Aramark First Quarter 2020 Review

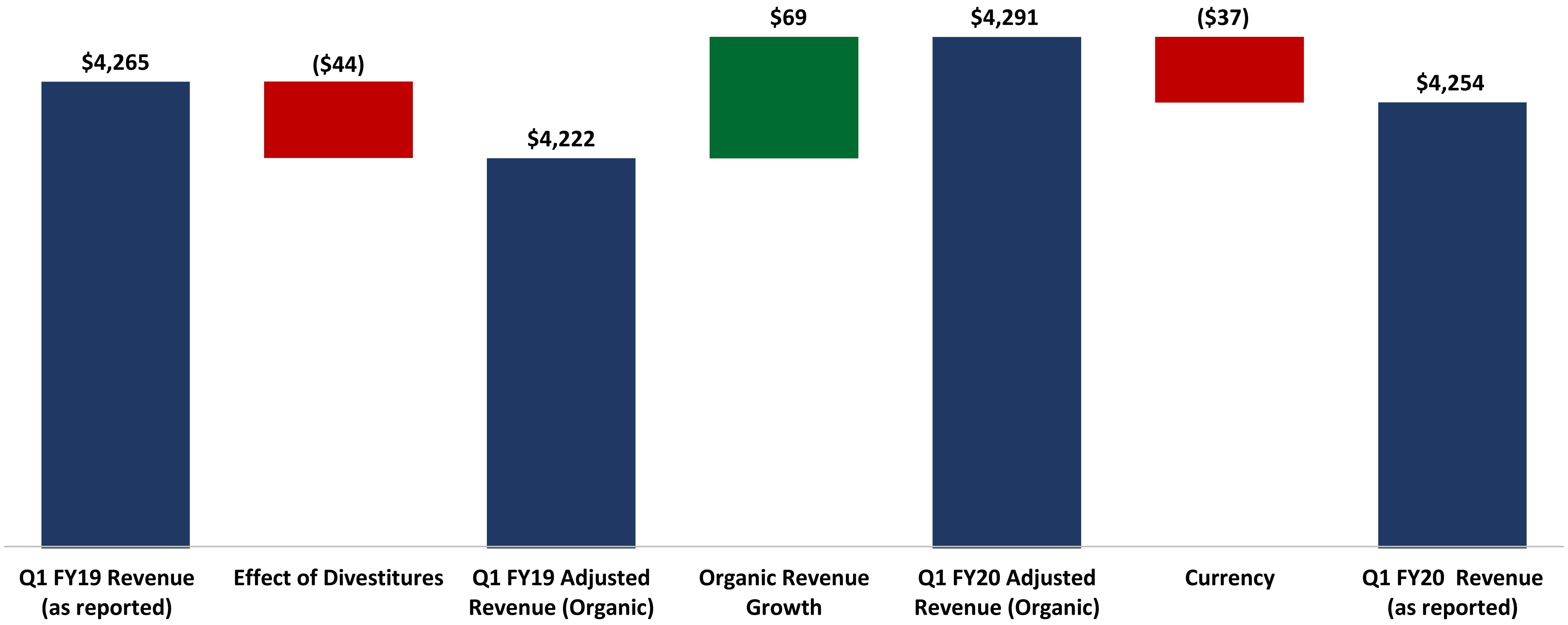
February 4, 2020

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, under the headings “FY20 Expectations” and with respect to, without limitation, anticipated effects of our adoption of new accounting standards, the expected impact of strategic portfolio actions, the benefits and costs of our acquisitions of each of Avendra, LLC ("Avendra") and AmeriPride Services, Inc. ("AmeriPride"), as well as statements regarding these companies' services and products and 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 or remain or continue to be 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 and our estimated benefits and costs of our acquisitions 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 and benefits of the acquisitions include without limitation: unfavorable economic conditions; natural disasters, global calamities, pandemics, 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; 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 transactions will be accretive and within the expected timeframes; 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 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; 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 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; 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 26, 2019 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.

