Aramark Fourth Quarter & Full Year 2017 Results

November 14, 2017

aramark

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 with respect to, without limitation, conditions in our industry, our operations, our economic performance and financial condition, including, in particular, statements under the heading, “Overview”, “Cash Flow and Capital Structure”, “2018 Business Outlook” “and “Summary” and including with respect to, without limitation, the benefits, costs and timing of and ability to consummate the acquisitions of each of Avendra and AmeriPride and related financings, as well as statements regarding these companies’ services and products and 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 or remain 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, financial results, our estimated benefits, costs and timing of and ability to consummate the acquisitions and related financings 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 or the costs, benefits or timing of the proposed acquisitions and related financings 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; the outcome and timing of regulatory reviews of both the Avendra and AmeriPride transactions; our ability 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 acquisition of AmeriPride and Avendra including whether the proposed transactions will be accretive and within the expected timeframes, our ability to complete the anticipated financing of these 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 other factors set forth under the headings Item 1A “Risk Factors,” Item 3 “Legal Proceedings” and Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and other sections of our Annual Report on Form 10-K filed with the SEC 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 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 presentation and in our other 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.

Important Disclosure

In this presentation, we mention certain financial measures that are considered non-GAAP. Generally, a non-GAAP financial measure is a numerical measure of a company's performance, financial position, or cash flows that either excludes or includes items different than those prepared or presented in accordance with generally accepted accounting principles in the United States. We have prepared disclosures and reconciliations of non-GAAP financial measures that were used in this presentation and may be used periodically by management when discussing our financial results with investors and analysts, which are in the appendix to this presentation. Our fiscal year ends on the Friday nearest September 30 of each year. When we refer to our fiscal years, we say “Fiscal” and the year number, as in “Fiscal 2017” which refers to our fiscal year ended September 29, 2017.

2017 Financial Results

Organic Revenue Growth	Adjusted EPS	Adjusted EPS Growth[1]	Record Free Cash Flow
+2%	$1.94	+14%	$520M

[1] Constant Currency

Clear and Focused Strategy

ACCELERATE
GROWTH

- Solid new business momentum
- Strong retention in mid-90s
- Quality driving improved customer satisfaction

ACTIVATE
PRODUCTIVITY

- Reduce food costs through supply chain management
- Comprehensive approach to drive labor productivity
- Overhead cost controls drive operating leverage

ATTRACT
THE BEST TALENT

- Create an engaged and motivated workforce
- Build and leverage a diverse workforce
- Create a great culture and a great place to work

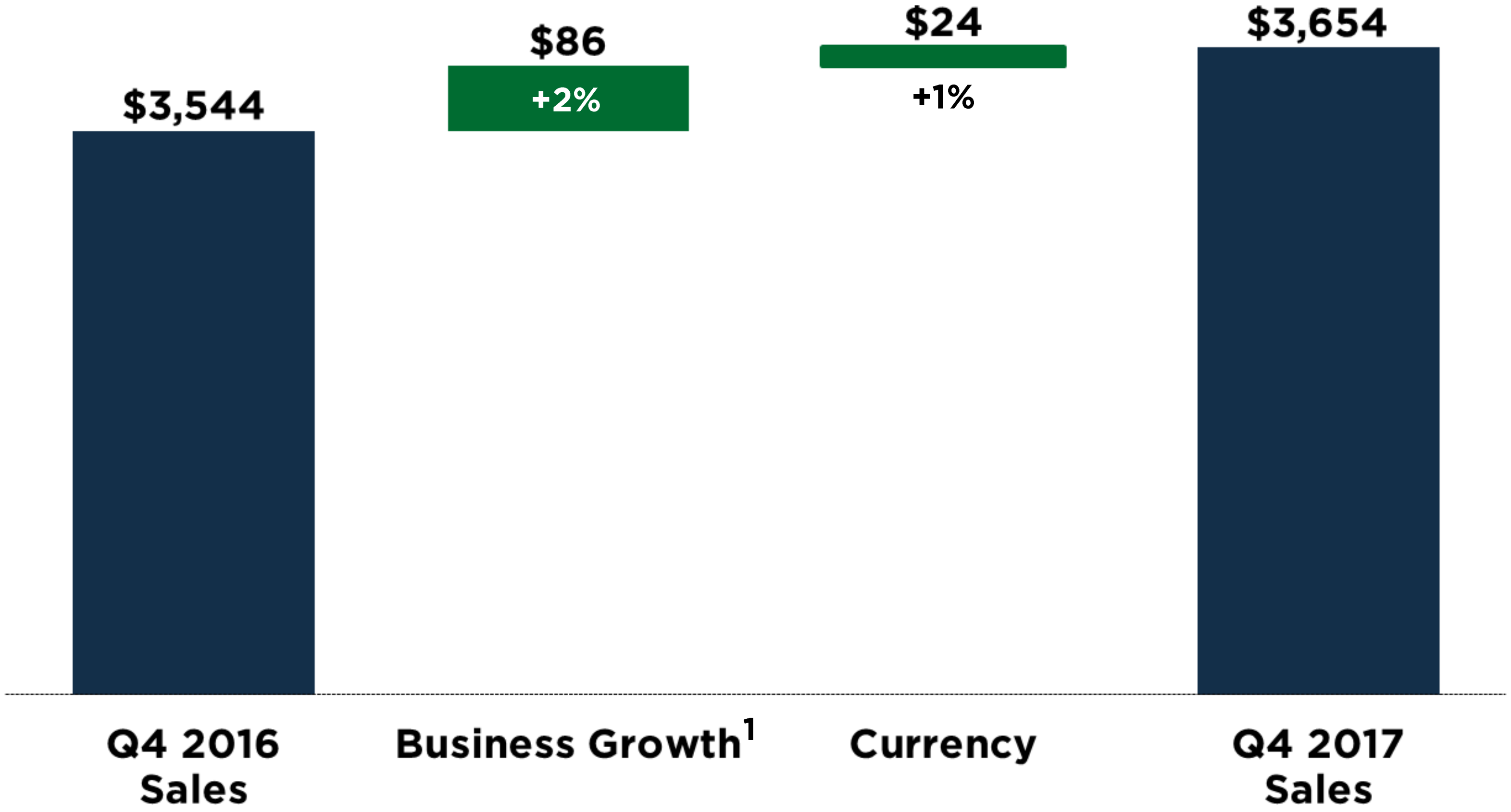
ACHIEVE
PORTFOLIO OPTIMIZATION

- Improve competitive positioning
- Enhance scale and capabilities
- Expand into new geographies and channels

