

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q
QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2017 Commission File Number: 001-36223



Aramark

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

Aramark Tower

1101 Market Street

Philadelphia, Pennsylvania

(Address of principal executive offices)

20-8236097

(I.R.S. Employer
Identification Number)

19107

(Zip Code)

(215) 238-3000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of July 28, 2017, the number of shares of the registrant's common stock outstanding is 245,105,108.

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Special Note About Forward-Looking Statements

This report 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 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 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 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 report 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.

PART I

Item 1. Financial Statements

ARAMARK AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)

(in thousands, except share amounts)

| | June 30, 2017 | September 30, 2016 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------------|
| ASSETS | | |
| Current Assets: | | |
| Cash and cash equivalents | \$ 154,674 | \$ 152,580 |
| Receivables (less allowances: 2017 - \$49,447; 2016 - \$48,058) | 1,532,879 | 1,476,349 |
| Inventories | 567,564 | 587,155 |
| Prepayments and other current assets | 209,325 | 276,487 |
| Total current assets | 2,464,442 | 2,492,571 |
| Property and Equipment, net | 981,536 | 1,023,083 |
| Goodwill | 4,702,397 | 4,628,881 |
| Other Intangible Assets | 1,121,541 | 1,111,883 |
| Other Assets | 1,380,455 | 1,325,654 |
| | \$ 10,650,371 | \$ 10,582,072 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current Liabilities: | | |
| Current maturities of long-term borrowings | \$ 74,237 | \$ 46,522 |
| Accounts payable | 729,041 | 847,588 |
| Accrued expenses and other current liabilities | 1,098,624 | 1,290,635 |
| Total current liabilities | 1,901,902 | 2,184,745 |
| Long-Term Borrowings | 5,440,143 | 5,223,514 |
| Deferred Income Taxes and Other Noncurrent Liabilities | 975,715 | 1,003,013 |
| Redeemable Noncontrolling Interest | 9,844 | 9,794 |
| Stockholders' Equity: | | |
| Common stock, par value \$.01 (authorized: 600,000,000 shares; issued: 2017—276,454,403 shares and 2016—272,565,923 shares; and outstanding: 2017—245,023,211 shares and 2016—244,713,580 shares) | 2,765 | 2,726 |
| Capital surplus | 2,994,994 | 2,921,725 |
| Retained earnings/(Accumulated deficit) | 159,182 | (33,778) |
| Accumulated other comprehensive loss | (156,073) | (180,783) |
| Treasury stock (shares held in treasury: 2017—31,431,192 shares and 2016—27,852,343 shares) | (678,101) | (548,884) |
| Total stockholders' equity | 2,322,767 | 2,161,006 |
| | \$ 10,650,371 | \$ 10,582,072 |

The accompanying notes are an integral part of these condensed consolidated financial statements.

ARAMARK AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

(in thousands, except per share data)

| | Three Months Ended | |
|----------------------------------------------------------|--------------------|------------------|
| | June 30, 2017 | July 1, 2016 |
| Sales | \$ 3,593,277 | \$ 3,586,908 |
| Costs and Expenses: | | |
| Cost of services provided | 3,232,366 | 3,233,884 |
| Depreciation and amortization | 126,440 | 122,363 |
| Selling and general corporate expenses | 79,792 | 61,317 |
| | <u>3,438,598</u> | <u>3,417,564</u> |
| Operating income | 154,679 | 169,344 |
| Interest and Other Financing Costs, net | 61,483 | 103,764 |
| Income Before Income Taxes | 93,196 | 65,580 |
| Provision for Income Taxes | 27,832 | 20,722 |
| Net income | 65,364 | 44,858 |
| Less: Net income attributable to noncontrolling interest | 69 | 93 |
| Net income attributable to Aramark stockholders | <u>\$ 65,295</u> | <u>\$ 44,765</u> |

| | | | |
|----------------------------------------------------------|----|------|---------|
| Earnings per share attributable to Aramark stockholders: | | | |
| Basic | \$ | 0.27 | \$ 0.18 |
| Diluted | \$ | 0.26 | \$ 0.18 |

| | | | |
|--------------------------------------|---------|---------|--|
| Weighted Average Shares Outstanding: | | | |
| Basic | 244,266 | 242,831 | |
| Diluted | 251,156 | 249,057 | |

| | Nine Months Ended | |
|----------------------------------------------------------|-------------------|-------------------|
| | June 30, 2017 | July 1, 2016 |
| Sales | \$ 10,950,288 | \$ 10,872,005 |
| Costs and Expenses: | | |
| Cost of services provided | 9,757,892 | 9,738,117 |
| Depreciation and amortization | 378,258 | 370,172 |
| Selling and general corporate expenses | 223,984 | 208,165 |
| | <u>10,360,134</u> | <u>10,316,454</u> |
| Operating income | 590,154 | 555,551 |
| Interest and Other Financing Costs, net | 224,791 | 246,835 |
| Income Before Income Taxes | 365,363 | 308,716 |
| Provision for Income Taxes | 104,334 | 103,925 |
| Net income | 261,029 | 204,791 |
| Less: Net income attributable to noncontrolling interest | 244 | 329 |
| Net income attributable to Aramark stockholders | <u>\$ 260,785</u> | <u>\$ 204,462</u> |

| | | | |
|----------------------------------------------------------|----|------|---------|
| Earnings per share attributable to Aramark stockholders: | | | |
| Basic | \$ | 1.07 | \$ 0.85 |
| Diluted | \$ | 1.04 | \$ 0.82 |

| | | | |
|--------------------------------------|---------|---------|--|
| Weighted Average Shares Outstanding: | | | |
| Basic | 244,399 | 241,740 | |
| Diluted | 251,548 | 248,322 | |

The accompanying notes are an integral part of these condensed consolidated financial statements.

ARAMARK AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Unaudited)
(in thousands)

| | Three Months Ended | |
|-----------------------------------------------------------|--------------------|--------------|
| | June 30, 2017 | July 1, 2016 |
| Net income | \$ 65,364 | \$ 44,858 |
| Other comprehensive income (loss), net of tax | | |
| Pension plan adjustments | — | (5,383) |
| Foreign currency translation adjustments | 16,994 | (2,105) |
| Fair value of cash flow hedges | 580 | (441) |
| Other comprehensive income (loss), net of tax | 17,574 | (7,929) |
| Comprehensive income | 82,938 | 36,929 |
| Less: Net income attributable to noncontrolling interest | 69 | 93 |
| Comprehensive income attributable to Aramark stockholders | \$ 82,869 | \$ 36,836 |

| | Nine Months Ended | |
|-----------------------------------------------------------|-------------------|--------------|
| | June 30, 2017 | July 1, 2016 |
| Net income | \$ 261,029 | \$ 204,791 |
| Other comprehensive income, net of tax | | |
| Pension plan adjustments | — | (5,383) |
| Foreign currency translation adjustments | (4,258) | 3,655 |
| Fair value of cash flow hedges | 28,968 | 7,269 |
| Other comprehensive income, net of tax | 24,710 | 5,541 |
| Comprehensive income | 285,739 | 210,332 |
| Less: Net income attributable to noncontrolling interest | 244 | 329 |
| Comprehensive income attributable to Aramark stockholders | \$ 285,495 | \$ 210,003 |

The accompanying notes are an integral part of these condensed consolidated financial statements.

ARAMARK AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)
(in thousands)

| | Nine Months Ended | |
|----------------------------------------------------------------------------------|-------------------|-------------------|
| | June 30, 2017 | July 1, 2016 |
| Cash flows from operating activities: | | |
| Net income | \$ 261,029 | \$ 204,791 |
| Adjustments to reconcile net income to net cash provided by operating activities | | |
| Depreciation and amortization | 378,258 | 370,172 |
| Deferred income taxes | (21,094) | 54,291 |
| Share-based compensation expense | 50,318 | 43,556 |
| Changes in operating assets and liabilities | (251,872) | (286,103) |
| Other operating activities | 32,550 | 23,833 |
| Net cash provided by operating activities | 449,189 | 410,540 |
| Cash flows from investing activities: | | |
| Purchases of property and equipment, client contract investments and other | (340,294) | (350,170) |
| Disposals of property and equipment | 14,917 | 18,029 |
| Acquisition of certain businesses, net of cash acquired | (130,094) | (59,377) |
| Other investing activities | 1,701 | 7,194 |
| Net cash used in investing activities | (453,770) | (384,324) |
| Cash flows from financing activities: | | |
| Proceeds from long-term borrowings | 3,707,408 | 1,398,395 |
| Payments of long-term borrowings | (3,561,500) | (1,245,449) |
| Net change in funding under the Receivables Facility | 82,000 | (9,730) |
| Payments of dividends | (75,543) | (68,873) |
| Proceeds from issuance of common stock | 23,048 | 23,296 |
| Repurchase of stock | (100,000) | — |
| Other financing activities | (68,738) | (49,764) |
| Net cash provided by financing activities | 6,675 | 47,875 |
| Increase in cash and cash equivalents | 2,094 | 74,091 |
| Cash and cash equivalents, beginning of period | 152,580 | 122,416 |
| Cash and cash equivalents, end of period | \$ 154,674 | \$ 196,507 |

| (dollars in millions) | Nine Months Ended | |
|-----------------------|-------------------|--------------|
| | June 30, 2017 | July 1, 2016 |
| Interest paid | \$ 147.3 | \$ 174.0 |
| Income taxes paid | \$ 81.3 | \$ 26.2 |

The accompanying notes are an integral part of these condensed consolidated financial statements.

ARAMARK AND SUBSIDIARIES**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)****NOTE 1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

Aramark (the "Company") is a leading global provider of food, facilities and uniform services. The Company's core market is North America (composed of the United States and Canada), which is supplemented by an additional 17-country footprint. The Company operates its business in three reportable segments that share many of the same operating characteristics: Food and Support Services North America ("FSS North America"), Food and Support Services International ("FSS International") and Uniform and Career Apparel ("Uniform").

The condensed consolidated financial statements included herein have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") and should be read in conjunction with the audited consolidated financial statements, and the notes to those statements, included in the Company's Form 10-K filed with the SEC on November 23, 2016. The Condensed Consolidated Balance Sheet as of September 30, 2016 was derived from audited financial statements which have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). Certain information and footnote disclosures normally included in consolidated financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures made are adequate to make the information not misleading. In the opinion of the Company, the statements include all adjustments, which are of a normal, recurring nature, required for a fair presentation for the periods presented. The results of operations for interim periods are not necessarily indicative of the results for a full year, due to the seasonality of some of the Company's business activities and the possibility of changes in general economic conditions.

The condensed consolidated financial statements include the accounts of the Company and all of its subsidiaries in which a controlling financial interest is maintained. All significant intercompany transactions and accounts have been eliminated. The Company has an ownership interest in a subsidiary with a redeemable noncontrolling interest.

New Accounting Standards Updates

In May 2017, the Financial Accounting Standards Board ("FASB") issued an accounting standards update ("ASU") to clarify the determination of the customer of the operation services in a service concession arrangement. The guidance is effective for the Company in the first quarter of fiscal 2019 and early adoption is permitted. The Company will adopt this standard in conjunction with the revenue recognition standard, as described below. The Company is currently evaluating the impact of the pronouncement.