Q1 Revenue Walk

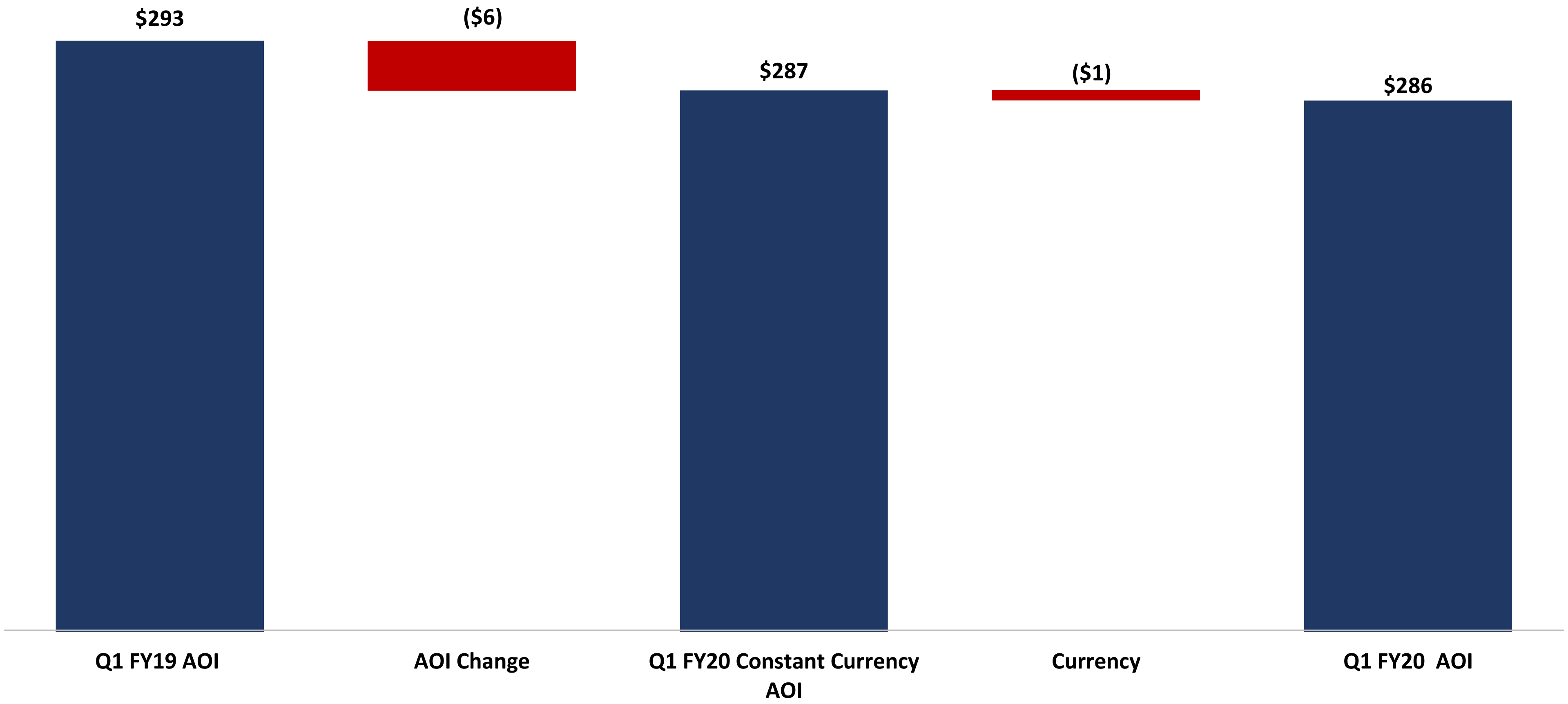


Organic Revenue Growth +1.6%

- Organic revenue growth across all segments
- Reflects exit of non-core custodial accounts in Europe late last fiscal year

