the gasoline and diesel agreements; severance and other charges; share-based compensation; the effects of acquisitions and divestitures and other items impacting comparability, less the tax impact of these adjustments. Management believes that the presentation of adjusted net income is useful information to investors because we use such information when evaluating net income to better evaluate the underlying operating performance of the company.

The tax effect on adjusted net income for our U.S. earnings is calculated using a blended U.S. federal and state tax rate. The tax effect on adjusted net income in jurisdictions outside the U.S. is calculated at the U.S. federal tax rate.

Adjusted Net Income (Constant Currency)

Adjusted Net Income (Constant Currency) represents Adjusted Net Income adjusted to eliminate the impact of currency translation.

Free Cash Flow

Free Cash Flow represents net cash provided by operating activities less net purchase of property and equipment, client contract investments and other.

We use Adjusted Sales (Organic), Adjusted Operating Income and Adjusted Net Income as supplemental measures of our operating profitability and to control our cash operating costs. These financial metrics are not measurements of financial performance under generally accepted accounting principles, or GAAP. We believe the presentation of these metrics is appropriate to provide additional information to investors about our operating performance. Our presentation of these metrics has limitations as an analytical tool, and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP. You should not consider these measures as alternatives to sales, operating income or net income, determined in accordance with GAAP. Adjusted Sales (Organic), Adjusted Operating Income and Adjusted Net Income, as presented by us, may not be comparable to other similarly titled measures of other companies because not all companies use identical calculations. We believe Free Cash Flow is a useful measure to describe the Company's financial performance and measures its ability to generate cash from its business operations.

Adjusted EPS Guidance

The Company provides a range for the full year EPS guidance on a non-GAAP basis, and does not provide a reconciliation of such forward-looking non-GAAP measures to GAAP due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliation, including adjustments that could be made for the impact of the change in fair value related to certain gasoline and diesel agreements, severance and other charges, share-based compensation, and the effects of acquisitions and divestitures.

Non-GAAP Reconciliation

- Third Quarter '16
 - ❑ Organic Sales/Growth
 - ❑ AOI/Growth

ARAMARK AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP MEASURES
ADJUSTED CONSOLIDATED OPERATING INCOME MARGIN
(Unaudited)
(In thousands)

	Three Months Ended July 1, 2016				
	FSS North America	FSS International	Uniform	Corporate	Aramark and Subsidiaries
Sales (as reported)	\$ 2,487,896	\$ 709,728	\$ 389,284		\$ 3,586,908
Operating Income (as reported)	\$ 100,743	\$ 38,452	\$ 52,221	\$ (22,072)	\$ 169,344
Operating Income Margin (as reported)	4.0%	5.4%	13.4%		4.7%
Sales (as reported)	\$ 2,487,896	\$ 709,728	\$ 389,284		\$ 3,586,908
Effect of Currency Translation	7,800	37,167	—		44,967
Effects of Acquisitions and Divestitures	—	\$ (16,267)	—		(16,267)
Adjusted Sales (Organic)	\$ 2,495,696	\$ 730,628	\$ 389,284		\$ 3,615,608
Sales Growth (as reported)	4.4%	-1.7%	2.0%		2.9%
Adjusted Sales Growth (Organic)	4.7%	1.2%	2.0%		3.7%
Operating Income (as reported)	\$ 100,743	\$ 38,452	\$ 52,221	\$ (22,072)	\$ 169,344
Amortization of Acquisition-Related Customer Relationship Intangible Assets and Depreciation of Property and Equipment Resulting from the 2007 LBO	17,114	172	(592)	—	16,694
Share-Based Compensation	146	3	12	14,405	14,566
Severance and Other Charges	1,320	63	—	5,256	6,639
Effects of Acquisitions and Divestitures	—	527	—	—	527
Gains, Losses and Settlements impacting comparability	5,396	—	—	(11,267)	(5,871)
Adjusted Operating Income	\$ 124,719	\$ 39,217	\$ 51,641	\$ (13,678)	\$ 201,899
Effect of Currency Translation	774	1,079	—	—	1,853
Adjusted Operating Income (Constant Currency)	\$ 125,493	\$ 40,296	\$ 51,641	\$ (13,678)	\$ 203,752
Adjusted Operating Income Growth	15.9%	4.4%	5.4%		13.7%
Adjusted Operating Income Growth (Constant Currency)	16.7%	7.2%	5.4%		14.7%
Adjusted Operating Income Margin (Constant Currency)	5.0%	5.5%	13.3%		5.6%
	Three Months Ended July 3, 2015				
	FSS North America	FSS International	Uniform	Corporate	Aramark and Subsidiaries
Sales (as reported)	\$ 2,382,626	\$ 721,974	\$ 381,603		\$ 3,486,203
Adjusted Sales (Organic)	\$ 2,382,626	\$ 721,974	\$ 381,603		\$ 3,486,203
Operating Income (as reported)	\$ 73,599	\$ 32,321	\$ 49,563	\$ (38,605)	\$ 116,878
Amortization of Acquisition-Related Customer Relationship Intangible Assets and Depreciation of Property and Equipment Resulting from the 2007 LBO	27,558	120	(582)	—	27,096
Share-Based Compensation	195	15	33	20,764	21,007
Severance and Other Charges	(900)	5,122	—	3,974	8,196
Gains, Losses and Settlements impacting comparability	7,117	—	—	(2,645)	4,472
Adjusted Operating Income	\$ 107,569	\$ 37,578	\$ 49,014	\$ (16,512)	\$ 177,649
Operating Income Margin (as reported)	3.1%	4.5%	13.0%		3.4%
Adjusted Operating Income Margin	4.5%	5.2%	12.8%		5.1%