In May 2017, the FASB issued an ASU to clarify when to account for a change to the terms or conditions of a share-based payment award as a modification. The guidance is effective for the Company in the first quarter of fiscal 2019 and early adoption is permitted. The Company is currently evaluating the impact of the pronouncement.

In March 2017, the FASB issued an ASU to improve the presentation of net periodic pension cost and net periodic postretirement benefit cost. The guidance is effective for the Company in the first quarter of fiscal 2019 and early adoption is permitted. The Company is currently evaluating the impact of the pronouncement.

In February 2017, the FASB issued an ASU to clarify the accounting guidance for partial sales of nonfinancial assets. The guidance is effective for the Company in the first quarter of fiscal 2019 and early adoption is permitted. The Company is currently evaluating the impact of the pronouncement.

In January 2017, the FASB issued an ASU to simplify the subsequent measurement of goodwill as part of the impairment test. The guidance is effective for the Company in the first quarter of fiscal 2021 and early adoption is permitted. The Company is currently evaluating the impact of the pronouncement.

In January 2017, the FASB issued an ASU to clarify the definition of a business. The guidance is effective for the Company in the first quarter of fiscal 2019 and early adoption is permitted. The Company is currently evaluating the impact of the pronouncement.

In October 2016, the FASB issued an ASU to require entities to recognize the income tax consequences of certain intercompany assets transfers at the transaction date. The guidance is effective for the Company in the first quarter of fiscal 2019 and early adoption is permitted. The Company is currently evaluating the impact of the pronouncement.

In August 2016, the FASB issued an ASU to address the classification of certain cash receipts and cash payments in the Statement of Cash Flows. The guidance is effective for the Company in the first quarter of fiscal 2019 and early adoption is permitted. The Company is currently evaluating the impact of the pronouncement.

In June 2016, the FASB issued an ASU to require entities to account for expected credit losses on financial instruments including trade receivables. The guidance is effective for the Company in the first quarter of fiscal 2021 and early adoption is permitted. The Company is currently evaluating the impact of the pronouncement.

ARAMARK AND SUBSIDIARIES**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

In March 2016, the FASB issued an ASU to update several aspects of the accounting for share-based payment transactions. Upon adoption, the ASU requires that excess tax benefits for share-based payments be recorded as a reduction to the provision for income taxes and reflected within cash flows from operating activities rather than being recorded within stockholders' equity and reflected within cash flows from financing activities. The standard also clarifies that all cash payments made on an employee's behalf for withheld shares should be presented as a financing activity on a cash flow statement, and provides an accounting policy election to account for forfeitures as they occur.

The Company elected to early adopt the guidance as of the beginning of its first quarter of fiscal 2017. The impact to the Condensed Consolidated Statements of Income was \$6.2 million and \$18.4 million of excess tax benefit recorded as a reduction to the provision for income taxes for the three and nine months ended June 30, 2017. The adoption impact to the Condensed Consolidated Balance Sheets was a cumulative-effect adjustment of approximately \$9.8 million to increase retained earnings for previously unrecognized excess tax benefits. The Company applied the guidance related to the presentation in the Condensed Consolidated Statements of Cash Flows on a retrospective basis. The excess tax benefits of \$18.4 million and \$21.7 million for share-based awards are included in operating activities, previously classified in financing activities, and approximately \$22.7 million and \$23.9 million of cash paid for employee taxes for withheld shares are included in financing activities, previously classified in operating activities, for the nine months ended June 30, 2017 and July 1, 2016, respectively. As a result of the adoption, the excess tax benefits are no longer included in the calculation of diluted shares under the treasury stock method, which increased the diluted shares outstanding by approximately 1.4 million shares for both the three and nine months ended June 30, 2017. The Company elected to continue to estimate forfeitures expected to occur to determine the amount of compensation cost to be recognized in each period.

In February 2016, the FASB issued an ASU requiring lessees to recognize most leases on their balance sheets as lease liabilities with corresponding right-of-use assets and to disclose key information about lease arrangements. The guidance is effective for the Company in the first quarter of fiscal 2020 and early adoption is permitted. The Company is in the process of developing an inventory of its lease arrangements in order to determine the impact the adoption of this ASU will have on its condensed consolidated financial statements and related disclosures. Based on the assessment to date, the Company expects adoption of this standard to result in a material increase in lease-related assets and liabilities on its Condensed Consolidated Balance Sheets, but does not expect it to have a significant impact on its Condensed Consolidated Statements of Income or Cash Flows.

In January 2016, the FASB issued an ASU to address certain aspects of recognition, measurement, presentation and disclosure of financial instruments. The guidance is effective for the Company in the first quarter of fiscal 2019 and early adoption is permitted. The Company is currently evaluating the impact of the pronouncement.

In July 2015, the FASB issued an ASU which changes the measurement principle for inventory from the lower of cost or market to the lower of cost and net realizable value. The guidance is effective for the Company in the first quarter of fiscal 2018 and early adoption is permitted. The Company is currently evaluating the impact of the pronouncement.

In June 2014, the FASB issued an ASU on stock compensation which requires that a performance target affecting vesting and that could be achieved after the requisite service period be treated as a performance condition. The Company adopted the guidance in the first quarter of fiscal 2017 which did not have an impact on the condensed consolidated financial statements.

In May 2014, the FASB issued an ASU on revenue from contracts with customers which outlines a single comprehensive model to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance. In July 2015, the FASB voted to defer the effective date of the new revenue standard by one year, but to permit entities to adopt one year earlier if they choose (i.e., the original effective date). The guidance is effective for the Company beginning in the first quarter of fiscal 2019. As the new standard will supersede most existing revenue guidance affecting the Company, it could impact revenue and cost recognition on contracts across all reportable segments. The Company has been closely monitoring the FASB activity related to the new standard and continues to work to conclude on specific interpretative issues. The Company also continues to make progress on a comprehensive contract review project in order to develop a full understanding of the adoption impact on the consolidated financial statements.

Comprehensive Income

Comprehensive income includes all changes to stockholders' equity during a period, except those resulting from investments by and distributions to stockholders. Components of comprehensive income include net income, changes in foreign currency translation adjustments (net of tax), pension plan adjustments (net of tax), changes in the fair value of cash flow hedges (net of tax) and changes to the share of any equity investees' comprehensive income or loss (net of tax).

ARAMARK AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

The summary of the components of comprehensive income (loss) is as follows (in thousands):

| | Three Months Ended | | | | | |
|------------------------------------------------------------------|--------------------|------------|------------------|----------------|------------|------------------|
| | June 30, 2017 | | | July 1, 2016 | | |
| | Pre-Tax Amount | Tax Effect | After-Tax Amount | Pre-Tax Amount | Tax Effect | After-Tax Amount |
| Net income | | | \$ 65,364 | | | \$ 44,858 |
| Pension plan adjustments | — | — | — | (8,282) | 2,899 | (5,383) |
| Foreign currency translation adjustments | 14,529 | 2,465 | 16,994 | 4,142 | (6,247) | (2,105) |
| Fair value of cash flow hedges | 951 | (371) | 580 | (730) | 289 | (441) |
| Other comprehensive income (loss) | 15,480 | 2,094 | 17,574 | (4,870) | (3,059) | (7,929) |
| Comprehensive income | | | 82,938 | | | 36,929 |
| Less: Net income attributable to noncontrolling interest | | | 69 | | | 93 |
| Comprehensive income attributable to Aramark stockholders | | | \$ 82,869 | | | \$ 36,836 |

| | Nine Months Ended | | | | | |
|------------------------------------------------------------------|-------------------|------------|-------------------|----------------|------------|-------------------|
| | June 30, 2017 | | | July 1, 2016 | | |
| | Pre-Tax Amount | Tax Effect | After-Tax Amount | Pre-Tax Amount | Tax Effect | After-Tax Amount |
| Net income | | | \$ 261,029 | | | \$ 204,791 |
| Pension plan adjustments | — | — | — | (8,282) | 2,899 | (5,383) |
| Foreign currency translation adjustments | (11,429) | 7,171 | (4,258) | 17,190 | (13,535) | 3,655 |
| Fair value of cash flow hedges | 47,489 | (18,521) | 28,968 | 2,351 | 4,918 | 7,269 |
| Other comprehensive income (loss) | 36,060 | (11,350) | 24,710 | 11,259 | (5,718) | 5,541 |
| Comprehensive income | | | 285,739 | | | 210,332 |
| Less: Net income attributable to noncontrolling interest | | | 244 | | | 329 |
| Comprehensive income attributable to Aramark stockholders | | | \$ 285,495 | | | \$ 210,003 |

Accumulated other comprehensive loss consists of the following (in thousands):

| | June 30, 2017 | September 30, 2016 |
|-----------------------------------------------------------------|---------------------|---------------------|
| Pension plan adjustments | \$ (65,267) | \$ (65,267) |
| Foreign currency translation adjustments | (72,719) | (68,461) |
| Cash flow hedges | (7,405) | (36,373) |
| Share of equity investee's accumulated other comprehensive loss | (10,682) | (10,682) |
| | \$ (156,073) | \$ (180,783) |

Other Assets

Other assets consist primarily of client contract investments, investments in 50% or less owned entities, computer software costs and long-term receivables. Client contract investments generally represent a cash payment provided by the Company to help finance improvement or renovation at the facility from which the Company operates. These amounts are generally amortized over the contract period. If a contract is terminated prior to its maturity date, the Company is generally reimbursed for the unamortized client contract investment amount. Client contract investments, net of accumulated amortization, were \$900.1 million and \$865.0 million as of June 30, 2017 and September 30, 2016, respectively.

Income Taxes

Effective for the first quarter of fiscal 2017, the earnings since the beginning of the fiscal year of certain of the Company's foreign subsidiaries are intended to be indefinitely reinvested in operations outside the U.S. and, therefore, U.S. taxes have not been recorded on those earnings.

ARAMARK AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
NOTE 2. ACQUISITIONS:

During the nine month period of fiscal 2017, the Company paid cash consideration of approximately \$130.1 million for various acquisitions. The sales, net income, assets and liabilities of the acquisitions did not have a material impact on the Company's condensed consolidated financial statements.

During the second quarter of fiscal 2016, the Company completed the purchase of Avoca Handweavers Limited ("Avoca"), an Irish retail and café business, for cash consideration of approximately \$65.8 million (approximately \$59.2 million, net of cash acquired). The sales, net income, assets and liabilities of Avoca did not have a material impact on the Company's condensed consolidated financial statements.

NOTE 3. SEVERANCE:

During the third quarter of fiscal 2017, the Company updated its previously initiated actions on streamlining and improving the efficiencies and effectiveness of its selling, general and administrative functions. The Company recorded net severance charges of approximately \$18.4 million during the three and nine month periods of fiscal 2017. For the three and nine month periods of fiscal 2016, the Company recorded net severance charges of approximately \$1.9 million and \$9.0 million, respectively.

As of June 30, 2017 and September 30, 2016, the Company had an accrual of approximately \$27.3 million and \$26.1 million, respectively, related to the unpaid obligations for these actions.

NOTE 4. GOODWILL AND OTHER INTANGIBLE ASSETS:

Goodwill represents the excess of the fair value of consideration paid for an acquired entity over the fair value of assets acquired and liabilities assumed in a business combination. Goodwill is not amortized and is subject to an impairment test that the Company conducts annually or more frequently if a change in circumstances or the occurrence of events indicates that potential impairment exists, using discounted cash flows.