$ represented in millions; May not foot due to rounding

Q1 Adjusted Operating Income Walk

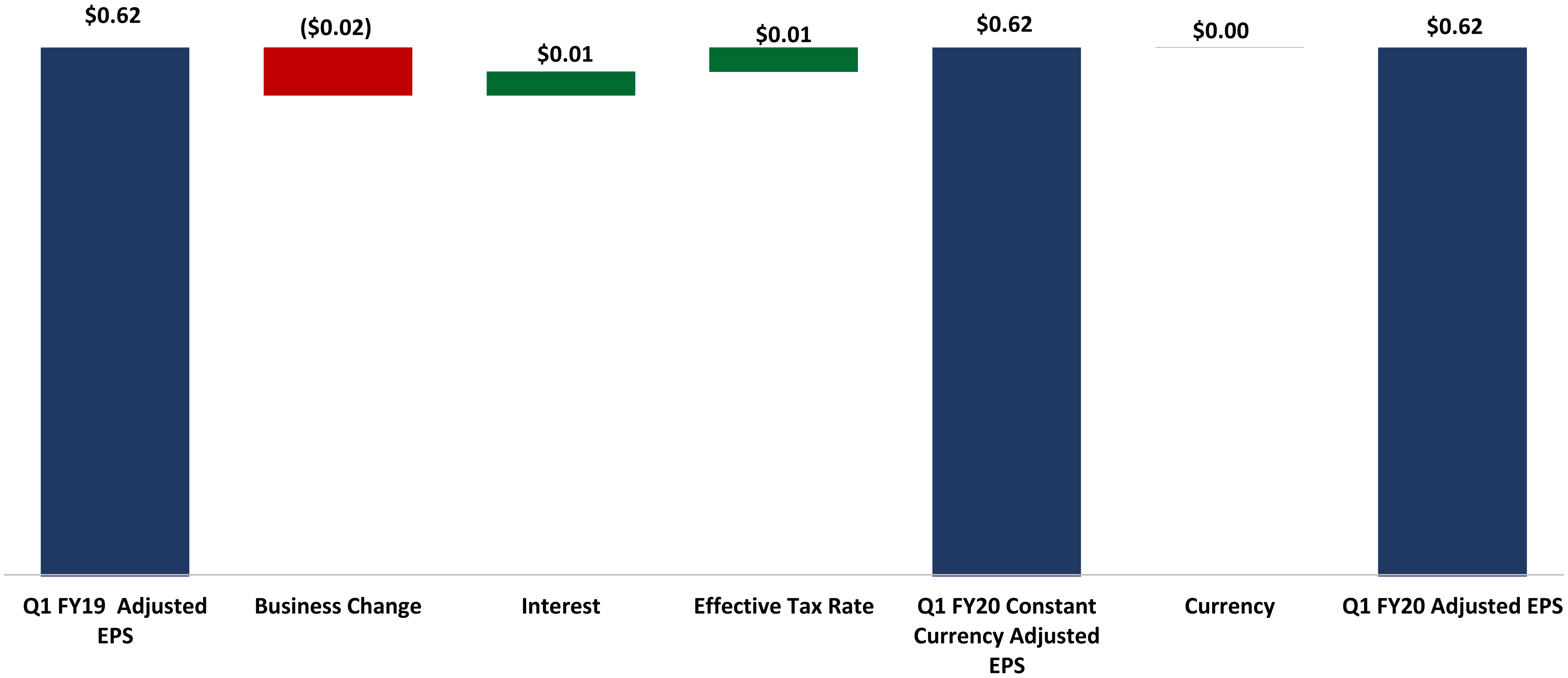


AOI Change (2)%[1]