2018 Outlook

Revenue Growth	At least 3%
Adjusted EPS	$2.10 - $2.20
Adj. EPS Growth	~10%

Q4 Sales Reconciliation

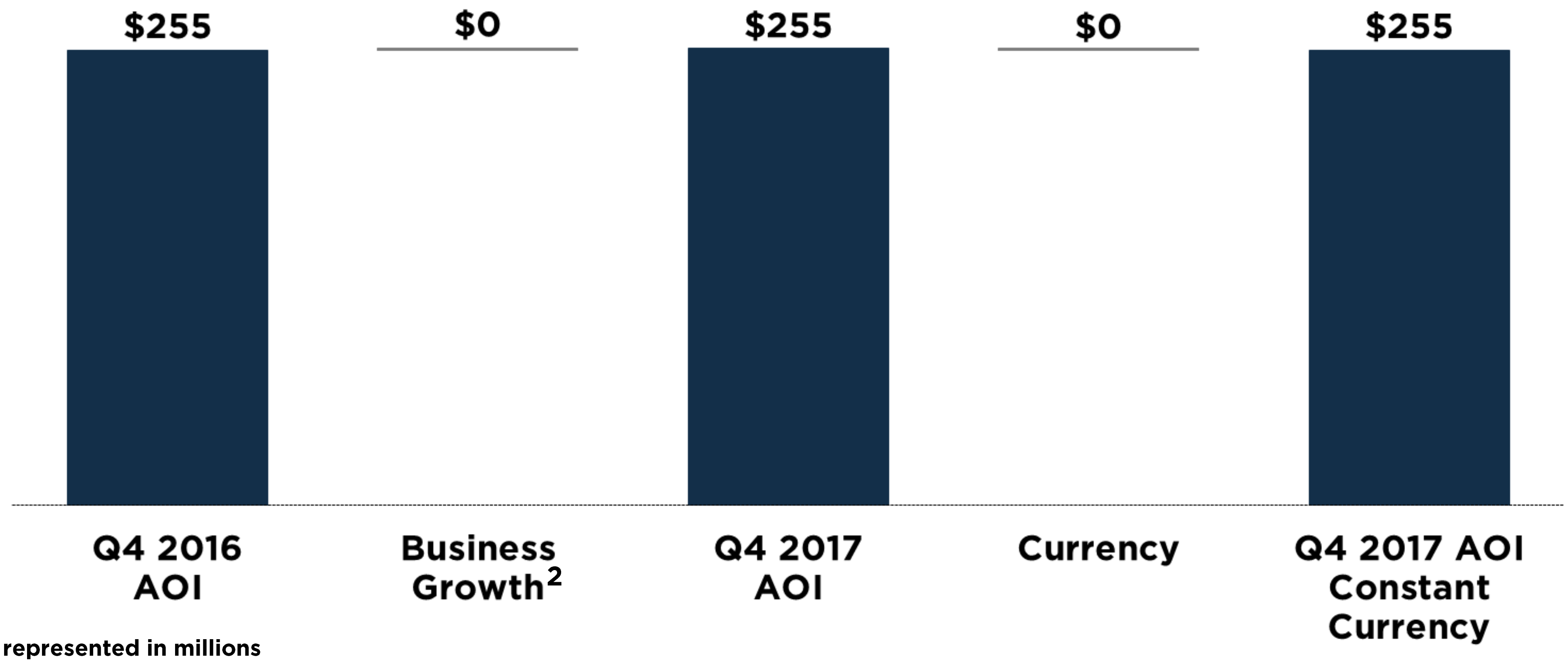


$ represented in millions; percentage change may not foot due to rounding

Organic Sales Growth +2%; Reported Sales Growth +3%

[1] Despite estimated 75 bps impact from natural disasters

Q4 AOI Reconciliation

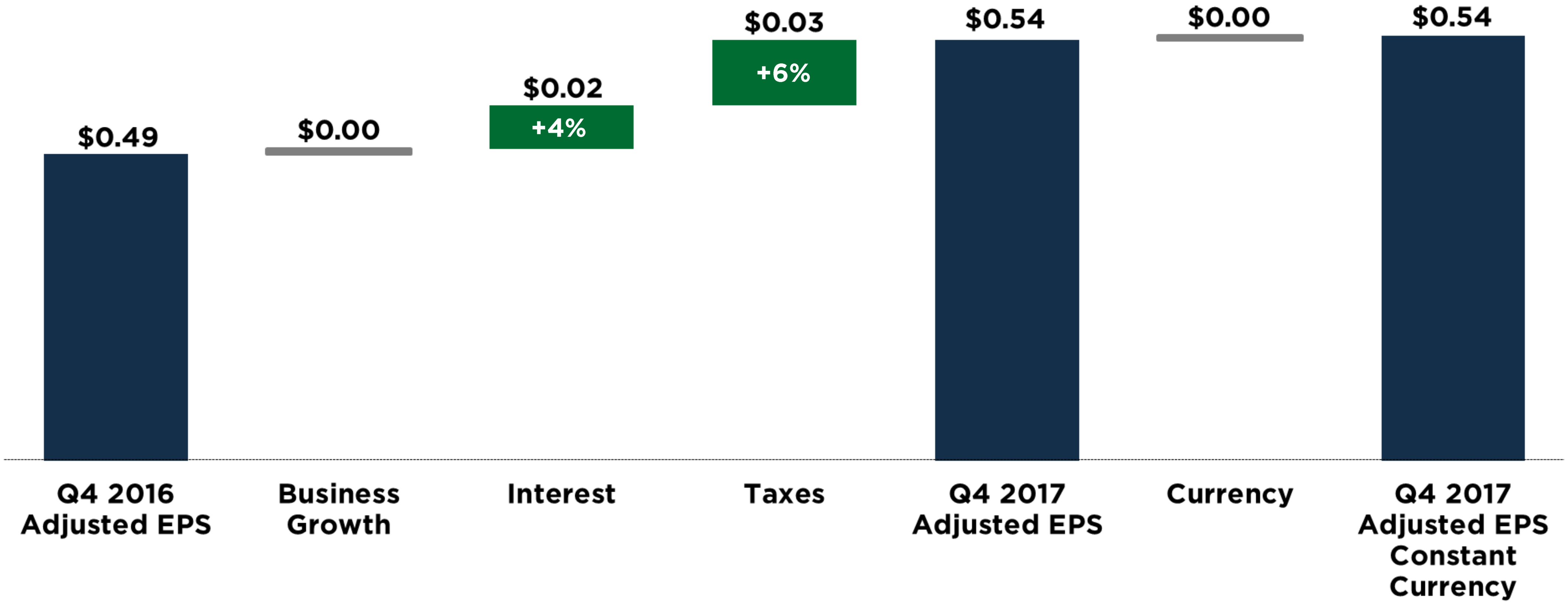


$ represented in millions

AOI flat; AOI Margin 7.0%[1]

[1] Constant Currency; [2] Estimated 7% impact from natural disasters

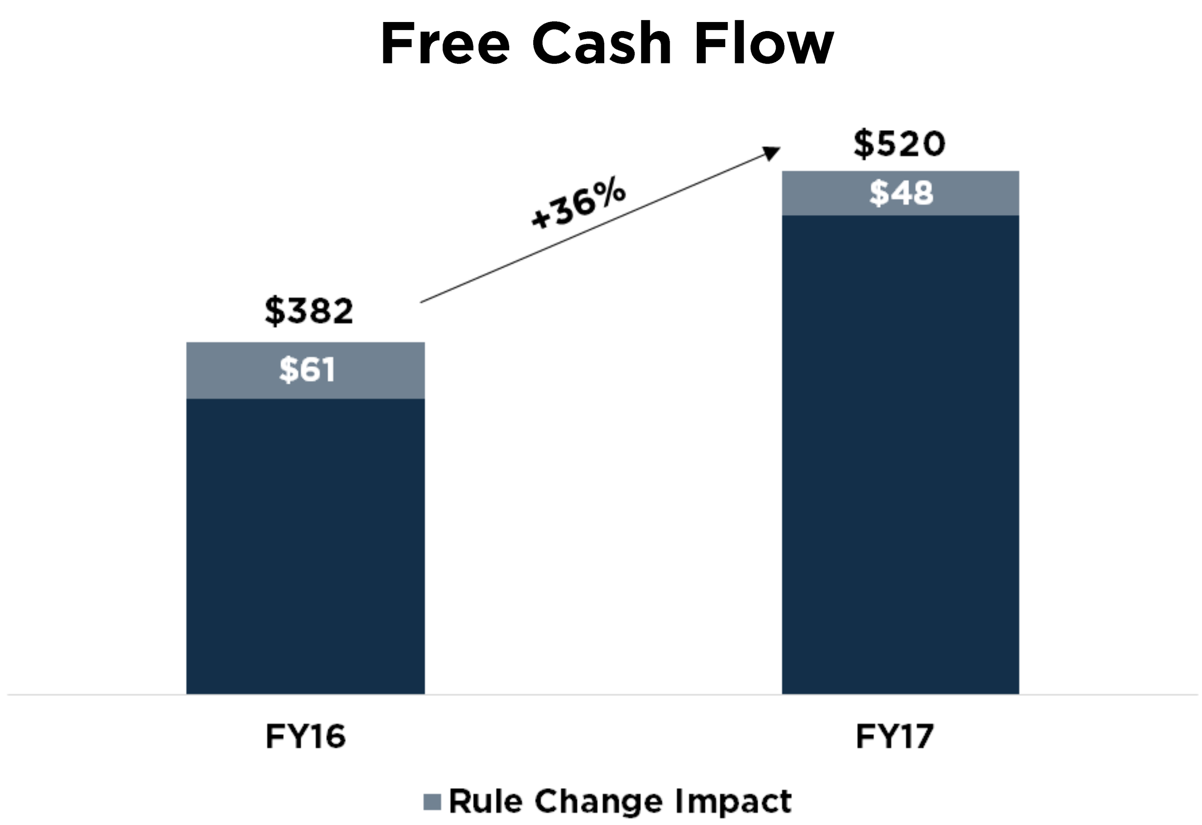
Q4 Adjusted EPS Reconciliation



Adjusted EPS +10%[1]

[1] Constant Currency

Cash Flow & Capital Structure



- **Free Cash Flow up 36% to $520 million**
  - $48 million attributable to accounting rule change related to share-based compensation (ASU 2016-09)
- **Strong Liquidity and Financial Flexibility**
  - $1.2 billion in cash and revolver availability
  - No significant maturities until 2022
- **30 bps Reduction in Net Debt/Covenant Adjusted EBITDA Ratio to 3.5x**
  - Achievement of long-term leverage target

2018 Business Outlook

FY18 Expectations*

- Adjusted EPS $2.10 to $2.20
- FY18 Free Cash Flow Outlook of > $400M
    - Impacted by higher cash taxes
- Capex ~3.5% of Sales
- Interest expense of ~$260 million
- Tax rate ~250 bps higher vs. prior year