Changes in total goodwill during the nine months ended June 30, 2017 follow (in thousands):

| Segment | September 30, 2016 | Acquisition | Translation | June 30, 2017 |
|-------------------|---------------------|------------------|-----------------|---------------------|
| FSS North America | \$ 3,635,614 | \$ 32,497 | \$ (1,138) | \$ 3,666,973 |
| FSS International | 418,488 | 32,022 | 6,029 | 456,539 |
| Uniform | 574,779 | 4,106 | — | 578,885 |
| | <u>\$ 4,628,881</u> | <u>\$ 68,625</u> | <u>\$ 4,891</u> | <u>\$ 4,702,397</u> |

Goodwill related to the acquisitions made during the nine months ended June 30, 2017 may be revised upon final determination of the purchase price allocation.

Other intangible assets consist of the following (in thousands):

| | June 30, 2017 | | | September 30, 2016 | | |
|------------------------------|---------------------|--------------------------|---------------------|---------------------|--------------------------|---------------------|
| | Gross Amount | Accumulated Amortization | Net Amount | Gross Amount | Accumulated Amortization | Net Amount |
| Customer relationship assets | \$ 1,357,151 | \$ (1,034,710) | \$ 322,441 | \$ 1,793,739 | \$ (1,462,058) | \$ 331,681 |
| Trade names | 799,100 | — | 799,100 | 781,835 | (1,633) | 780,202 |
| | <u>\$ 2,156,251</u> | <u>\$ (1,034,710)</u> | <u>\$ 1,121,541</u> | <u>\$ 2,575,574</u> | <u>\$ (1,463,691)</u> | <u>\$ 1,111,883</u> |

During the nine months ended June 30, 2017, the Company acquired customer relationship assets and trade names with preliminary values of approximately \$55.6 million and \$17.8 million, respectively. Customer relationship assets are being amortized principally on a straight-line basis over the expected period of benefit, 3 to 24 years, with a weighted average life of approximately 14 years. The Aramark and other trade names are indefinite lived intangible assets and are not amortizable but are evaluated for impairment at least annually.

Amortization of intangible assets for the nine months ended June 30, 2017 and July 1, 2016 was approximately \$66.3 million and \$75.9 million, respectively.

ARAMARK AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
NOTE 5. BORROWINGS:

Long-term borrowings, net, are summarized in the following table (in thousands):

| | June 30, 2017 | September 30, 2016 |
|----------------------------------------------------------|---------------------|---------------------|
| Senior secured revolving credit facility, due March 2022 | \$ 155,700 | \$ — |
| Senior secured term loan facility, due September 2019 | — | 840,305 |
| Senior secured term loan facility, due February 2021 | — | 2,450,749 |
| Senior secured term loan facility, due March 2022 | 835,607 | — |
| Senior secured term loan facility, due March 2024 | 1,736,423 | — |
| 5.750% senior notes, due March 2020 | — | 227,032 |
| 5.125% senior notes, due January 2024 | 904,014 | 905,095 |
| 4.750% senior notes, due June 2026 | 493,320 | 492,886 |
| 5.000% senior notes, due April 2025 | 589,450 | — |
| 3.125% senior notes, due April 2025 | 366,822 | — |
| Receivables Facility, due May 2019 | 350,000 | 268,000 |
| Capital leases | 78,447 | 78,615 |
| Other | 4,597 | 7,354 |
| | 5,514,380 | 5,270,036 |
| Less—current portion | (74,237) | (46,522) |
| | <u>\$ 5,440,143</u> | <u>\$ 5,223,514</u> |

As of June 30, 2017, there was approximately \$571.4 million of outstanding foreign currency borrowings.

Fiscal 2017 Refinancing Transactions

On March 22, 2017, Aramark Services, Inc. ("ASI"), an indirect wholly owned subsidiary of the Company, issued \$600.0 million of 5.000% Senior Notes due April 1, 2025 (the "5.000% 2025 Notes"). On March 27, 2017, Aramark International Finance S.à r.l. ("AIFS" and, together with ASI, "the Issuers"), an indirect wholly owned subsidiary of the Company, issued €325.0 million of 3.125% Senior Notes due April 1, 2025 (the "3.125% 2025 Notes" and, together with the 5.000% 2025 Notes, the "Notes").

On March 28, 2017, ASI and certain of its subsidiaries entered into a Credit Agreement (the "Credit Agreement"), which replaced the existing Amended and Restated Credit Agreement, originally dated January 26, 2007, and last amended on March 28, 2014 (the "Previous Credit Agreement"). Among other things, the Credit Agreement provides for the following as of June 30, 2017:

- A U.S. dollar denominated term loan to ASI in the amount of \$641.9 million, due 2022, ("U.S. Term Loan A") and \$1.7 billion, due 2024 ("U.S. Term Loan B");
- A Canadian dollar denominated term loan to Aramark Canada Ltd. in the amount of CAD131.7 million, due 2022 (approximately \$101.6 million) ("Canadian Term Loan");
- A yen denominated term loan to ASI in the amount of ¥11,079.2 million, due 2022 (approximately \$98.6 million) ("Yen Term Loan"); and
- A revolving credit facility available for loans in U.S. dollars, Canadian dollars, euros and pounds sterling to ASI and certain foreign borrowers with aggregate commitments under the Credit Agreement of \$1.0 billion and a final maturity date of March 28, 2022.

The net proceeds from the Notes and borrowings under the senior secured term loan facilities under the Credit Agreement were used to repay all existing outstanding borrowings under the term loans under the Previous Credit Agreement, to redeem ASI's 5.750% senior notes, due March 2020 (the "2020 Notes"), and to pay certain fees and related expenses. The Company recorded \$27.0 million of charges to "Interest and Other Financing Costs, net" in the Condensed Consolidated Statements of Income for the nine months ended June 30, 2017, consisting of \$23.7 million of non-cash charges for the write-off of deferred financing costs and original issue discount and \$3.3 million for the call premium on the 2020 Notes.

During the nine months ended June 30, 2017, the Company capitalized third-party costs of approximately \$15.1 million directly attributable to the Notes and approximately \$16.4 million directly attributable to the new senior secured term loan facilities under the Credit Agreement, which are included in "Long-Term Borrowings" in the Condensed Consolidated Balance Sheets.

ARAMARK AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

The Company also capitalized third-party costs of approximately \$8.2 million during the second quarter of fiscal 2017, directly attributable to the senior secured revolving credit facility, which are included in "Other Assets" in the Condensed Consolidated Balance Sheets.

Senior Secured Credit Agreement

The applicable margin spread for the U.S. Term Loan B is 1.75% to 2.00% (as of June 30, 2017—2.00%) with respect to eurocurrency (LIBOR) borrowings, subject to a LIBOR floor of 0.00%, and 0.75% to 1.00% (as of June 30, 2017—1.00%) with respect to base-rate borrowings, subject to a minimum base rate of 0.00%. The applicable margin spread for the U.S. Term Loan A, Canadian Term Loan and the senior secured revolving credit facility is 1.50% to 2.25% (as of June 30, 2017—1.75%) with respect to eurocurrency (LIBOR) borrowings, bankers' acceptance ("BA") rate borrowings and letters of credit fees and 0.50% to 1.25% (as of June 30, 2017—0.75%) with respect to U.S. and Canadian base rate borrowings. The applicable margin for the Yen Term Loan is 1.75%. In addition to paying interest on outstanding principal under the senior secured credit facilities, the Company is required to pay a commitment fee to the lenders under the revolving credit facility in respect of the unutilized commitments thereunder. The commitment fee rate ranges from 0.25% to 0.40% per annum (as of June 30, 2017—0.30%). The actual spreads within all ranges referred to above are based on a Consolidated Leverage Ratio, as defined in the Credit Agreement.

The Company's revolving credit facility includes a \$250.0 million sublimit for letters of credit.

The Credit Agreement provides that the Company has the right at any time to request one or more incremental term loan facilities or increases under existing term loan facilities and/or additional revolving credit facilities or increases under the existing revolving credit facility in an amount up to \$1,400.0 million of incremental commitments in the aggregate plus an unlimited amount so long as the pro forma Consolidated Secured Debt to Covenant Adjusted EBITDA ratio (each as defined in the Credit Agreement (the "Consolidated Secured Debt Ratio")) would not exceed 3.00 to 1.00, plus any amount of loans and commitments optionally prepaid and terminated under the senior secured credit facilities. The lenders under these facilities are not under any obligation to provide any such incremental facilities or commitments, and any such addition of or increase in facilities or commitments will be subject to customary conditions precedent. The revolving credit facility may be drawn by ASI as well as by certain foreign subsidiaries of ASI. Each foreign borrower is subject to a sublimit of \$150.0 million with respect to borrowings under the revolving credit facility.

As of June 30, 2017, there was approximately \$842.8 million available for borrowing under the revolving credit facility.

Prepayments and Amortization

The Credit Agreement requires us to prepay outstanding term loans, subject to certain exceptions, with:

- 50% of ASI's annual excess cash flow (as defined in the Credit Agreement) with stepdowns to 25% and 0% upon ASI's reaching certain Consolidated Secured Debt Ratio thresholds; provided, further, that such prepayment shall only be required to the extent excess cash flow for the applicable year exceeds \$10.0 million;
- 100% of the net cash proceeds of all nonordinary course asset sales or other dispositions of property subject to certain exceptions and customary reinvestment rights; provided, further, that such prepayment shall only be required to the extent net cash proceeds exceeds \$100.0 million; and
- 100% of the net cash proceeds of any incurrence of debt, but excluding proceeds from certain debt permitted under the Credit Agreement.

The foregoing mandatory prepayments will be applied to the term loan facilities on a pro rata basis and will reduce the obligations to make scheduled amortization payments on a dollar for dollar basis as directed by the Company. The Company may voluntarily repay outstanding loans under the senior secured credit facilities at any time without premium or penalty, other than (i) customary "breakage" costs with respect to LIBOR loans and (ii) with respect to any voluntary prepayments of the U.S. Term Loan B in connection with any repricing transaction (as defined in the Credit Agreement) effected prior to September 28, 2017, a 1% prepayment premium. Prepaid term loans may not be reborrowed.

If a change of control as defined in the Credit Agreement occurs, this will cause an event of default under the Credit Agreement. Upon an event of default, the new senior secured credit facilities may be accelerated, in which case the Company would be required to repay all outstanding loans plus accrued and unpaid interest and all other amounts outstanding under the new senior secured credit facilities under the Credit Agreement.

The Company is required to make quarterly principal repayments on the U.S. Term Loan B and the Yen Term Loan in quarterly amounts of 1.00% per annum of their funded total principal amount. The Company is required to make quarterly principal repayments on the U.S. Term Loan A and the Canadian Term Loan in quarterly amounts of 5.0%, 5.0%, 7.5%, 10.0% and

ARAMARK AND SUBSIDIARIES**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

15.0% per annum of their funded total principal amount in the first, second, third, fourth and fifth years after the closing date of the senior secured credit facilities under the Credit Agreement, respectively.