- Initiated planned targeted investments to accelerate future revenue growth

$ represented in millions; May not foot due to rounding
[1]Constant Currency

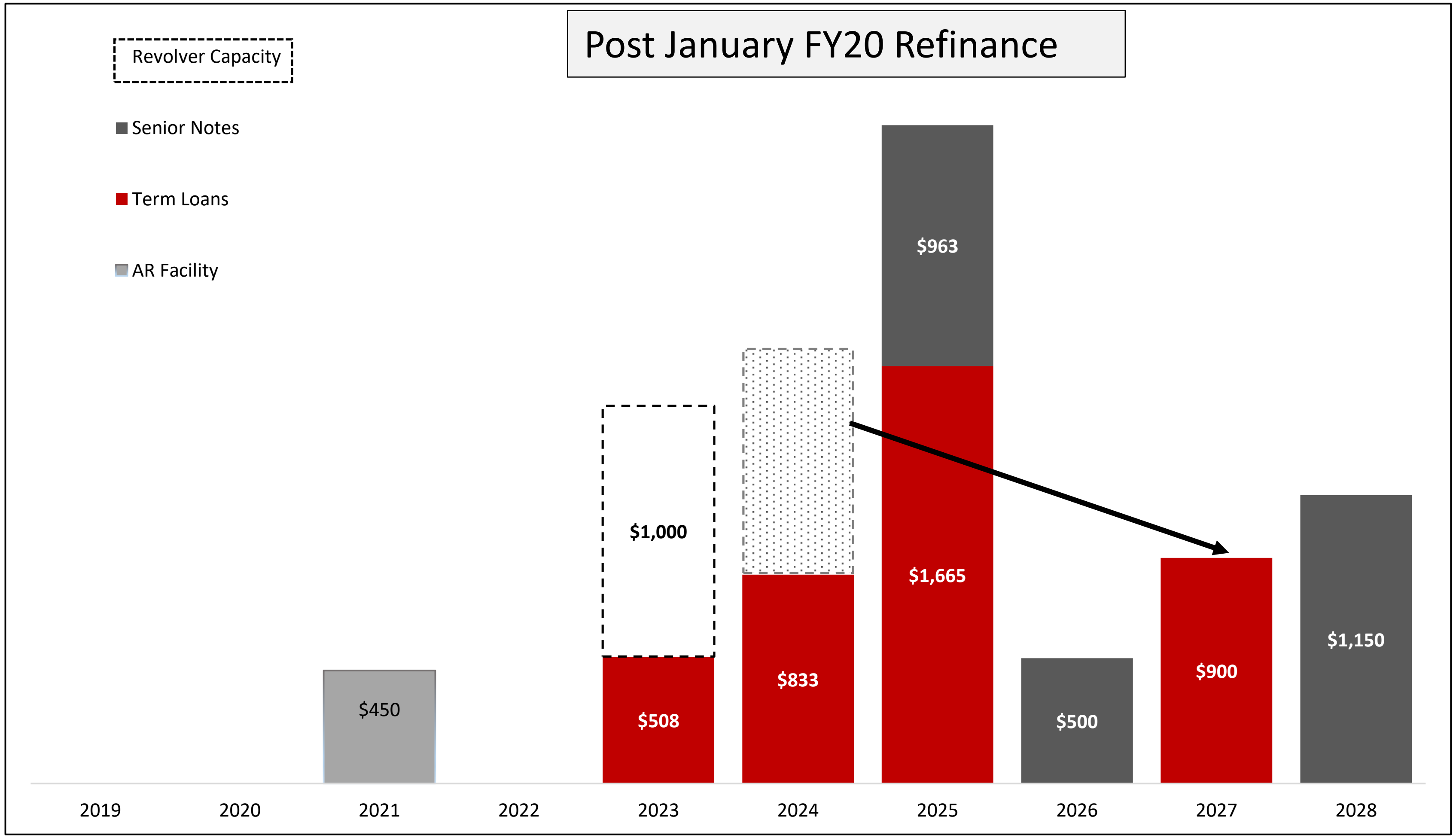
Q1 Adjusted EPS Walk



Adjusted EPS unchanged [1]

[1] Constant Currency

Capital Structure



- **Total fixed-rate debt maintained at ~86%**
- **Recent refinancing strengthens balance sheet and improves financial flexibility**

$ Millions; excludes immaterial minimum principal payments and foreign borrowings, capital leases, and revolver borrowings

FY20 Expectations

FY20 and Q4 results contain an extra, or 53rd, week*. The outlook provided below is based on 52 weeks for year-over-year comparability purposes.