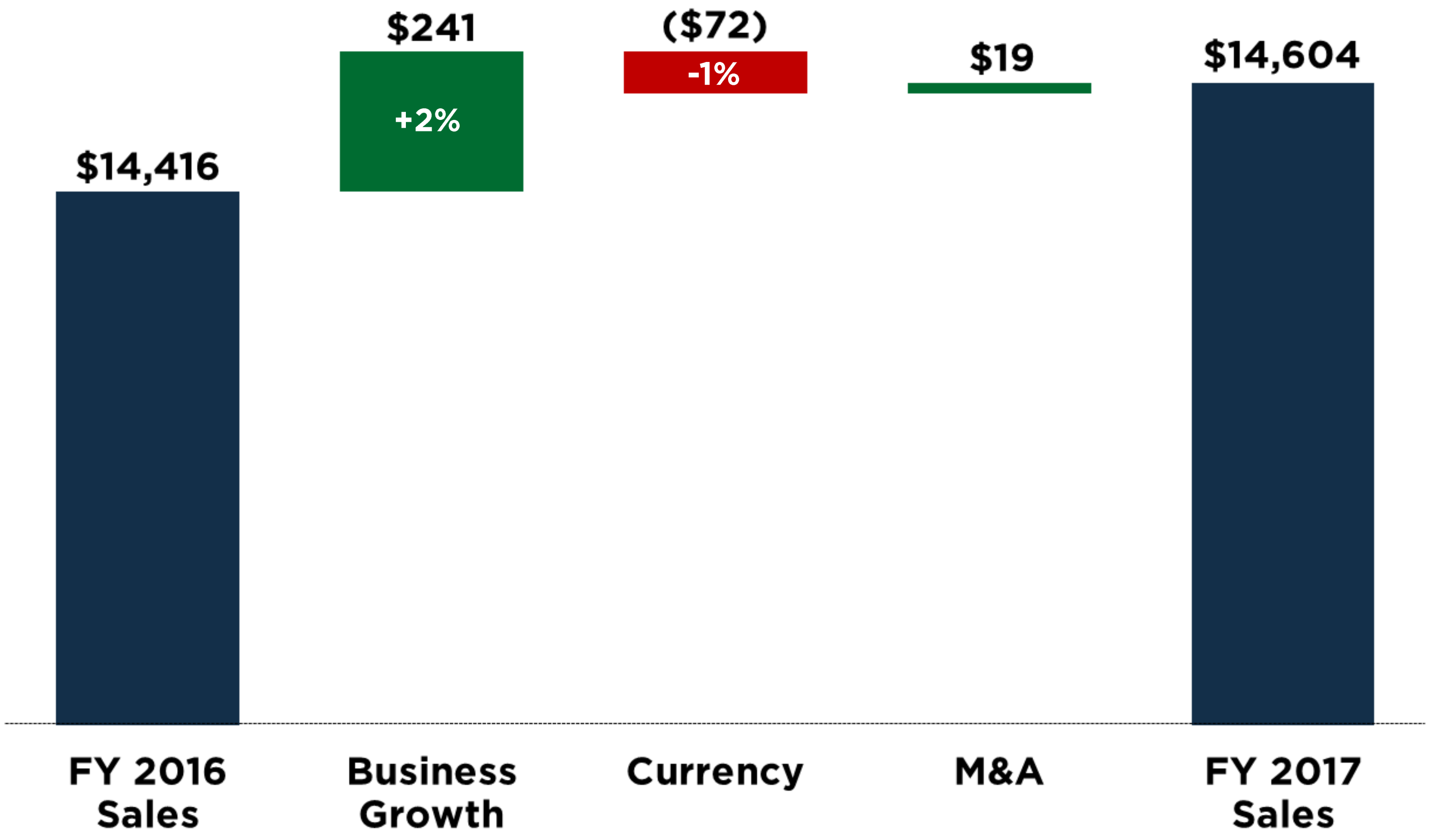
First Half Expectations

- Continued strong revenue growth driven by onboarding of new contracts across portfolio
- Margin expansion weighted towards second half due to reinvestments & start-ups

*Does not reflect expected impact from acquisitions of Avendra, LLC and AmeriPride Services, Inc.