Guarantees

All obligations under the Credit Agreement are unconditionally guaranteed by Aramark Intermediate HoldCo Corporation and, subject to certain exceptions, substantially all of ASI's existing and future wholly-owned domestic subsidiaries excluding certain immaterial subsidiaries, receivables facility subsidiaries, certain other customarily excluded subsidiaries and certain subsidiaries designated under the Credit Agreement as "unrestricted subsidiaries", referred to, collectively, as the U.S. Guarantors. All obligations under the senior secured credit facilities, and the guarantees of those obligations, are secured by (i) a pledge of 100% of the capital stock of ASI, (ii) pledges of 100% of the capital stock (or 65% of voting stock and 100% of non-voting stock, in the case of the stock of foreign subsidiaries) held by ASI, Aramark Intermediate HoldCo Corporation or any of the U.S. Guarantors and (iii) a security interest in, and mortgages on, substantially all tangible assets of Aramark Intermediate HoldCo Corporation, ASI or any of the U.S. Guarantors.

Certain Covenants

The Credit Agreement contains certain covenants that, among other things, restrict, subject to certain exceptions, ASI's ability and the ability of its restricted subsidiaries to: incur additional indebtedness; issue preferred stock or provide guarantees; create liens on assets; engage in mergers or consolidations; sell assets; pay dividends, make distributions or repurchase its capital stock; make investments, loans or advances; repay or repurchase any subordinated debt, except as scheduled or at maturity; create restrictions on the payment of dividends or other transfers to ASI from its restricted subsidiaries; make certain acquisitions; engage in certain transactions with affiliates; amend material agreements governing ASI's subordinated debt; and fundamentally change ASI's business. In addition, the Credit Agreement requires ASI to comply with a maximum Consolidated Secured Debt Ratio maintenance covenant. The Credit Agreement also contains certain customary affirmative covenants, such as financial and other reporting, and certain events of default. At June 30, 2017, ASI was in compliance with all of these covenants.

The Credit Agreement requires ASI to maintain a maximum Consolidated Secured Debt Ratio, defined as consolidated total indebtedness secured by a lien to Covenant Adjusted EBITDA, of 5.125x. Consolidated total indebtedness secured by a lien is defined in the Credit Agreement as total indebtedness outstanding under the Credit Agreement, capital leases, advances under the Receivables Facility and any other indebtedness secured by a lien reduced by the amount of cash and cash equivalents on the consolidated balance sheet that is free and clear of any lien. Non-compliance with the maximum Consolidated Secured Debt Ratio could result in the requirement to immediately repay all amounts outstanding under the Credit Agreement, which, if ASI's revolving credit facility lenders failed to waive any such default, would also constitute a default under the indentures governing the senior notes.

The Credit Agreement establishes an incurrence-based minimum Interest Coverage Ratio, defined as Covenant Adjusted EBITDA to consolidated interest expense, as a condition for ASI and its restricted subsidiaries to incur additional indebtedness and to make certain restricted payments. The minimum Interest Coverage Ratio is 2.00x for the term of the Credit Agreement. If ASI does not maintain this minimum Interest Coverage Ratio calculated on a pro forma basis for any such additional indebtedness or restricted payments, it could be prohibited from being able to incur additional indebtedness, other than the additional funding provided for under the Credit Agreement and pursuant to specified exceptions, and make certain restricted payments, other than pursuant to certain exceptions.

A failure to pay any obligations under the Credit Agreement as they become due or any event causing amounts to become due prior to their stated maturity could result in a cross-default and potential acceleration of the Company's other outstanding debt obligations, including the senior notes.

Senior Notes**5.000% Senior Notes due 2025 and 3.125% Senior Notes due 2025**

The 5.000% 2025 Notes were issued pursuant to an indenture, dated as of March 22, 2017 (the "5.000% 2025 Notes Indenture"), entered into by and among ASI, the Company and certain other Aramark entities, as guarantors, and The Bank of New York Mellon, as trustee. The 5.000% 2025 Notes were issued at par. The 3.125% 2025 Notes were issued pursuant to an indenture, dated as of March 27, 2017 (the "3.125% 2025 Notes Indenture"), entered into by and among AIFS, the Company and certain other Aramark entities, as guarantors, The Bank of New York Mellon, as trustee and registrar, and The Bank of New York Mellon, London Branch, as paying agent and transfer agent. The 3.125% 2025 Notes were issued at par.

The Notes are senior unsecured obligations of the respective Issuers. Each series of the Notes ranks equal in right of payment to all of the respective Issuer's existing and future senior indebtedness, including the senior secured credit facilities under the Credit Agreement, and, in the case of the 5.000% 2025 Notes with respect to ASI, ASI's 5.125% Senior Notes due 2024 (the "2024 Notes") and 4.750% Senior Notes due 2026 (the "2026 Notes") and will rank senior in right of payment to the respective

ARAMARK AND SUBSIDIARIES**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

Issuer's future subordinated indebtedness. The Notes are guaranteed on a senior, unsecured basis by the Company and substantially all of the domestic subsidiaries of ASI and the 3.125% 2025 Notes are guaranteed on a senior, unsecured basis by ASI. The guarantees of the Notes rank equal in right of payment to all of the senior obligations of such guarantor, including guarantees of the senior secured credit facilities, the 2024 Notes, the 2026 Notes and the 5.000% 2025 Notes or 3.125% 2025 Notes, as applicable, and in the case of the 3.125% 2025 Notes with respect to ASI, ASI's obligations under the senior secured credit facilities, the 2024 Notes, the 2026 Notes and the 5.000% 2025 Notes. Each series of the Notes and the related guarantees thereof are effectively subordinated to all of the respective Issuers' existing and future secured indebtedness, including obligations and/or guarantees of the senior secured credit facilities under the Credit Agreement, to the extent of the value of the assets securing that indebtedness, and structurally subordinated to all of the liabilities of any of ASI's subsidiaries that do not guarantee the Notes. Interest on the Notes is payable on April 1 and October 1 of each year, commencing on October 1, 2017. Interest accrues from March 22, 2017 for the 5.000% 2025 Notes and interest accrues from March 27, 2017 for the 3.125% 2025 Notes.

In the event of certain types of changes of control, the holders of the Notes may require the applicable Issuer to purchase for cash all or a portion of their Notes at a purchase price equal to 101% of the principal amount of such Notes, plus accrued and unpaid interest, if any, to, but not including, the purchase date. Beginning April 1, 2020, ASI has the option to redeem all or a portion of the 5.000% 2025 Notes at any time at the redemption prices set forth in the 5.000% 2025 Notes Indenture, plus accrued and unpaid interest. Beginning April 1, 2020, AIFS has the option to redeem all or a portion of the 3.125% 2025 Notes at any time at the redemption prices set forth in the 3.125% 2025 Notes Indenture, plus accrued and unpaid interest.

The 5.000% 2025 Notes Indenture and the 3.125% 2025 Notes Indenture contain covenants limiting ASI's ability and the ability of its restricted subsidiaries to: incur additional indebtedness or issue certain preferred shares; pay dividends and make certain distributions, investments and other restricted payments; create certain liens; sell assets; enter into transactions with affiliates; limit the ability of restricted subsidiaries to make payments to ASI; enter into sale and leaseback transactions; merge, consolidate, sell or otherwise dispose of all or substantially all of ASI's and its restricted subsidiaries assets; and designate ASI's subsidiaries as unrestricted subsidiaries. The 5.000% 2025 Notes Indenture and the 3.125% 2025 Notes Indenture also provide for events of default which, if any of them occurs, would permit or require the principal of and accrued interest on the applicable series of Notes to become or to be declared due and payable. Further, a failure to pay any obligations under the 5.000% 2025 Notes Indenture or the 3.125% 2025 Notes Indenture as they become due or any event causing amounts to become due prior to their stated maturity could result in a cross-default and potential acceleration of the Company's other outstanding debt obligations, including the other senior notes and obligations under the Credit Agreement.

Fiscal 2016 Refinancing Transactions

On May 31, 2016, ASI issued \$1.0 billion principal amount of senior unsecured notes, consisting of the 2024 Notes and the 2026 Notes. The 2024 Notes were issued pursuant to an indenture dated as of December 17, 2015, as supplemented by the supplemental indenture, dated as of May 31, 2016, entered into by ASI, certain other Aramark entities, as guarantors of the 2024 Notes and the Bank of New York Mellon, as trustee. The 2026 Notes were issued pursuant to the indenture, dated as of May 31, 2016, entered into by ASI, certain other Aramark entities, as guarantors of the 2026 Notes and The Bank of New York Mellon, as trustee. The 2024 Notes were issued at a premium of \$18.8 million, which created an effective yield of 4.6%. The premium was recorded to "Long-Term Borrowings" in the Condensed Consolidated Balance Sheets and will be amortized to "Interest and Other Financing Costs, net" in the Condensed Consolidated Statements of Income until maturity in 2024. The 2026 Notes were issued at par.

The net proceeds from the 2024 Notes and the 2026 Notes and premium from the 2024 Notes were used to redeem \$194.1 million of the senior secured term loan facility due September 2019 (the "2019 Term Loans"), repay \$771.2 million principal of the 2020 Notes, pay a \$22.2 million call premium on the 2020 Notes, pay \$11.1 million of accrued interest on the 2020 Notes and fees and costs associated with the 2024 Notes and 2026 Notes. As a result of the issuance of the 2024 Notes and 2026 Notes, the Company recorded charges of approximately \$30.2 million, to "Interest and Other Financing Costs, net" in the Condensed Consolidated Statements of Income for the nine months ended July 1, 2016, consisting of \$22.2 million for the call premium on the 2020 Notes and \$8.0 million of non-cash charges for the write-off of debt issuance costs and debt discount on the 2020 Notes and 2019 Term Loans. The Company also paid approximately \$14.2 million in debt issuance costs spread evenly between the 2024 Notes and 2026 Notes, which were recorded as a reduction to "Long-Term Borrowings" in the Condensed Consolidated Balance Sheets.

On December 17, 2015, ASI issued \$400 million of 2024 Notes, pursuant to an indenture, dated as of December 17, 2015, entered into by ASI, certain other Aramark entities, as guarantors of the 2024 Notes and the Bank of New York Mellon, as trustee. The 2024 Notes were issued at par. The Company paid approximately \$6.0 million in financing fees related to the 2024 Notes.

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Future Maturities

After giving effect to the refinancing activity during the second quarter of fiscal 2017, at June 30, 2017, annual maturities on long-term borrowings maturing between fiscal years 2017 and 2022 and thereafter (excluding the \$49.0 million reduction to long-term borrowings from debt issuance costs and the increase of \$15.6 million from the premium on the 2024 Notes) are as follows (in thousands):

| | | |
|------------|----|-----------|
| 2017 | \$ | 20,297 |
| 2018 | | 78,204 |
| 2019 | | 414,698 |
| 2020 | | 117,647 |
| 2021 | | 125,111 |
| 2022 | | 766,729 |
| Thereafter | | 4,025,127 |

NOTE 6. DERIVATIVE INSTRUMENTS:

The Company enters into contractual derivative arrangements to manage changes in market conditions related to interest on debt obligations, foreign currency exposures and exposure to fluctuating gasoline and diesel fuel prices. Derivative instruments utilized during the period include interest rate swap agreements, foreign currency forward exchange contracts and gasoline and diesel fuel agreements. All derivative instruments are recognized as either assets or liabilities on the balance sheet at fair value at the end of each quarter. The counterparties to the Company's contractual derivative agreements are all major international financial institutions. The Company is exposed to the risk of credit loss in the event of nonperformance by these counterparties. The Company continually monitors its positions and the credit ratings of its counterparties, and does not anticipate nonperformance by the counterparties. For designated hedging relationships, the Company formally documents the hedging relationship and its risk management objective and strategy for undertaking the hedge, the hedging instrument, the hedged item, the nature of the risk being hedged, how the hedging instrument's effectiveness in offsetting the hedged risk will be assessed prospectively and retrospectively, and a description of the method of measuring ineffectiveness. The Company also formally assesses, both at the hedge's inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting cash flows of hedged items.