- **FY20 expectations remain unchanged**
  - **Organic revenue growth of ~3%**
  - **Positive Adjusted EPS growth**
  - **Leverage ratio of 3.5x to 3.6x by year-end[1]**
  - **Free Cash Flow Outlook of ~$600M**
  - **Incremental synergies from Avendra and AmeriPride ~$35M**

*Organic Revenue, Adjusted Operating Income, Adjusted Net Income and Adjusted Earnings Per Share Growth will be adjusted for the 53rd week. Prior to the adjustment, the 53rd week is expected to have a full year benefit of approximately 2% on these metrics. Due to certain outflows from the natural cadence of the business related to the calendar shift including interest and tax payments, employee and client payments and commissions, Free Cash Flow is expected to be modestly unfavorable in the 53rd week period, with the Company diligently managing offset opportunities over the course of the year.

[1]Ratio of Net Debt to Covenant Adjusted EBITDA

Revenue by Sector

	Three Months Ended	
	December 27, 2019	December 28, 2018
FSS United States:		
Business & Industry	405.5	399.9
Education	1,001.1	1,016.3
Healthcare	227.2	263.3
Sports, Leisure & Corrections	608.9	594.3
Facilities & Other	396.3	386.5
Total FSS United States	$ 2,639.0	$ 2,660.3
FSS International:		
Europe	502.7	520.1
Rest of World	443.5	433.0
Total FSS International	$ 946.2	$ 953.1
Uniform	668.4	651.9
Total Revenue	$ 4,253.6	$ 4,265.3

*The numbers provided reflect Revenue (as reported) and therefore, by definition, do not include the impact of currency or divestitures, including Healthcare Technologies reflected in the Healthcare Sector.

CapEx and Client Payments as a Percentage of Revenue

	Three Months Ended	
	12/27/2019	12/28/2018
Purchases of property and equipment and other	$ 99,196	$ 114,400
Payments made to clients on contracts	10,006	22,422
	$ 109,202	$ 136,822
Revenue (as reported)	$ 4,253,597	$ 4,265,349
Percentage of Revenue	2.6%	3.2%

Non-GAAP Reconciliation

Adjusted Revenue (Organic)

Adjusted Revenue (Organic) represents revenue growth, adjusted to eliminate the effects of material 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 intangible assets; the impact of the change in fair value related to certain gasoline and diesel agreements; severance and other charges; the effect of divestitures (including the gain on the sale); merger and integration related charges; tax reform related employee reinvestments; 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 change in amortization of acquisition-related intangible assets; the impact of changes in the fair value related to certain gasoline and diesel agreements; severance and other charges; the effect of divestitures (including the gain on the sale); merger and integration related charges; the tax benefit attributable to the former CEO's equity award exercises; the impact of tax reform; 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.

Adjusted EPS (Constant Currency)

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

Non-GAAP Reconciliation (cont'd)

Covenant Adjusted EBITDA

Covenant Adjusted EBITDA represents net income attributable to Aramark stockholders adjusted for interest and other financing costs, net; provision 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.

Free Cash Flow

Free Cash Flow represents net cash used in operating activities less net purchases of property and equipment 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 Revenue (Organic), Adjusted Operating Income (including on a constant currency basis), Adjusted Net Income (including on a constant currency basis), Adjusted EPS (including on a constant currency basis), Covenant Adjusted EBITDA 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 revenue, operating income, net income, or earnings per share, determined in accordance with GAAP. Adjusted Revenue (Organic), Adjusted Operating Income, Adjusted Net Income, Adjusted EPS, Covenant Adjusted EBITDA, 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.

2020 Outlook

Aramark provides its expectations for organic revenue growth, full-year adjusted EPS and full-year free cash flow 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 reconciliations, 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

- **Adjusted Consolidated Operating Income Margin**

ARAMARK AND SUBSIDIARIES

RECONCILIATION OF NON-GAAP MEASURES

ADJUSTED CONSOLIDATED OPERATING INCOME MARGIN

(Unaudited)

(In thousands)