Appendix

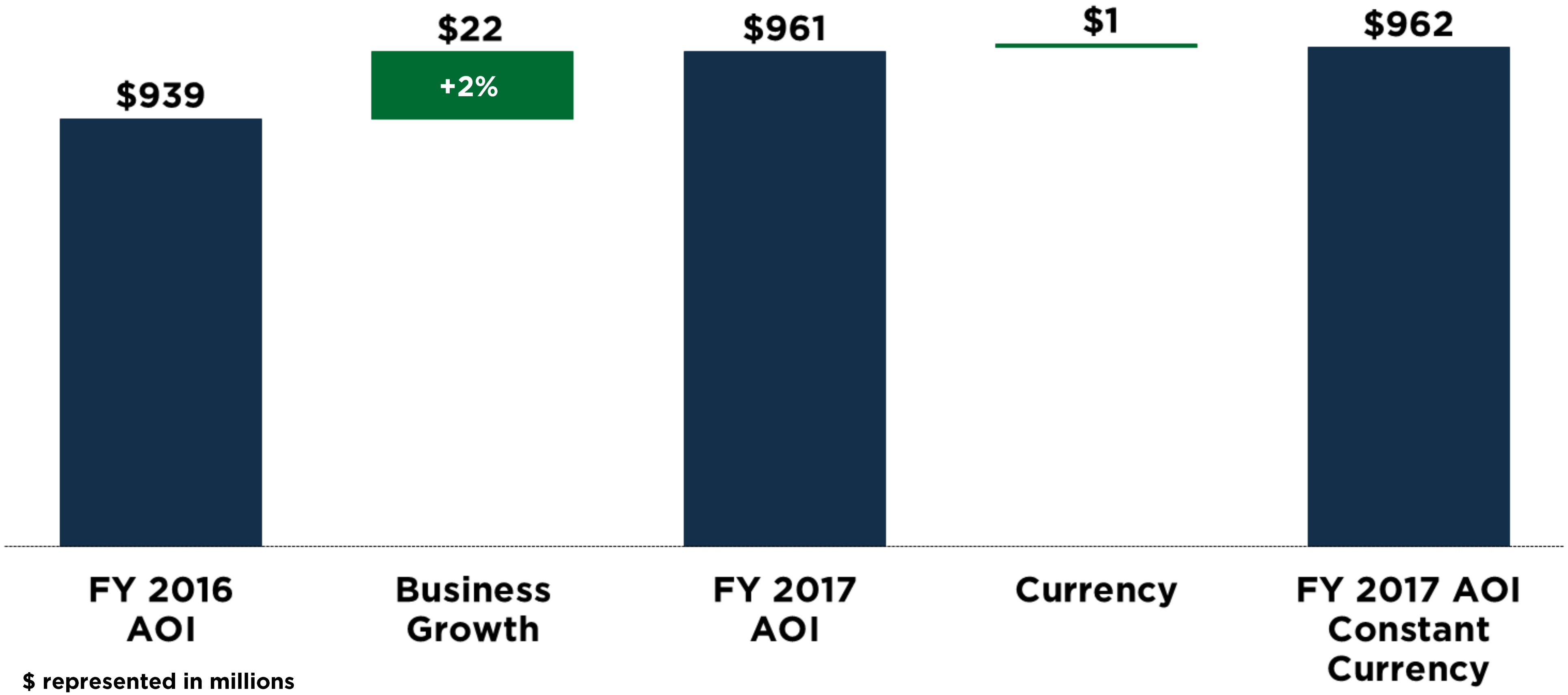
FY17 Sales Reconciliation



$ represented in millions ; percentage change may not foot due to rounding

Organic Sales Growth +2%; Reported Sales Growth +1%

FY17 AOI Reconciliation

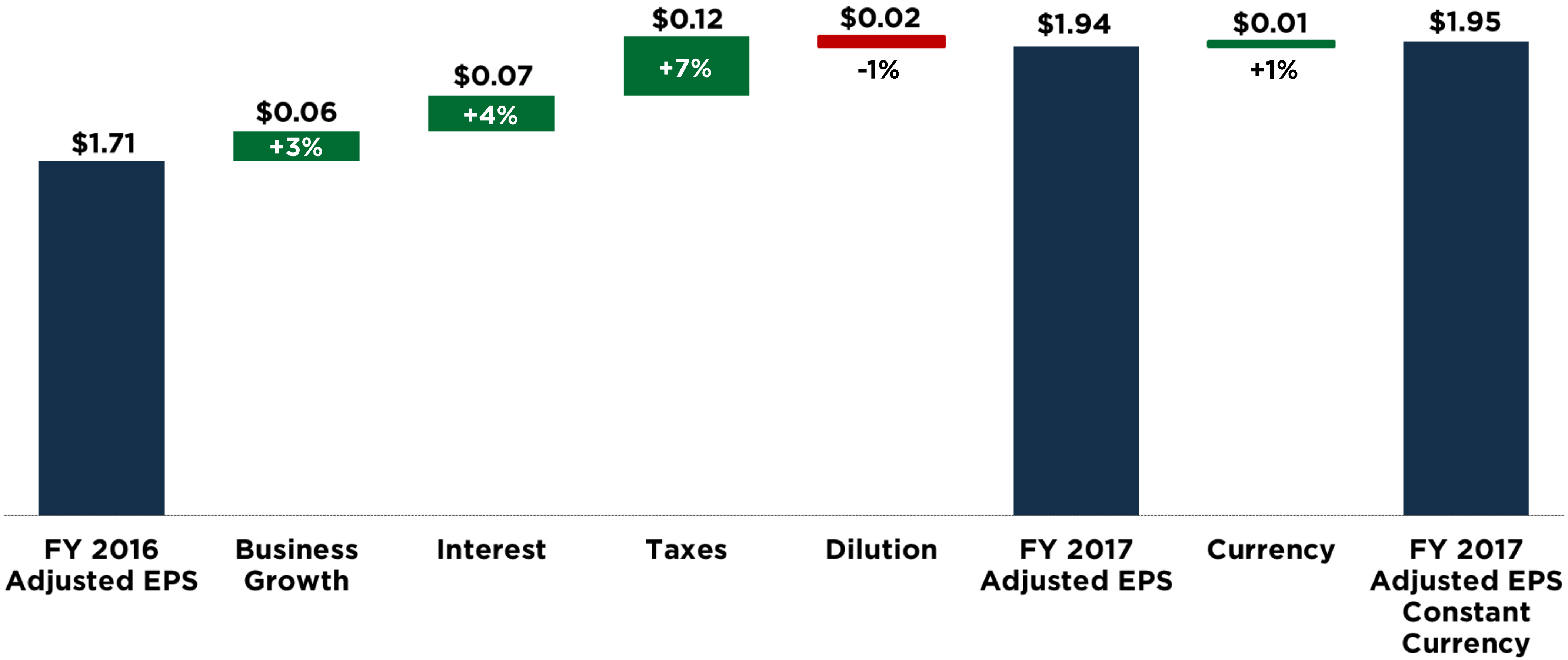


$ represented in millions

AOI Growth +2%[1]; AOI Margin 6.6%[1], +5 bps[2]

[1] Constant Currency; [2] Estimated 10 bps impact from natural disasters

FY17 Adjusted EPS Reconciliation



Adjusted EPS +14%[1]

[1] Constant Currency

Non-GAAP Reconciliation

Adjusted Sales (Organic)

Adjusted Sales (Organic) represents sales growth, adjusted to eliminate the effects of material acquisitions and divestitures and the impact of currency translation.

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 material 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.

Covenant Adjusted EBITDA

Covenant Adjusted EBITDA represents net income attributable to Aramark stockholders adjusted for interest and other financing costs, net; provision (benefit) for income taxes; depreciation and amortization; and certain other items as defined in our debt agreements required in calculating covenant ratios and debt compliance. The Company also uses Net Debt for its ratio to Covenant Adjusted EBITDA, which is calculated as total long-term borrowings less cash and cash equivalents.