Cash Flow Hedges

The Company previously entered into approximately \$2.4 billion notional amount of outstanding interest rate swap agreements, fixing the rate on a like amount of variable rate borrowings. During the third quarter of fiscal 2017, the Company entered into \$200.0 million notional amount of forward starting interest rate swap agreements to hedge the cash flow risk of variability in interest payments on variable rate borrowings. In addition, interest rate swaps with a notional amount of \$350.0 million matured during the third quarter of fiscal 2017. As a result of the Credit Agreement, the Company de-designated the previous interest rate swap agreements as the terms of the interest rate swaps did not match the terms of the new term loans. Prior to the Credit Agreement, these agreements met the required criteria to be designated as cash flow hedging instruments. The Company then amended the interest rate swap agreements to match the terms of the new term loans under the Credit Agreement to meet the criteria to be designated as cash flow hedging instruments. As a result of the de-designation, the Company recorded charges to "Interest and Other Financing Costs, net" in the Condensed Consolidated Statements of Income for the nine months ended June 30, 2017 of approximately \$2.9 million for the changes in market value of the interest rate swaps.

Changes in the fair value of a derivative that is designated as and meets all the required criteria for a cash flow hedge are recorded in accumulated other comprehensive income (loss) and reclassified into earnings as the underlying hedged item affects earnings. Approximately (\$7.4) million and (\$36.4) million of unrealized net of tax losses related to the interest rate swaps were included in "Accumulated other comprehensive loss" as of June 30, 2017 and September 30, 2016, respectively. As of June 30, 2017, such amount principally represents the fair value of the original interest rate swap agreements on the de-designation date, which will be recognized in income over the original anticipated cash flow period. The hedge ineffectiveness for these cash flow hedging instruments during the nine months ended June 30, 2017 and July 1, 2016 was not material.

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The following table summarizes the effect of our derivatives designated as cash flow hedging instruments (effective portion) on Other comprehensive income (loss) (in thousands):

| | Three Months Ended | |
|--------------------------------|--------------------|--------------------|
| | June 30, 2017 | July 1, 2016 |
| Interest rate swap agreements | \$ (2,721) | \$ (8,947) |
| | Nine Months Ended | |
| | June 30, 2017 | July 1, 2016 |
| Interest rate swap agreements | \$ 33,261 | \$ (23,916) |
| Cross currency swap agreements | — | (2,116) |
| | <u>\$ 33,261</u> | <u>\$ (26,032)</u> |

Derivatives not Designated in Hedging Relationships

The Company entered into a series of pay fixed/receive floating gasoline and diesel fuel agreements based on the Department of Energy weekly retail on-highway index in order to limit its exposure to price fluctuations for gasoline and diesel fuel. As of June 30, 2017, the Company has contracts for approximately 20.2 million gallons outstanding for fiscal 2017 and fiscal 2018. The Company does not record its gasoline and diesel fuel agreements as hedges for accounting purposes. The impact on earnings related to the change in fair value of these unsettled contracts was a loss of approximately \$2.6 million and approximately \$3.6 million for the three and nine months ended June 30, 2017, respectively. The impact on earnings related to the change in fair value of these unsettled contracts was a gain of approximately \$10.7 million and \$7.9 million for the three and nine months ended July 1, 2016, respectively. The change in fair value for unsettled contracts is included in "Selling and general corporate expenses" in the Condensed Consolidated Statements of Income. When the contracts settle, the gain or loss is recorded to "Costs of services provided" in the Condensed Consolidated Statements of Income.

As of June 30, 2017, the Company had foreign currency forward exchange contracts outstanding with notional amounts of €47.0 million, £50.3 million and CAD14.0 million to mitigate the risk of changes in foreign currency exchange rates on short-term intercompany loans to certain international subsidiaries. Gains and losses on these foreign currency exchange contracts are recognized in income as the contracts were not designated as hedging instruments, substantially offsetting currency transaction gains and losses on the short-term intercompany loans.

The following table summarizes the location and fair value, using Level 2 inputs, of the Company's derivatives designated and not designated as hedging instruments in the Condensed Consolidated Balance Sheets (in thousands):

| | Balance Sheet Location | June 30, 2017 | September 30, 2016 |
|-----------------------------------------------|------------------------------------------------|------------------|--------------------|
| ASSETS | | | |
| <i>Not designated as hedging instruments:</i> | | | |
| Gasoline and diesel fuel agreements | Prepayments and other current assets | \$ 102 | \$ 3,878 |
| LIABILITIES | | | |
| <i>Designated as hedging instruments:</i> | | | |
| Interest rate swap agreements | Accrued expenses and other current liabilities | \$ 1,210 | \$ 5,929 |
| Interest rate swap agreements | Other Noncurrent Liabilities | 12,271 | 34,919 |
| | | <u>13,481</u> | <u>40,848</u> |
| <i>Not designated as hedging instruments:</i> | | | |
| Foreign currency forward exchange contracts | Accounts payable | 178 | 447 |
| | | <u>\$ 13,659</u> | <u>\$ 41,295</u> |

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The following table summarizes the location of (gain) loss reclassified from "Accumulated other comprehensive loss" into earnings for derivatives designated as hedging instruments and the location of (gain) loss for the Company's derivatives not designated as hedging instruments in the Condensed Consolidated Statements of Income (in thousands):

| | Income Statement Location | Three Months Ended | |
|-----------------------------------------------|---------------------------------------------------------------------|--------------------|-------------------|
| | | June 30, 2017 | July 1, 2016 |
| <i>Designated as hedging instruments:</i> | | | |
| Interest rate swap agreements | Interest expense | \$ 3,732 | \$ 8,217 |
| <i>Not designated as hedging instruments:</i> | | | |
| Gasoline and diesel fuel agreements | Costs of services provided / Selling and general corporate expenses | \$ 2,404 | \$ (8,997) |
| Foreign currency forward exchange contracts | Interest expense | 1,673 | (4,441) |
| | | 4,077 | (13,438) |
| | | <u>\$ 7,809</u> | <u>\$ (5,221)</u> |
| | | Nine Months Ended | |
| | Income Statement Location | June 30, 2017 | July 1, 2016 |
| <i>Designated as hedging instruments:</i> | | | |
| Interest rate swap agreements | Interest Expense | \$ 14,288 | \$ 26,322 |
| Cross currency swap agreements | Interest Expense | — | 2,061 |
| | | 14,288 | 28,383 |
| <i>Not designated as hedging instruments:</i> | | | |
| Gasoline and diesel fuel agreements | Costs of services provided / Selling and general corporate expenses | \$ 2,787 | \$ (1,921) |
| Foreign currency forward exchange contracts | Interest Expense | (3,134) | (5,216) |
| | | (347) | (7,137) |
| | | <u>\$ 13,941</u> | <u>\$ 21,246</u> |

At June 30, 2017, the net of tax loss expected to be reclassified from "Accumulated other comprehensive loss" into earnings over the next twelve months based on current market rates is approximately \$2.9 million.

NOTE 7. STOCKHOLDERS' EQUITY:

During the nine months ended June 30, 2017 and July 1, 2016, the Company paid dividends of approximately \$75.5 million and \$68.9 million to its stockholders, respectively. On August 2, 2017, the Company's Board declared a \$0.103 dividend per share of common stock, payable on September 5, 2017, to shareholders of record on the close of business on August 16, 2017.

During fiscal 2017, the Board of Directors authorized a new share repurchase program providing for purchases of up to \$250 million of Aramark common stock over the next two years, pursuant to which the Company repurchased approximately 2.8 million shares of its common stock for \$100.0 million in the second quarter of fiscal 2017.

ARAMARK AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
NOTE 8. SHARE-BASED COMPENSATION:

The following table summarizes the share-based compensation expense and related information for Time-Based Options ("TBOs"), Time-Based Restricted Stock Units ("RSUs"), Performance Stock Units and Performance Restricted Stock ("PSUs"), and Deferred Stock and Other Units classified as "Selling and general corporate expenses" in the Condensed Consolidated Statements of Income (in millions).

| | Three Months Ended | | Nine Months Ended | |
|--------------------------------|--------------------|----------------|-------------------|----------------|
| | June 30, 2017 | July 1, 2016 | June 30, 2017 | July 1, 2016 |
| TBOs | \$ 5.2 | \$ 4.8 | \$ 15.7 | \$ 14.4 |
| RSUs | 5.0 | 5.3 | 16.4 | 16.4 |
| PSUs | 5.0 | 3.4 | 16.4 | 10.7 |
| Deferred Stock and Other Units | 0.4 | 0.7 | 1.8 | 2.1 |
| | <u>\$ 15.6</u> | <u>\$ 14.2</u> | <u>\$ 50.3</u> | <u>\$ 43.6</u> |

| | | | | |
|-------------------------------------------|--------|--------|---------|---------|
| Taxes related to share-based compensation | \$ 5.7 | \$ 5.5 | \$ 18.6 | \$ 17.0 |
|-------------------------------------------|--------|--------|---------|---------|

The below table summarizes the number of shares granted and the weighted-average grant-date fair value per unit during the nine months ended June 30, 2017:

| | Shares Granted (in millions) | Weighted-Average Grant-Date Fair Value (dollars per share) |
|------|---------------------------------|------------------------------------------------------------------|
| TBOs | 2.7 | \$ 8.47 |
| RSUs | 1.4 | \$ 34.09 |
| PSUs | 0.4 | \$ 34.12 |
| | <u>4.5</u> | |

NOTE 9. EARNINGS PER SHARE:

Basic earnings per share is computed using the weighted average number of common shares outstanding during the periods presented. Diluted earnings per share is computed using the weighted average number of common shares outstanding adjusted to include the potentially dilutive effect of share-based awards.

The following table sets forth the computation of basic and diluted earnings per share attributable to the Company's stockholders (in thousands, except per share data):

| | Three Months Ended | | Nine Months Ended | |
|-------------------------------------------------|--------------------|----------------|-------------------|----------------|
| | June 30, 2017 | July 1, 2016 | June 30, 2017 | July 1, 2016 |
| Earnings: | | | | |
| Net income attributable to Aramark stockholders | \$ 65,295 | \$ 44,765 | \$ 260,785 | \$ 204,462 |
| Shares: | | | | |
| Basic weighted-average shares outstanding | 244,266 | 242,831 | 244,399 | 241,740 |
| Effect of dilutive securities | 6,890 | 6,226 | 7,149 | 6,582 |
| Diluted weighted-average shares outstanding | <u>251,156</u> | <u>249,057</u> | <u>251,548</u> | <u>248,322</u> |
| Basic Earnings Per Share: | | | | |
| Net income attributable to Aramark stockholders | \$ 0.27 | \$ 0.18 | \$ 1.07 | \$ 0.85 |
| Diluted Earnings Per Share: | | | | |
| Net income attributable to Aramark stockholders | \$ 0.26 | \$ 0.18 | \$ 1.04 | \$ 0.82 |

Share-based awards to purchase 3.7 million and 2.4 million shares were outstanding for the three months ended June 30, 2017 and July 1, 2016, respectively, but were not included in the computation of diluted earnings per common share, as their effect would have been antidilutive. In addition, PSUs related to 1.2 million shares and 0.7 million shares were outstanding for the

ARAMARK AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

three month periods of June 30, 2017 and July 1, 2016, respectively, but were not included in the computation of diluted earnings per common share, as the performance targets were not yet met.

