



# Aramark Acquisitions: Avendra & AmeriPride

October 16, 2017



# Forward-Looking Statements

This presentation 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 including with respect to, without limitation, the benefits, costs and timing of and ability to consummate the transactions with each of Avendra and Ameripride and related financings, as well as statements regarding the companies' services and products. These statements can be identified by the fact that they do not relate strictly to historical or current facts. They relate to the topics set forth above or 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. 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. Such risks and uncertainties include, among others, the outcome and timing of regulatory reviews of both transactions, the ability of the companies to complete the transactions in the time expected or at all, our ability to successfully integrate the businesses of Avendra and AmeriPride and costs and timing related thereto, the risk of unanticipated restructuring costs or assumption of undisclosed liabilities, the risk that we are unable to achieve the anticipated benefits (including tax benefits) and synergies of the transactions including whether the proposed transactions will be accretive and within the expected timeframes, our ability to complete the anticipated financing of the transactions on our expected terms, the availability of sufficient cash to repay certain indebtedness and our decision to utilize the cash for that purpose, the disruption of the transactions to each of Avendra and AmeriPride and their respective managements; the effect of announcement of the transactions on each of Avendra's and AmeriPride's ability to retain and hire key personnel and maintain relationships with customers, suppliers and other third parties, our ability to attract new or maintain existing customer and supplier relationships at reasonable cost, our ability to retain key personnel and the 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 November 23, 2016 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](http://www.sec.gov) and which may be obtained by contacting Aramark's investor relations department via its website [www.aramark.com](http://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.

# Strategic & Financially Compelling Acquisitions



- **Dramatic procurement leverage:** \$5B incremental annual purchasing
- **Meaningful dual-growth opportunity:** Boost customer base for Avendra and Aramark
- **Compelling procurement synergies:** \$40M expected annually  
(Expected to be fully realized in third fiscal year after closing)



- **Strengthen competitive position:** Extend in U.S. & expand into Canada
- **Enhanced scale:** Improve route density & capacity utilization
- **Significant cost & operating synergies:** \$70M expected annually  
(Expected to be fully realized in fourth fiscal year after closing)

# Transaction Details

## PURCHASE PRICE



Price: \$1.35B

*(\$1.05B adjusting for value of anticipated tax benefits)*

**EBITDA Multiple:** 13x / \$80M after tax step-up  
*(9x EBITDA including tax step-up and synergies)*



Price: \$1.0B

*(\$850M adjusting for value of anticipated tax benefits)*

**EBITDA Multiple:** 12x / \$70M after tax step-up  
*(6x EBITDA including tax step-up and synergies)*

## SYNERGIES



Approximately \$40M annual procurement synergies  
*(Fully realized in 3<sup>rd</sup> fiscal year after closing)*



Approximately \$70M annual cost & operating synergies  
*(Fully realized in 4<sup>th</sup> fiscal year after closing)*

## INTEGRATION

Up to \$130M -- including asset impairment charges subject to final accounting appraisals

Heavily weighted in Year 1

## ADJUSTED EPS

Accretive in 2<sup>nd</sup> fiscal year after closing

Dilutive in FY18

## LEVERAGE

Expected to increase to mid-4x net debt in FY18.

Strong cash flows & aggressive debt repayment facilitate de-leveraging to target range of 3.0 - 3.5x net debt by 2020.

## CLOSING

Expected end of 2017 calendar year

Subject to customary closing conditions & regulatory approvals

# ***Transformative & Synergistic Acquisitions***

## **Summary**

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- **Consistent with clear and focused long-term strategy**
- **Enhances competitive positioning across portfolio**
- **Merges culturally compatible organizations**
- **Experienced management teams ensure successful integration**
- **Drives sustainable shareholder value creation**

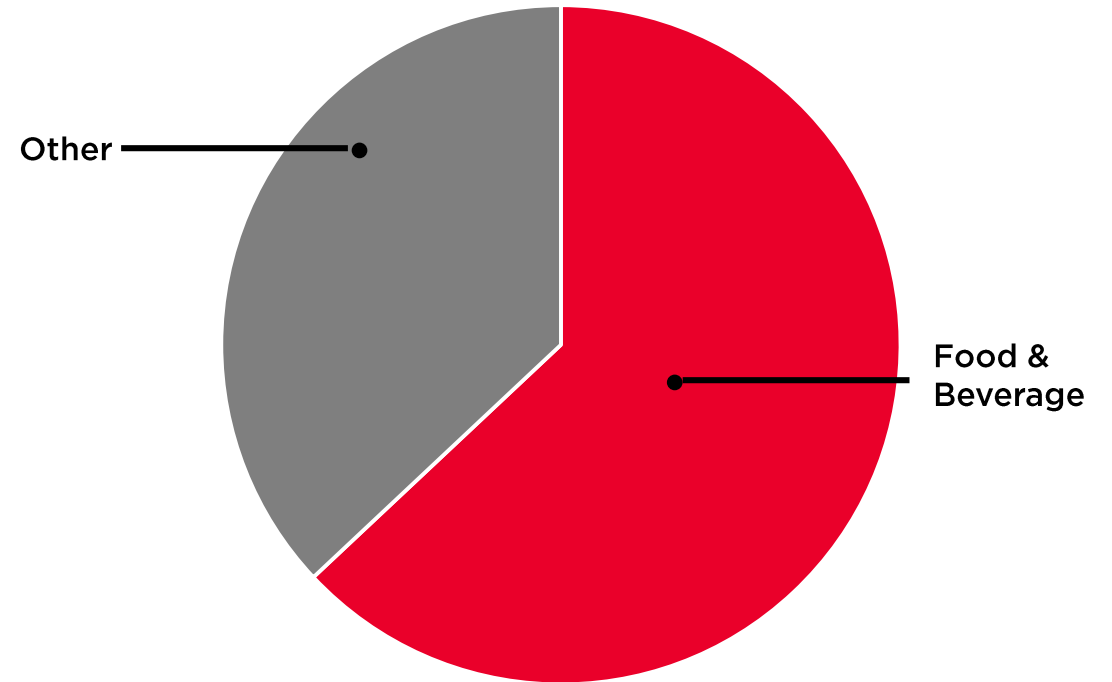
# Appendix

# Avendra Company Overview

## BUSINESS OVERVIEW

- Leading national hotel / hospitality procurement company with a customer base of ~650 management companies, including 17 of top 30 hotel chains, across 8,500+ customer locations
- End-to-end procurement solutions, offering sales and customer management, supplier and contract management, revenue management and IT systems
- \$5 billion annual purchasing spend; \$140 million in annual revenue
- Headquartered in Rockville, MD with 300 employees
- Founded in 2001 by 5 hospitality leaders: Marriott, Fairmont Hotels, Hyatt, ClubCorp and IHG

## SPEND BY CATEGORY



# AmeriPride Services Company Overview

## BUSINESS OVERVIEW

- Leading uniform rental and linen supply company with operations across US and Canada with approximately \$600 million in annual revenue
- Comprehensive array of uniform and linen laundry solutions, serving a variety of customer segments, including Industrial, Hospitality, Retail, and Healthcare
- 6,000 employees
- Approximately 120 locations serving 150,000 customers
- Headquartered in Minnesota

## SELECT CUSTOMERS



## REVENUE BY GEOGRAPHY