Non-GAAP Reconciliation

- Third Quarter '16
 - ❑ Adjusted Net Income
 - ❑ Adjusted EPS

ARAMARK AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP MEASURES
ADJUSTED NET INCOME & ADJUSTED EPS
(Unaudited)
(In thousands, except per share amounts)

	Three Months Ended July 1, 2016	Three Months Ended July 3, 2015	Nine Months Ended July 1, 2016	Nine Months Ended July 3, 2015
Net Income Attributable to Aramark Stockholders (as reported)	\$44,765	\$33,761	\$204,462	\$179,081
Adjustment:				
Amortization of Acquisition-Related Customer Relationship Intangible Assets and Depreciation of Property and Equipment Resulting from the 2007 LBO	16,694	27,096	61,464	82,924
Share-Based Compensation	14,566	21,007	45,361	57,475
Severance and Other Charges	6,639	8,196	20,415	23,000
Effects of Acquisitions and Divestitures	527	—	1,287	—
Gains, Losses and Settlements impacting comparability	(5,871)	4,472	1,425	5,292
Effects of Refinancing on Interest and Other Financing Costs, net	31,267	—	31,267	—
Tax Impact of Adjustments to Adjusted Net Income	<u>(24,678)</u>	<u>(23,728)</u>	<u>(62,935)</u>	<u>(70,304)</u>
Adjusted Net Income	\$83,909	\$70,804	\$302,746	\$277,468
Effect of Currency Translation, net of Tax	1,169	—	8,048	—
Adjusted Net Income (Constant Currency)	<u>\$85,078</u>	<u>\$70,804</u>	<u>\$310,794</u>	<u>\$277,468</u>
Adjusted Earnings Per Share				
Adjusted Net Income	\$83,909	\$70,804	\$302,746	\$277,468
Diluted Weighted Average Shares Outstanding	<u>249,057</u>	<u>247,224</u>	<u>248,322</u>	<u>246,035</u>
Adjusted Earnings Per Share	<u>\$0.34</u>	<u>\$0.29</u>	<u>\$1.22</u>	<u>\$1.13</u>
Adjusted Earnings Per Share Growth	17%			
Adjusted Earnings Per Share (Constant Currency)				
Adjusted Net Income (Constant Currency)	\$85,078	\$70,804	\$310,794	\$277,468
Diluted Weighted Average Shares Outstanding	<u>249,057</u>	<u>247,224</u>	<u>248,322</u>	<u>246,035</u>
Adjusted Earnings Per Share (Constant Currency)	<u>\$0.34</u>	<u>\$0.29</u>	<u>\$1.25</u>	<u>\$1.13</u>
Adjusted Earnings Per Share Growth (Constant Currency)	17%		11%	

Non-GAAP Reconciliation

➤ Third Quarter YTD '16

❑ Free Cash Flow

<i>(Unaudited)</i> <i>(in millions)</i>	Nine Months Ended Jul 01, 2016	Nine Months Ended Jul 03, 2015
Net cash provided by operating activities	\$ 364.9	\$ 157.6
Net purchases of property and equipment, client contract investments and other	(332.1)	(346.5)
Free Cash Flow	<u>\$ 32.8</u>	<u>\$ (188.9)</u>