Share-based awards to purchase 3.9 million and 3.4 million shares were outstanding for the nine months ended June 30, 2017 and July 1, 2016, respectively, but were not included in the computation of diluted earnings per common share, as their effect would have been antidilutive. In addition, PSUs related to 1.2 million shares and 0.7 million shares were outstanding for the nine month period of June 30, 2017 and July 1, 2016, respectively, but were not included in the computation of diluted earnings per common share, as the performance targets were not yet met.

NOTE 10. COMMITMENTS AND CONTINGENCIES:

Certain of the Company's lease arrangements, primarily vehicle leases, with terms of one to eight years, contain provisions related to residual value guarantees. The maximum potential liability to the Company under such arrangements was approximately \$94.6 million at June 30, 2017 if the terminal fair value of vehicles coming off lease was zero. Consistent with past experience, management does not expect any significant payments will be required pursuant to these arrangements. No amounts have been accrued for guarantee arrangements at June 30, 2017.

From time to time, the Company and its subsidiaries are a party to various legal actions, proceedings and investigations involving claims incidental to the conduct of their business, including actions by clients, consumers, employees, government entities and third parties, including under federal, state, international, national, provincial and local employment laws, wage and hour laws, discrimination laws, immigration laws, human health and safety laws, import and export controls and customs laws, environmental laws, false claims or whistleblower statutes, minority, women and disadvantaged business enterprise statutes, tax codes, antitrust and competition laws, consumer protection statutes, procurement regulations, intellectual property laws, food safety and sanitation laws, cost and accounting principles, the Foreign Corrupt Practices Act, the U.K. Bribery Act, other anti-corruption laws, lobbying laws, motor carrier safety laws, data privacy and security laws and alcohol licensing and service laws, or alleging negligence and/or breaches of contractual and other obligations. Based on information currently available, advice of counsel, available insurance coverage, established reserves and other resources, the Company does not believe that any such actions are likely to be, individually or in the aggregate, material to its business, financial condition, results of operations or cash flows. However, in the event of unexpected further developments, it is possible that the ultimate resolution of these matters, or other similar matters, if unfavorable, may be materially adverse to the Company's business, financial condition, results of operations or cash flows.

ARAMARK AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
NOTE 11. BUSINESS SEGMENTS:

The Company reports its operating results in three reportable segments: FSS North America, FSS International and Uniform. Corporate includes general expenses not specifically allocated to an individual segment and share-based compensation expense (see note 8). In the Company's food and support services segments, approximately 80% of the global sales is related to food services and 20% is related to facilities services. Financial information by segment follows (in millions):

| | Sales | |
|-------------------|--------------------|-------------------|
| | Three Months Ended | |
| | June 30, 2017 | July 1, 2016 |
| FSS North America | \$ 2,491.6 | \$ 2,487.9 |
| FSS International | 713.9 | 709.7 |
| Uniform | 387.8 | 389.3 |
| | <u>\$ 3,593.3</u> | <u>\$ 3,586.9</u> |

| | Operating Income | |
|-----------------------------------------|--------------------|----------------|
| | Three Months Ended | |
| | June 30, 2017 | July 1, 2016 |
| FSS North America | \$ 120.1 | \$ 100.7 |
| FSS International | 25.8 | 38.5 |
| Uniform | 45.0 | 52.2 |
| | 190.9 | 191.4 |
| Corporate | (36.2) | (22.1) |
| Operating Income | 154.7 | 169.3 |
| Interest and Other Financing Costs, net | (61.5) | (103.7) |
| Income Before Income Taxes | <u>\$ 93.2</u> | <u>\$ 65.6</u> |

| | Sales | |
|-------------------|--------------------|--------------------|
| | Nine Months Ended | |
| | June 30, 2017 | July 1, 2016 |
| FSS North America | \$ 7,713.9 | \$ 7,630.7 |
| FSS International | 2,065.5 | 2,068.7 |
| Uniform | 1,170.9 | 1,172.6 |
| | <u>\$ 10,950.3</u> | <u>\$ 10,872.0</u> |

| | Operating Income | |
|-----------------------------------------|-------------------|-----------------|
| | Nine Months Ended | |
| | June 30, 2017 | July 1, 2016 |
| FSS North America | \$ 457.3 | \$ 406.3 |
| FSS International | 88.6 | 93.0 |
| Uniform | 144.2 | 146.3 |
| | 690.1 | 645.6 |
| Corporate | (99.9) | (90.1) |
| Operating Income | 590.2 | 555.5 |
| Interest and Other Financing Costs, net | (224.8) | (246.8) |
| Income Before Income Taxes | <u>\$ 365.4</u> | <u>\$ 308.7</u> |

ARAMARK AND SUBSIDIARIES**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)****NOTE 12. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES:**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Assets and liabilities recorded at fair value are classified based upon the level of judgment associated with the inputs used to measure their fair value. The hierarchical levels related to the subjectivity of the valuation inputs are defined as follows:

- Level 1—inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets
- Level 2—inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument
- Level 3—inputs to the valuation methodology are unobservable and significant to the fair value measurement

Recurring Fair Value Measurements

The Company's financial instruments consist primarily of cash and cash equivalents, accounts receivable, accounts payable, borrowings and derivatives. Management believes that the carrying value of cash and cash equivalents, accounts receivable and accounts payable are representative of their respective fair values. In conjunction with the fair value measurement of the derivative instruments, the Company made an accounting policy election to measure the credit risk of its derivative instruments that are subject to master netting agreements on a net basis by counterparty portfolio. The fair value of the Company's debt at June 30, 2017 and September 30, 2016 was \$5,680.8 million and \$5,365.6 million, respectively. The carrying value of the Company's debt at June 30, 2017 and September 30, 2016 was \$5,514.4 million and \$5,270.0 million, respectively. The fair values were computed using market quotes, if available, or based on discounted cash flows using market interest rates as of the end of the respective periods. The inputs utilized in estimating the fair value of the Company's debt have been classified as level 2 in the fair value hierarchy levels.

NOTE 13. CONDENSED CONSOLIDATING FINANCIAL STATEMENTS OF ARAMARK AND SUBSIDIARIES:

The following condensed consolidating financial statements of the Company have been prepared pursuant to Rule 3-10 of Regulation S-X.

The condensed consolidating financial statements are presented for: (i) Aramark (the "Parent"); (ii) Aramark Services, Inc. and Aramark International Finance S.à r.l. (the "Issuers"); (iii) the guarantors; (iv) the non guarantors; (v) elimination entries necessary to consolidate the Parent with the Issuers, the guarantor and non guarantors; and (vi) the Company on a consolidated basis. Each of the guarantors is wholly-owned, directly or indirectly, by the Company. All other subsidiaries of the Company, either direct or indirect, are non guarantors and do not guarantee the 2024 Notes, the 2026 Notes and the Notes. The guarantors also guarantee certain other debt. See note 5 for additional descriptions of the Notes. These condensed consolidating financial statements have been prepared from the Company's financial information on the same basis of accounting as the condensed consolidated financial statements. Interest expense and certain other costs are partially allocated to all of the subsidiaries of the Company. Goodwill and other intangible assets have been allocated to the subsidiaries based on management's estimates.

ARAMARK AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
CONDENSED CONSOLIDATING BALANCE SHEETS
June 30, 2017
(in thousands)

| | Aramark (Parent) | Issuers | Guarantors | Non Guarantors | Eliminations | Consolidated |
|--------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|----------------------|
| ASSETS | | | | | | |
| Current Assets: | | | | | | |
| Cash and cash equivalents | \$ 5 | \$ 26,162 | \$ 30,995 | \$ 97,512 | \$ — | \$ 154,674 |
| Receivables | — | 941 | 377,810 | 1,154,128 | — | 1,532,879 |
| Inventories | — | 15,824 | 474,963 | 76,777 | — | 567,564 |
| Prepayments and other current assets | — | 14,079 | 76,477 | 118,769 | — | 209,325 |
| Total current assets | 5 | 57,006 | 960,245 | 1,447,186 | — | 2,464,442 |
| Property and Equipment, net | — | 30,635 | 748,979 | 201,922 | — | 981,536 |
| Goodwill | — | 173,104 | 4,071,585 | 457,708 | — | 4,702,397 |
| Investment in and Advances to Subsidiaries | 2,322,762 | 5,803,683 | 462,014 | 915,177 | (9,503,636) | — |
| Other Intangible Assets | — | 29,684 | 969,692 | 122,165 | — | 1,121,541 |
| Other Assets | — | 80,217 | 1,034,314 | 267,926 | (2,002) | 1,380,455 |
| | <u>\$ 2,322,767</u> | <u>\$ 6,174,329</u> | <u>\$ 8,246,829</u> | <u>\$ 3,412,084</u> | <u>\$ (9,505,638)</u> | <u>\$ 10,650,371</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | | | |
| Current Liabilities: | | | | | | |
| Current maturities of long-term borrowings | \$ — | \$ 50,988 | \$ 15,751 | \$ 7,498 | \$ — | \$ 74,237 |
| Accounts payable | — | 133,216 | 318,097 | 277,728 | — | 729,041 |
| Accrued expenses and other current liabilities | — | 203,851 | 588,006 | 306,679 | 88 | 1,098,624 |
| Total current liabilities | — | 388,055 | 921,854 | 591,905 | 88 | 1,901,902 |
| Long-term Borrowings | — | 4,928,734 | 62,351 | 449,058 | — | 5,440,143 |
| Deferred Income Taxes and Other Noncurrent Liabilities | — | 429,342 | 516,552 | 29,821 | — | 975,715 |
| Intercompany Payable | — | — | 5,276,339 | 1,018,040 | (6,294,379) | — |
| Redeemable Noncontrolling Interest | — | — | 9,844 | — | — | 9,844 |
| Total Stockholders' Equity | 2,322,767 | 428,198 | 1,459,889 | 1,323,260 | (3,211,347) | 2,322,767 |
| | <u>\$ 2,322,767</u> | <u>\$ 6,174,329</u> | <u>\$ 8,246,829</u> | <u>\$ 3,412,084</u> | <u>\$ (9,505,638)</u> | <u>\$ 10,650,371</u> |