Adjusted Net Income

Adjusted Net Income represents net income attributable to Aramark stockholders adjusted to eliminate 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 certain gasoline and diesel agreements; severance and other charges; share-based compensation; the effects of material acquisitions and divestitures and other items impacting comparability, less the tax impact of these adjustments. The tax effect for adjusted net income for our U.S. earnings is calculated using a blended U.S. federal and state tax rate. The tax effect for adjusted net income in jurisdictions outside the U.S. is calculated at the local country tax rate.

Adjusted Net Income (Constant Currency)

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

Adjusted EPS

Adjusted EPS represents Adjusted Net Income divided by diluted weighted average shares outstanding.

Non-GAAP Reconciliation (cont’d)

Free Cash Flow

Free Cash Flow represents net cash provided by operating activities less net purchases of property and equipment, client contract investments and other. Management believes that the presentation of free cash flow provides useful information to investors because it represents a measure of cash flow available for distribution among all the security holders of the Company.

We use Adjusted Sales (Organic), Adjusted Operating Income (including on a constant currency basis), Covenant Adjusted EBITDA, Adjusted Net Income (including on a constant currency basis), Adjusted EPS and Free Cash Flow as supplemental measures of our operating profitability and to control our cash operating costs. We believe these financial measures are useful to investors because they enable better comparisons of our historical results and allow our investors to evaluate our performance based on the same metrics that we use to evaluate our performance and trends in our results. These financial metrics are not measurements of financial performance under generally accepted accounting principles, or GAAP. 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, net income or earnings per share determined in accordance with GAAP. Adjusted Sales (Organic), Adjusted Operating Income, Covenant Adjusted EBITDA, Adjusted Net Income, Adjusted EPS and Free Cash Flow as presented by us, may not be comparable to other similarly titled measures of other companies because not all companies use identical calculations.

We provide our expectations for full year Adjusted EPS, full year Free Cash Flow, and full year Covenant Adjusted EBITDA on a non-GAAP basis and do 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 and the effect of currency translation.

Non-GAAP Reconciliation

- **Q417 Adjusted Consolidated Operating Income Margin**

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

Three Months Ended September 29, 2017

	FSS North America	FSS International	Uniform	Corporate	Aramark and Subsidiaries
Sales (as reported)	$ 2,517,602	$ 742,730	$ 393,792		$ 3,654,124
Operating Income (as reported)	$ 164,541	$ 48,436	$ 38,085	$ (33,160)	$ 217,902
Operating Income Margin (as reported)	6.54 %	6.52 %	9.67 %		5.96 %
Sales (as reported)	$ 2,517,602	$ 742,730	$ 393,792		$ 3,654,124
Effect of Currency Translation	(6,837)	(17,638)	—		(24,475)
Adjusted Sales (Organic)	$ 2,510,765	$ 725,092	$ 393,792		$ 3,629,649
Sales Growth (as reported)	1.04 %	12.34 %	0.70 %		3.11 %
Adjusted Sales Growth (Organic)	0.77 %	9.67 %	0.70 %		2.42 %
Operating Income (as reported)	$ 164,541	$ 48,436	$ 38,085	$ (33,160)	$ 217,902
Amortization of Acquisition-Related Customer Relationship Intangible Assets and Depreciation of Property and Equipment Resulting from the 2007 LBO	14,127	(413)	—	—	13,714
Share-Based Compensation	107	10	25	14,881	15,023
Severance and Other Charges	4,877	—	—	2,577	7,454
Gains, Losses and Settlements impacting comparability	—	—	—	914	914
Adjusted Operating Income	$ 183,652	$ 48,033	$ 38,110	$ (14,788)	$ 255,007
Effect of Currency Translation	(523)	87	—	—	(436)
Adjusted Operating Income (Constant Currency)	$ 183,129	$ 48,120	$ 38,110	$ (14,788)	$ 254,571
Operating Income Growth (as reported)	17.49 %	34.14 %	(22.35)%	3.72%	14.23 %
Adjusted Operating Income Growth	6.74 %	9.02 %	(30.49)%	8.29%	0.08 %
Adjusted Operating Income Growth (Constant Currency)	6.44 %	9.22 %	(30.49)%	8.29%	(0.09)%
Adjusted Operating Income Margin (Constant Currency)	7.29 %	6.64 %	9.68 %		7.01 %

Three Months Ended September 30, 2016

	FSS North America	FSS International	Uniform	Corporate	Aramark and Subsidiaries
Sales (as reported)	$ 2,491,648	$ 661,133	$ 391,043		$ 3,543,824
Adjusted Sales (Organic)	$ 2,491,648	$ 661,133	$ 391,043		$ 3,543,824
Operating Income (as reported)	$ 140,048	$ 36,108	$ 49,048	$ (34,441)	$ 190,763
Amortization of Acquisition-Related Customer Relationship Intangible Assets and Depreciation of Property and Equipment Resulting from the 2007 LBO	17,022	209	(521)	—	16,710
Share-Based Compensation	339	35	32	13,591	13,997
Severance and Other Charges	8,910	7,707	—	4,704	21,321
Gains, Losses and Settlements impacting comparability	5,734	—	6,266	22	12,022
Adjusted Operating Income	$ 172,053	$ 44,059	$ 54,825	$ (16,124)	$ 254,813
Operating Income Margin (as reported)	5.62 %	5.46 %	12.54 %		5.38 %
Adjusted Operating Income Margin	6.91 %	6.66 %	14.02 %		7.19 %