	Three Months Ended December 27, 2019				
	FSS United States	FSS International	Uniform	Corporate	Aramark and Subsidiaries
Revenue (as reported)	$ 2,638,960	$ 946,194	$ 668,443		$ 4,253,597
Operating Income (as reported)	$ 185,954	$ 43,676	$ 53,310	$ (28,647)	$ 254,293
Operating Income Margin (as reported)	7.05 %	4.62 %	7.98%		5.98 %
Revenue (as reported)	$ 2,638,960	$ 946,194	$ 668,443		$ 4,253,597
Effect of Currency Translation	12	37,393	(48)		37,357
Adjusted Revenue (Organic)	$ 2,638,972	$ 983,587	$ 668,395		$ 4,290,954
Revenue Growth (as reported)	(0.80)%	(0.73)%	2.54%		(0.28)%
Adjusted Revenue Growth (Organic)	0.85 %	3.20 %	2.53%		1.64 %
Operating Income (as reported)	$ 185,954	$ 43,676	$ 53,310	$ (28,647)	$ 254,293
Amortization of Acquisition-Related Intangible Assets	21,254	1,658	6,154	—	29,066
Merger and Integration Related Charges	2,364	229	7,471	—	10,064
Tax Reform Related Employee Reinvestments	1,436	—	(13)	—	1,423
Gains, Losses and Settlements impacting comparability	(7,123)	—	74	(2,009)	(9,058)
Adjusted Operating Income	$ 203,885	$ 45,563	$ 66,996	$ (30,656)	$ 285,788
Effect of Currency Translation	26	1,158	(20)	—	1,164
Adjusted Operating Income (Constant Currency)	$ 203,911	$ 46,721	$ 66,976	$ (30,656)	$ 286,952
Operating Income Growth (as reported)	(48.88)%	281.25 %	1.17%	47.47%	(31.89)%
Adjusted Operating Income Growth	(10.53)%	39.12 %	1.94%	8.99%	(2.35)%
Adjusted Operating Income Growth (Constant Currency)	(10.52)%	42.66 %	1.91%	8.99%	(1.95)%
Adjusted Operating Income Margin (Constant Currency)	7.73 %	4.75 %	10.02%		6.69 %

	Three Months Ended December 28, 2018				
	FSS United States	FSS International	Uniform	Corporate	Aramark and Subsidiaries
Revenue (as reported)	$ 2,660,356	$ 953,122	$ 651,871		$ 4,265,349
Effect of Divestitures	(43,680)	—	—		(43,680)
Adjusted Revenue (Organic)	$ 2,616,676	$ 953,122	$ 651,871		$ 4,221,669
Operating Income (as reported)	$ 363,751	$ 11,456	$ 52,694	$ (54,539)	$ 373,362
Amortization of Acquisition-Related Intangible Assets	23,243	1,130	6,019	—	30,392
Severance and Other Charges	9,955	17,945	493	5,835	34,228
Effect of Divestitures	(4,003)	—	—	—	(4,003)
Merger and Integration Related Charges	2,096	—	6,513	8	8,617
Gain on sale of Healthcare Technologies	(157,309)	—	—	—	(157,309)
Gains, Losses and Settlements impacting comparability	(9,843)	2,219	—	15,010	7,386
Adjusted Operating Income	$ 227,890	$ 32,750	$ 65,719	$ (33,686)	$ 292,673
Operating Income Margin (as reported)	13.67 %	1.20 %	8.08%		8.75 %
Adjusted Operating Income Margin	8.71 %	3.44 %	10.08%		6.93 %