ARAMARK AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
CONDENSED CONSOLIDATING BALANCE SHEETS
September 30, 2016
(in thousands)

| | Aramark (Parent) | Aramark Services, Inc. | Guarantors | Non Guarantors | Eliminations | Consolidated |
|--------------------------------------------------------|---------------------|---------------------------|---------------------|---------------------|-----------------------|----------------------|
| ASSETS | | | | | | |
| Current Assets: | | | | | | |
| Cash and cash equivalents | \$ 5 | \$ 47,850 | \$ 31,344 | \$ 73,381 | \$ — | \$ 152,580 |
| Receivables | — | 167 | 265,124 | 1,211,058 | — | 1,476,349 |
| Inventories | — | 15,284 | 492,855 | 79,016 | — | 587,155 |
| Prepayments and other current assets | — | 69,033 | 98,779 | 108,675 | — | 276,487 |
| Total current assets | 5 | 132,334 | 888,102 | 1,472,130 | — | 2,492,571 |
| Property and Equipment, net | — | 30,201 | 782,347 | 210,535 | — | 1,023,083 |
| Goodwill | — | 173,104 | 3,982,737 | 473,040 | — | 4,628,881 |
| Investment in and Advances to Subsidiaries | 2,161,101 | 5,450,692 | 598,759 | 230,488 | (8,441,040) | — |
| Other Intangible Assets | — | 29,729 | 894,274 | 187,880 | — | 1,111,883 |
| Other Assets | — | 56,850 | 1,028,887 | 241,919 | (2,002) | 1,325,654 |
| | <u>\$ 2,161,106</u> | <u>\$ 5,872,910</u> | <u>\$ 8,175,106</u> | <u>\$ 2,815,992</u> | <u>\$ (8,443,042)</u> | <u>\$ 10,582,072</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | | | |
| Current Liabilities: | | | | | | |
| Current maturities of long-term borrowings | \$ — | \$ 21,998 | \$ 15,598 | \$ 8,926 | \$ — | \$ 46,522 |
| Accounts payable | — | 156,471 | 415,481 | 275,636 | — | 847,588 |
| Accrued expenses and other current liabilities | 100 | 145,314 | 827,213 | 319,447 | (1,439) | 1,290,635 |
| Total current liabilities | 100 | 323,783 | 1,258,292 | 604,009 | (1,439) | 2,184,745 |
| Long-term Borrowings | — | 4,570,931 | 62,892 | 589,691 | — | 5,223,514 |
| Deferred Income Taxes and Other Noncurrent Liabilities | — | 440,839 | 510,254 | 51,920 | — | 1,003,013 |
| Intercompany Payable | — | — | 4,619,489 | 1,400,741 | (6,020,230) | — |
| Redeemable Noncontrolling Interest | — | — | 9,794 | — | — | 9,794 |
| Total Stockholders' Equity | 2,161,006 | 537,357 | 1,714,385 | 169,631 | (2,421,373) | 2,161,006 |
| | <u>\$ 2,161,106</u> | <u>\$ 5,872,910</u> | <u>\$ 8,175,106</u> | <u>\$ 2,815,992</u> | <u>\$ (8,443,042)</u> | <u>\$ 10,582,072</u> |

ARAMARK AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
CONDENSED CONSOLIDATING STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
For the three months ended June 30, 2017
(in thousands)

| | Aramark (Parent) | Issuers | Guarantors | Non Guarantors | Eliminations | Consolidated |
|------------------------------------------------------------------|---------------------|------------|--------------|-------------------|--------------|--------------|
| Sales | \$ — | \$ 274,030 | \$ 2,346,917 | \$ 972,330 | \$ — | \$ 3,593,277 |
| Costs and Expenses: | | | | | | |
| Cost of services provided | — | 247,571 | 2,082,456 | 902,339 | — | 3,232,366 |
| Depreciation and amortization | — | 4,288 | 104,394 | 17,758 | — | 126,440 |
| Selling and general corporate expenses | — | 37,969 | 35,189 | 6,634 | — | 79,792 |
| Interest and other financing costs, net | — | 58,831 | (847) | 3,499 | — | 61,483 |
| Expense allocations | — | (67,250) | 62,913 | 4,337 | — | — |
| | — | 281,409 | 2,284,105 | 934,567 | — | 3,500,081 |
| Income (Loss) before Income Tax | — | (7,379) | 62,812 | 37,763 | — | 93,196 |
| Provision (Benefit) for Income Taxes | — | (3,087) | 17,424 | 13,495 | — | 27,832 |
| Equity in Net Income of Subsidiaries | 65,295 | — | — | — | (65,295) | — |
| Net income (loss) | 65,295 | (4,292) | 45,388 | 24,268 | (65,295) | 65,364 |
| Less: Net income attributable to noncontrolling interest | — | — | 69 | — | — | 69 |
| Net income (loss) attributable to Aramark stockholders | 65,295 | (4,292) | 45,319 | 24,268 | (65,295) | 65,295 |
| Other comprehensive income, net of tax | 17,574 | 4,034 | 1,495 | 57,622 | (63,151) | 17,574 |
| Comprehensive income (loss) attributable to Aramark stockholders | \$ 82,869 | \$ (258) | \$ 46,814 | \$ 81,890 | \$ (128,446) | \$ 82,869 |

ARAMARK AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
CONDENSED CONSOLIDATING STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
For the nine months ended June 30, 2017
(in thousands)

| | Aramark (Parent) | Issuers | Guarantors | Non Guarantors | Eliminations | Consolidated |
|-----------------------------------------------------------|---------------------|------------|--------------|-------------------|--------------|---------------|
| Sales | \$ — | \$ 785,435 | \$ 7,310,795 | \$ 2,854,058 | \$ — | \$ 10,950,288 |
| Costs and Expenses: | | | | | | |
| Cost of services provided | — | 713,520 | 6,404,749 | 2,639,623 | — | 9,757,892 |
| Depreciation and amortization | — | 12,851 | 313,350 | 52,057 | — | 378,258 |
| Selling and general corporate expenses | — | 105,283 | 102,978 | 15,723 | — | 223,984 |
| Interest and other financing costs, net | — | 212,651 | (2,207) | 14,347 | — | 224,791 |
| Expense allocations | — | (210,077) | 201,245 | 8,832 | — | — |
| | — | 834,228 | 7,020,115 | 2,730,582 | — | 10,584,925 |
| Income (Loss) before Income Tax | — | (48,793) | 290,680 | 123,476 | — | 365,363 |
| Provision (Benefit) for Income Taxes | — | (19,186) | 82,727 | 40,793 | — | 104,334 |
| Equity in Net Income of Subsidiaries | 260,785 | — | — | — | (260,785) | — |
| Net income (loss) | 260,785 | (29,607) | 207,953 | 82,683 | (260,785) | 261,029 |
| Less: Net income attributable to noncontrolling interest | — | — | 244 | — | — | 244 |
| Net income (loss) attributable to Aramark stockholders | 260,785 | (29,607) | 207,709 | 82,683 | (260,785) | 260,785 |
| Other comprehensive income, net of tax | 24,710 | 42,069 | 172 | 13,955 | (56,196) | 24,710 |
| Comprehensive income attributable to Aramark stockholders | \$ 285,495 | \$ 12,462 | \$ 207,881 | \$ 96,638 | \$ (316,981) | \$ 285,495 |

ARAMARK AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
CONDENSED CONSOLIDATING STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
For the three months ended July 1, 2016
(in thousands)

| | Aramark (Parent) | Aramark Services, Inc. | Guarantors | Non Guarantors | Eliminations | Consolidated |
|------------------------------------------------------------------|---------------------|---------------------------|--------------|-------------------|--------------|--------------|
| Sales | \$ — | \$ 263,378 | \$ 2,406,759 | \$ 916,771 | \$ — | \$ 3,586,908 |
| Costs and Expenses: | | | | | | |
| Cost of services provided | — | 242,148 | 2,169,767 | 821,969 | — | 3,233,884 |
| Depreciation and amortization | — | 3,890 | 101,569 | 16,904 | — | 122,363 |
| Selling and general corporate expenses | — | 24,167 | 32,599 | 4,551 | — | 61,317 |
| Interest and other financing costs | — | 98,762 | (653) | 5,655 | — | 103,764 |
| Expense allocations | — | (95,447) | 80,109 | 15,338 | — | — |
| | — | 273,520 | 2,383,391 | 864,417 | — | 3,521,328 |
| Income (Loss) before Income Tax | — | (10,142) | 23,368 | 52,354 | — | 65,580 |
| Provision (Benefit) for Income Taxes | — | (3,718) | 6,218 | 18,222 | — | 20,722 |
| Equity in Net Income of Subsidiaries | 44,765 | — | — | — | (44,765) | — |
| Net income (loss) | 44,765 | (6,424) | 17,150 | 34,132 | (44,765) | 44,858 |
| Less: Net income attributable to noncontrolling interest | — | — | 93 | — | — | 93 |
| Net income (loss) attributable to Aramark stockholders | 44,765 | (6,424) | 17,057 | 34,132 | (44,765) | 44,765 |
| Other comprehensive income (loss), net of tax | (7,929) | (10,635) | (3,010) | (2,356) | 16,001 | (7,929) |
| Comprehensive income (loss) attributable to Aramark stockholders | \$ 36,836 | \$ (17,059) | \$ 14,047 | \$ 31,776 | \$ (28,764) | \$ 36,836 |

ARAMARK AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

CONDENSED CONSOLIDATING STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

For the nine months ended July 1, 2016

(in thousands)

| | Aramark (Parent) | Aramark Services, Inc. | Guarantors | Non Guarantors | Eliminations | Consolidated |
|------------------------------------------------------------------|---------------------|---------------------------|--------------|-------------------|--------------|---------------|
| Sales | \$ — | \$ 773,795 | \$ 7,357,628 | \$ 2,740,582 | \$ — | \$ 10,872,005 |
| Costs and Expenses: | | | | | | |
| Cost of services provided | — | 712,877 | 6,503,117 | 2,522,123 | — | 9,738,117 |
| Depreciation and amortization | — | 11,758 | 307,149 | 51,265 | — | 370,172 |
| Selling and general corporate expenses | — | 96,596 | 97,575 | 13,994 | — | 208,165 |
| Interest and other financing costs | — | 229,226 | (1,813) | 19,422 | — | 246,835 |
| Expense allocations | — | (250,932) | 222,588 | 28,344 | — | — |
| | — | 799,525 | 7,128,616 | 2,635,148 | — | 10,563,289 |
| Income (Loss) before Income Tax | — | (25,730) | 229,012 | 105,434 | — | 308,716 |
| Provision (Benefit) for Income Taxes | — | (8,642) | 75,537 | 37,030 | — | 103,925 |
| Equity in Net Income of Subsidiaries | 204,462 | — | — | — | (204,462) | — |
| Net income (loss) | 204,462 | (17,088) | 153,475 | 68,404 | (204,462) | 204,791 |
| Less: Net income attributable to noncontrolling interest | — | — | 329 | — | — | 329 |
| Net income (loss) attributable to Aramark stockholders | 204,462 | (17,088) | 153,146 | 68,404 | (204,462) | 204,462 |
| Other comprehensive income (loss), net of tax | 5,541 | (19,076) | (6,292) | 27,574 | (2,206) | 5,541 |
| Comprehensive income (loss) attributable to Aramark stockholders | \$ 210,003 | \$ (36,164) | \$ 146,854 | \$ 95,978 | \$ (206,668) | \$ 210,003 |