Non-GAAP Reconciliation

- **FY17 Adjusted Consolidated Operating Income Margin**

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

	Fiscal Year Ended September 29, 2017				
	FSS North America	FSS International	Uniform	Corporate	Aramark and Subsidiaries
Sales (as reported)	$ 10,231,503	$ 2,808,191	$ 1,564,718		$ 14,604,412
Operating Income (as reported)	$ 621,864	$ 136,967	$ 182,287	$ (133,061)	$ 808,057
Operating Income Margin (as reported)	6.08 %	4.88 %	11.65 %		5.53 %
Sales (as reported)	$ 10,231,503	$ 2,808,191	$ 1,564,718		$ 14,604,412
Effect of Currency Translation	(5,117)	76,897	—		71,780
Effects of Acquisitions and Divestitures	—	(18,563)	—		(18,563)
Adjusted Sales (Organic)	$ 10,226,386	$ 2,866,525	$ 1,564,718		$ 14,657,629
Sales Growth (as reported)	1.08 %	2.87 %	0.07 %		1.31 %
Adjusted Sales Growth (Organic)	1.03 %	5.01 %	0.07 %		1.68 %
Operating Income (as reported)	$ 621,864	$ 136,967	$ 182,287	$ (133,061)	$ 808,057
Amortization of Acquisition-Related Customer Relationship Intangible Assets and Depreciation of Property and Equipment Resulting from the 2007 LBO	58,930	(962)	(383)	—	57,585
Share-Based Compensation	606	436	271	65,776	67,089
Severance and Other Charges	12,230	10,733	1,098	4,267	28,328
Effects of Acquisitions and Divestitures	—	(1,127)	—	—	(1,127)
Gains, Losses and Settlements impacting comparability	(2,988)	—	(1,336)	5,236	912
Adjusted Operating Income	$ 690,642	$ 146,047	$ 181,937	$ (57,782)	$ 960,844
Effect of Currency Translation	(456)	1,763	—	—	1,307
Adjusted Operating Income (Constant Currency)	$ 690,186	$ 147,810	$ 181,937	$ (57,782)	$ 962,151
Operating Income Growth (as reported)	13.82 %	6.06 %	(6.69)%	6.85 %	8.27 %
Adjusted Operating Income Growth	5.80 %	3.33 %	(9.87)%	1.51 %	2.32 %
Adjusted Operating Income Growth (Constant Currency)	5.73 %	4.58 %	(9.87)%	1.51 %	2.46 %
Adjusted Operating Income Margin (Constant Currency)	6.75 %	5.16 %	11.63 %		6.56 %

	Fiscal Year Ended September 30, 2016				
	FSS North America	FSS International	Uniform	Corporate	Aramark and Subsidiaries
Sales (as reported)	$ 10,122,373	$ 2,729,782	$ 1,563,674		$ 14,415,829
Adjusted Sales (Organic)	$ 10,122,373	$ 2,729,782	$ 1,563,674		$ 14,415,829
Operating Income (as reported)	$ 546,356	$ 129,143	$ 195,346	$ (124,531)	$ 746,314
Amortization of Acquisition-Related Customer Relationship Intangible Assets and Depreciation of Property and Equipment Resulting from the 2007 LBO	79,916	670	(2,412)	—	78,174
Share-Based Compensation	1,093	222	173	57,870	59,358
Severance and Other Charges	12,070	10,921	2,480	16,265	41,736
Gains, Losses and Settlements impacting comparability	13,325	381	6,266	(6,525)	13,447
Adjusted Operating Income	$ 652,760	$ 141,337	$ 201,853	$ (56,921)	$ 939,029
Operating Income Margin (as reported)	5.40 %	4.73 %	12.49 %		5.18 %
Adjusted Operating Income Margin	6.45 %	5.18 %	12.91 %		6.51 %

Non-GAAP Reconciliation

- **Q417 & FY17 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		Fiscal Year Ended	
	September 29, 2017	September 30, 2016	September 29, 2017	September 30, 2016
Net Income Attributable to Aramark Stockholders (as reported)	$ 113,138	$ 83,344	$ 373,923	$ 287,806
Adjustment:				
Amortization of Acquisition-Related Customer Relationship Intangible Assets and Depreciation of Property and Equipment Resulting from the 2007 LBO	13,714	16,710	57,585	78,174
Share-Based Compensation	15,023	13,997	67,089	59,358
Severance and Other Charges	7,454	21,321	28,328	41,736
Effects of Acquisitions and Divestitures	—	—	(1,127)	—
Gains, Losses and Settlements impacting comparability	914	12,022	912	13,447
Effects of Refinancing on Interest and Other Financing Costs, net	1,523	—	31,491	31,267
Tax Impact of Adjustments to Adjusted Net Income	(14,445)	(24,444)	(69,039)	(86,929)
Adjusted Net Income	$ 137,321	$ 122,950	$ 489,162	$ 424,859
Effect of Currency Translation, net of Tax	(319)	—	989	—
Adjusted Net Income (Constant Currency)	$ 137,002	$ 122,950	$ 490,151	$ 424,859
Earnings Per Share (as reported)				
Net Income Attributable to Aramark Stockholders (as reported)	$ 113,138	$ 83,344	$ 373,923	$ 287,806
Diluted Weighted Average Shares Outstanding	252,016	250,135	251,557	248,763
	$ 0.45	$ 0.33	$ 1.49	$ 1.16
Earnings Per Share Growth (as reported)	36.36%		28.45%	
Adjusted Earnings Per Share				
Adjusted Net Income	$ 137,321	$ 122,950	$ 489,162	$ 424,859
Diluted Weighted Average Shares Outstanding	252,016	250,135	251,557	248,763
	$ 0.54	$ 0.49	$ 1.94	$ 1.71
Adjusted Earnings Per Share Growth	10.20%		13.45%	
Adjusted Earnings Per Share (Constant Currency)				
Adjusted Net Income (Constant Currency)	$ 137,002	$ 122,950	$ 490,151	$ 424,859
Diluted Weighted Average Shares Outstanding	252,016	250,135	251,557	248,763
	$ 0.54	$ 0.49	$ 1.95	$ 1.71
Adjusted Earnings Per Share Growth (Constant Currency)	10.20%		14.04%	