Non-GAAP Reconciliation

- **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	
	December 27, 2019	December 28, 2018
Net Income Attributable to Aramark Stockholders (as reported)	$ 145,761	$ 250,682
Adjustment:		
Amortization of Acquisition-Related Intangible Assets	29,066	30,392
Severance and Other Charges	—	34,228
Effect of Divestitures	—	(4,003)
Merger and Integration Related Charges	10,064	8,617
Gain on sale of Healthcare Technologies	—	(157,309)
Tax Reform Related Employee Reinvestments	1,423	—
Gains, Losses and Settlements impacting comparability	(9,058)	7,386
Effect of Tax Reform on Provision for Income Taxes	—	(11,317)
Excess Tax Benefit Attributable to Former CEO Equity Award Exercises	(12,516)	—
Tax Impact of Adjustments to Adjusted Net Income	(8,024)	(2,102)
Adjusted Net Income	$ 156,716	$ 156,574
Effect of Currency Translation, net of Tax	618	—
Adjusted Net Income (Constant Currency)	$ 157,334	$ 156,574
Earnings Per Share (as reported)		
Net Income Attributable to Aramark Stockholders (as reported)	$ 145,761	$ 250,682
Diluted Weighted Average Shares Outstanding	254,121	253,656
	$ 0.57	$ 0.99
Earnings Per Share Growth (as reported)	(42.42)%	
Adjusted Earnings Per Share		
Adjusted Net Income	$ 156,716	$ 156,574
Diluted Weighted Average Shares Outstanding	254,121	253,656
	$ 0.62	$ 0.62
Adjusted Earnings Per Share Growth	— %	
Adjusted Earnings Per Share (Constant Currency)		
Adjusted Net Income (Constant Currency)	$ 157,334	$ 156,574
Diluted Weighted Average Shares Outstanding	254,121	253,724
	$ 0.62	$ 0.62
Adjusted Earnings Per Share Growth (Constant Currency)	— %	

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 December 27, 2019	Twelve Months Ended December 28, 2018
Net Income Attributable to Aramark Stockholders (as reported)	$ 343,628	$ 526,283
Interest and Other Financing Costs, net	331,594	360,940
Provision for Income Taxes	96,823	92,845
Depreciation and Amortization	589,788	613,054
Share-based compensation expense[1]	50,834	90,349
Unusual or non-recurring (gains) and losses	1,000	(157,309)
Pro forma EBITDA for equity method investees[2]	7,172	14,150
Pro forma EBITDA for certain transactions[3]	19,092	(18,218)
Other[4]	208,449	183,884
Covenant Adjusted EBITDA	$ 1,648,380	$ 1,705,978
Net Debt to Covenant Adjusted EBITDA		
Total Long-Term Borrowings	$ 7,170,701	$ 7,377,147
Less: Cash and cash equivalents	$ 264,618	$ 249,881
Net Debt	$ 6,906,083	$ 7,127,266
Covenant Adjusted EBITDA	$ 1,648,380	$ 1,705,978
Net Debt/Covenant Adjusted EBITDA	4.2	4.2

(1) Represents compensation expense related to the Company's issuances of share-based awards.

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

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

(4) "Other" for the twelve months ended December 27, 2019 and December 28, 2018, respectively, includes expenses related to merger and integration related charges ($37.5 million and $67.4 million), adjustments to remove the impact attributable to the adoption of certain new accounting standards in accordance with the Credit Agreement and indentures ($24.5 million and $4.4 million), the impact of hyperinflation in Argentina ($4.9 million and $3.8 million), organizational streamlining initiatives ($3.3 million reversal and $58.5 million), the impact of the change in fair value related to certain gasoline and diesel agreements ($7.5 million gain and $10.5 million loss) and other miscellaneous expenses. "Other" for the twelve months ended December 27, 2019 also includes compensation expense for special recognition awards, employee training programs and retirement contributions funded by benefits from U.S. tax reform ($76.3 million), charges related to certain legal settlements ($27.9 million), non cash impairment charges ($14.8 million), cash compensation charges associated with the retirement of the Company's former chief executive officer ($10.4 million), closing costs mainly related to customer contracts ($8.5 million), advisory fees related to shareholder matters ($7.7 million) and settlement charges related to exiting a joint venture arrangement ($4.5 million). "Other" for the twelve months ended December 28, 2018 also includes duplicate rent charges, moving costs, opening costs to build out and ready the Company's new headquarters while occupying its then existing headquarters and closing costs ($14.3 million), banker fees and other charges related to the sale of Healthcare Technologies ($9.9 million), property and other asset write-downs related to a joint venture liquidation and acquisition ($7.5 million) and certain environmental charges ($5.0 million).

Non-GAAP Reconciliation

- **Free Cash Flow**

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

	Three Months Ended	
	December 27, 2019	December 28, 2018
Net Cash used in operating activities	$ (309,484)	$ (203,662)
Net purchases of property and equipment and other	(95,550)	(113,446)
Free Cash Flow	$ (405,034)	$ (317,108)