Non-GAAP Reconciliation

- **Net Debt to Covenant Adjusted EBITDA**

ARAMARK AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP MEASURES
NET DEBT TO COVENANT ADJUSTED EBITDA
(Unaudited)
(In thousands)

	Twelve Months Ended	
	September 29, 2017	September 30, 2016
Net Income Attributable to Aramark Stockholders (as reported)	$ 373,923	$ 287,806
Interest and Other Financing Costs, net	287,415	315,383
Provision for Income Taxes	146,455	142,699
Depreciation and Amortization	508,212	495,765
Share-based compensation expense(1)	65,155	56,942
Pro forma EBITDA for equity method investees(2)	14,198	14,277
Pro forma EBITDA for certain transactions(3)	18	4,098
Other(4)	36,833	35,436
Covenant Adjusted EBITDA	$ 1,432,209	$ 1,352,406
Net Debt to Covenant Adjusted EBITDA		
Total Debt	$ 5,268,488	$ 5,270,036
Less: Cash and cash equivalents	$ 238,797	$ 152,580
Net Debt	$ 5,029,691	$ 5,117,456
Covenant Adjusted EBITDA	$ 1,432,209	$ 1,352,406
Net Debt/Covenant Adjusted EBITDA	3.5	3.8

(1) Represents compensation expense related to the Company's issuances of share-based awards but does not include the related employer payroll tax expense incurred by the Company when employees exercise in the money stock options or vest in restricted stock awards.

(2) Represents our estimated share of Covenant Adjusted EBITDA primarily from our AIM Services Co., Ltd. equity method investment, not already reflected in our Covenant Adjusted EBITDA. Covenant Adjusted EBITDA for this equity method investee is calculated in a manner consistent with consolidated Covenant Adjusted EBITDA but does not represent cash distributions received from this investee.

(3) Represents the annualizing of net EBITDA from certain acquisitions made during the period.

(4) Other includes organizational streamlining initiatives ($19.4 million for fiscal 2017 and $24.9 million for fiscal 2016), the impact of the change in fair value related to certain gasoline and diesel agreements ($0.4 million loss for fiscal 2017 and $8.3 million gain for fiscal 2016), expenses related to acquisition costs ($2.6 million for fiscal 2017 and $3.9 million for fiscal 2016) and other miscellaneous expenses. "Other" for the twelve months ended September 29, 2017 also includes the estimated impact from natural disasters of $17.0 million ($6.1 million of which relates to asset write-downs). "Other" for the twelve months ended September 30, 2016 also includes property and other asset write-downs associated with the sale of a building of $6.8 million and asset write-offs of $5.0 million.

Non-GAAP Reconciliation

- **Free Cash Flow**

ARAMARK AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP MEASURES
FREE CASH FLOW
(Unaudited)
(In thousands)

	Fiscal Year Ended	
	September 29, 2017	September 30, 2016
Net Cash provided by operating activities	$ 1,053,387	$ 867,314
Net purchases of property and equipment, client contract investments and other	(533,823)	(485,708)
Free Cash Flow	$ 519,564	$ 381,606
	36.15%	

Non-GAAP Reconciliation

- **EPS Growth**

	12 Months Ended 9/29/2017	12 Months Ended 9/30/2016	12 Months Ended 10/2/2015	12 Months Ended 10/3/2014	12 Months Ended 9/27/2013
Net Income Attributable to Aramark Stockholders (as reported)	$ 373,923	$ 287,806	$ 235,946	$ 148,956	$ 69,356
Adjustment:					
Loss from Discontinued Operations, net of tax	-	-	-	-	1,030
Amortization of Acquisition-Related Customer Relationship Intangible Assets and Depreciation of Property and Equipment Resulting from the Transaction	57,585	78,174	110,080	129,505	155,443
Share-Based Compensation	67,089	59,358	72,800	47,522	19,417
Severance and Other Charges	28,328	41,736	66,545	53,554	113,464
Effects of Acquisitions and Divestitures	(1,127)	-	(421)	(71)	(5,992)
Branding	-	-	-	26,910	968
Initial Public Offering-Related Expenses, including share-based compensation	-	-	-	56,133	-
Gains, Losses and Settlements impacting comparability	912	13,447	3,793	1,911	(10,251)
Effects of Refinancings on Interest and Other Financing Costs, net	31,491	31,267	-	25,705	39,830
Tax Impact of Adjustments to Adjusted Net Income	(69,039)	(86,929)	(102,485)	(128,442)	(118,694)
Adjusted Net Income	$ 489,162	$ 424,859	$ 386,258	$ 361,683	$ 264,571
Effect of Currency Translation, net of tax	989	-	—	(18,171)	(3,941)
Adjusted Net Income (Constant Currency)	$ 490,151	$ 424,859	$ 386,258	$ 343,512	$ 260,630
Earnings Per Share (as reported)					
Net Income Attributable to Aramark Stockholders (as reported)	$ 373,923	$ 287,806	$ 235,946	$ 148,956	$ 69,356
Diluted Weighted Average Shares Outstanding	251,557	248,763	246,616	237,451	209,370
	$ 1.49	$ 1.16	$ 0.96	$ 0.63	$ 0.33
EPS Increase (as reported)	0.33	0.20	0.33	0.30	
Adjusted Earnings Per Share					
Adjusted Net Income	$ 489,162	$ 424,859	$ 386,258	$ 361,683	$ 264,571
Diluted Weighted Average Shares Outstanding	251,557	248,763	246,616	237,451	209,370
	$ 1.94	$ 1.71	$ 1.57	$ 1.52	$ 1.26
Adjusted Earnings Per Share (Constant Currency)					
Adjusted Net Income (Constant Currency)	$ 490,151	$ 432,840	$ 386,258	$ 343,512	$ 260,630
Diluted Weighted Average Shares Outstanding	251,557	248,763	246,616	237,451	209,370
	$ 1.95	$ 1.71	$ 1.57	$ 1.45	$ 1.24
Adjusted EPS Increase (Constant Currency)	24%	14%	12%	21%	