ARAMARK AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

CONDENSED CONSOLIDATING STATEMENTS OF CASH FLOWS

For the nine months ended June 30, 2017

(in thousands)

| | Aramark (Parent) | Issuers | Guarantors | Non Guarantors | Eliminations | Consolidated |
|----------------------------------------------------------------------------|---------------------|-------------|------------|-------------------|--------------|--------------|
| Net cash provided by operating activities | \$ — | \$ 195,061 | \$ 202,300 | \$ 97,854 | \$ (46,026) | \$ 449,189 |
| Cash flows from investing activities: | | | | | | |
| Purchases of property and equipment, client contract investments and other | — | (15,791) | (269,316) | (55,187) | — | (340,294) |
| Disposals of property and equipment | — | 150 | 12,624 | 2,143 | — | 14,917 |
| Acquisitions of businesses, net of cash acquired | — | — | (88,313) | (41,781) | — | (130,094) |
| Other investing activities | — | (84,408) | 6,011 | 80,098 | — | 1,701 |
| Net cash used in investing activities | — | (100,049) | (338,994) | (14,727) | — | (453,770) |
| Cash flows from financing activities: | | | | | | |
| Proceeds from long-term borrowings | — | 3,606,864 | — | 100,544 | — | 3,707,408 |
| Payments of long-term borrowings | — | (3,228,896) | (14,492) | (318,112) | — | (3,561,500) |
| Net change in funding under the Receivables Facility | — | — | — | 82,000 | — | 82,000 |
| Payments of dividends | — | (75,543) | — | — | — | (75,543) |
| Proceeds from issuance of common stock | — | 23,048 | — | — | — | 23,048 |
| Repurchase of stock | — | (100,000) | — | — | — | (100,000) |
| Other financing activities | — | (73,175) | 4,632 | (195) | — | (68,738) |
| Change in intercompany, net | — | (268,998) | 146,205 | 76,767 | 46,026 | — |
| Net cash provided by (used in) financing activities | — | (116,700) | 136,345 | (58,996) | 46,026 | 6,675 |
| Increase (decrease) in cash and cash equivalents | — | (21,688) | (349) | 24,131 | — | 2,094 |
| Cash and cash equivalents, beginning of period | 5 | 47,850 | 31,344 | 73,381 | — | 152,580 |
| Cash and cash equivalents, end of period | \$ 5 | \$ 26,162 | \$ 30,995 | \$ 97,512 | \$ — | \$ 154,674 |

ARAMARK AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
CONDENSED CONSOLIDATING STATEMENTS OF CASH FLOWS
For the nine months ended July 1, 2016
(in thousands)

| | Aramark (Parent) | Aramark Services, Inc. | Guarantors | Non Guarantors | Eliminations | Consolidated |
|----------------------------------------------------------------------------|---------------------|---------------------------|------------|-------------------|--------------|--------------|
| Net cash provided by operating activities | \$ — | \$ 92,453 | \$ 149,945 | \$ 175,913 | \$ (7,771) | \$ 410,540 |
| Cash flows from investing activities: | | | | | | |
| Purchases of property and equipment, client contract investments and other | — | (16,741) | (283,547) | (49,882) | — | (350,170) |
| Disposals of property and equipment | — | — | — | 18,029 | — | 18,029 |
| Acquisitions of businesses, net of cash acquired | — | — | (231) | (59,146) | — | (59,377) |
| Other investing activities | — | 1,213 | 7,200 | (1,219) | — | 7,194 |
| Net cash used in investing activities | — | (15,528) | (276,578) | (92,218) | — | (384,324) |
| Cash flows from financing activities: | | | | | | |
| Proceeds from long-term borrowings | — | 1,398,001 | — | 394 | — | 1,398,395 |
| Payments of long-term borrowings | — | (1,111,793) | (11,285) | (122,371) | — | (1,245,449) |
| Net change in funding under the Receivables Facility | — | — | — | (9,730) | — | (9,730) |
| Payments of dividends | — | (68,873) | — | — | — | (68,873) |
| Proceeds from issuance of common stock | — | 23,296 | — | — | — | 23,296 |
| Other financing activities | — | (57,569) | 8,256 | (451) | — | (49,764) |
| Change in intercompany, net | — | (228,093) | 122,891 | 97,431 | 7,771 | — |
| Net cash provided by (used in) financing activities | — | (45,031) | 119,862 | (34,727) | 7,771 | 47,875 |
| Increase (decrease) in cash and cash equivalents | — | 31,894 | (6,771) | 48,968 | — | 74,091 |
| Cash and cash equivalents, beginning of period | 5 | 31,792 | 42,811 | 47,808 | — | 122,416 |
| Cash and cash equivalents, end of period | \$ 5 | \$ 63,686 | \$ 36,040 | \$ 96,776 | \$ — | \$ 196,507 |

Item 2.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The following discussion and analysis of our financial condition and results of operations for the three and nine months ended June 30, 2017 and July 1, 2016 should be read in conjunction with Aramark's (the "Company", "we", "our" and "us") audited consolidated financial statements, and the notes to those statements for the fiscal year ended September 30, 2016 included in the Company's Form 10-K, filed with the Securities and Exchange Commission ("SEC") on November 23, 2016.

Our discussion contains forward-looking statements based upon current expectations that involve risks and uncertainties, such as our plans, objectives, opinions, expectations, anticipations, intentions and beliefs. Actual results and the timing of events could differ materially from those anticipated in those forward-looking statements as a result of a number of factors, including those set forth under the heading "Special Note About Forward-Looking Statements" and elsewhere in this Quarterly Report on Form 10-Q. In the following discussion and analysis of financial condition and results of operations, certain financial measures may be considered "non-GAAP financial measures" under SEC rules. These rules require supplemental explanation and reconciliation, which is provided elsewhere in this Quarterly Report on Form 10-Q.

Overview

We are a leading global provider of food, facilities and uniform services. Our core market is North America, which is supplemented by an additional 17-country footprint. Through our established brand, broad geographic presence and employees, we anchor our business in our partnerships with thousands of education, healthcare, business and sports, leisure & corrections clients. Through these partnerships we serve millions of consumers including students, patients, employees, sports fans and guests worldwide. We operate our business in three reportable segments, Food and Support Services North America ("FSS North America"), Food and Support Services International ("FSS International") and Uniform and Career Apparel ("Uniform").

Our Food and Support Services operations focus on serving clients in five principal sectors: Business & Industry, Education, Healthcare, Sports, Leisure & Corrections and Facilities & Other. Our FSS International reportable segment provides a similar range of services as those provided to our FSS North America clients and operates in the same sectors although it is more heavily weighted towards Business & Industry.

Seasonality

Our sales and operating results have varied from quarter to quarter as a result of different factors. Historically, within our FSS North America segment, there has been a lower level of activity during our first and second fiscal quarters in operations that provide services to sports and leisure clients. This lower level of activity, historically, has been partially offset during our first and second fiscal quarters by the increased activity levels in our educational operations. Conversely, historically there has been a significant increase in the provision of services to sports and leisure clients during our third and fourth fiscal quarters, which is partially offset by the effect of summer recess at colleges, universities and schools in our educational operations.

Foreign Currency Fluctuations

The impact from foreign currency translation assumes constant foreign currency exchange rates based on the rates in effect for the prior year period being used in translation for the comparable current year period. We believe that providing the impact of fluctuations in foreign currency rates on certain financial results can facilitate analysis of period-to-period comparisons of our business performance.

Fiscal Year

Our fiscal year is the fifty-two or fifty-three week period which ends on the Friday nearest September 30th. The fiscal years ending September 29, 2017 and September 30, 2016 are each fifty-two week periods.

Results of Operations

The following tables present an overview of our results on a consolidated and segment basis with the amount of and percentage change between periods for the three and nine months ended June 30, 2017 and July 1, 2016 (dollars in millions).

| | Three Months Ended | | Change | |
|-----------------------------------------|--------------------|--------------|---------|-------|
| | June 30, 2017 | July 1, 2016 | \$ | % |
| Sales | \$ 3,593.3 | \$ 3,586.9 | \$ 6.4 | — % |
| Costs and Expenses: | | | | |
| Cost of services provided | 3,232.4 | 3,233.9 | (1.5) | — % |
| Other operating expenses | 206.2 | 183.7 | 22.5 | 12 % |
| | 3,438.6 | 3,417.6 | 21.0 | 1 % |
| Operating income | 154.7 | 169.3 | (14.6) | (9)% |
| Interest and Other Financing Costs, net | 61.5 | 103.7 | (42.2) | (41)% |
| Income Before Income Taxes | 93.2 | 65.6 | 27.6 | 42 % |
| Provision for Income Taxes | 27.8 | 20.7 | 7.1 | 34 % |
| Net income | \$ 65.4 | \$ 44.9 | \$ 20.5 | 46 % |

| Sales by Segment ⁽¹⁾ | Three Months Ended | | Change | |
|---------------------------------|--------------------|--------------|--------|-----|
| | June 30, 2017 | July 1, 2016 | \$ | % |
| FSS North America | \$ 2,491.6 | \$ 2,487.9 | \$ 3.7 | — % |
| FSS International | 713.9 | 709.7 | 4.2 | 1 % |
| Uniform | 387.8 | 389.3 | (1.5) | — % |
| | \$ 3,593.3 | \$ 3,586.9 | \$ 6.4 | — % |

| Operating Income by Segment | Three Months Ended | | Change | |
|-----------------------------|--------------------|--------------|-----------|-------|
| | June 30, 2017 | July 1, 2016 | \$ | % |
| FSS North America | \$ 120.1 | \$ 100.7 | 19.4 | 19 % |
| FSS International | 25.8 | 38.5 | (12.7) | (33)% |
| Uniform | 45.0 | 52.2 | (7.2) | (14)% |
| Corporate | (36.2) | (22.1) | (14.1) | 64 % |
| | \$ 154.7 | \$ 169.3 | \$ (14.6) | (9)% |

(1) As a percentage of total sales, FSS North America represented 69%, FSS International represented 20% and Uniform represented 11% in both the three months ended June 30, 2017 and July 1, 2016.

| | Nine Months Ended | | Change | |
|-----------------------------------------|-------------------|--------------|---------|------|
| | June 30, 2017 | July 1, 2016 | \$ | % |
| Sales | \$ 10,950.3 | \$ 10,872.0 | \$ 78.3 | 1 % |
| Costs and Expenses: | | | | |
| Cost of services provided | 9,757.9 | 9,738.1 | 19.8 | — % |
| Other operating expenses | 602.2 | 578.4 | 23.8 | 4 % |
| | 10,360.1 | 10,316.5 | 43.6 | — % |
| Operating income | 590.2 | 555.5 | 34.7 | 6 % |
| Interest and Other Financing Costs, net | 224.8 | 246.8 | (22.0) | (9)% |
| Income Before Income Taxes | 365.4 | 308.7 | 56.7 | 18 % |
| Provision for Income Taxes | 104.4 | 103.9 | 0.5 | — % |
| Net income | \$ 261.0 | \$ 204.8 | \$ 56.2 | 27 % |

| Sales by Segment ⁽¹⁾ | Nine Months Ended | | Change | |
|---------------------------------|--------------------|--------------------|----------------|------------|
| | June 30, 2017 | July 1, 2016 | \$ | % |
| | FSS North America | \$ 7,713.9 | \$ 7,630.7 | \$ 83.2 |
| FSS International | 2,065.5 | 2,068.7 | (3.2) | — % |
| Uniform | 1,170.9 | 1,172.6 | (1.7) | — % |
| | <u>\$ 10,950.3</u> | <u>\$ 10,872.0</u> | <u>\$ 78.3</u> | <u>1 %</u> |

| Operating Income by Segment | Nine Months Ended | | Change | |
|-----------------------------|-------------------|-----------------|----------------|------------|
| | June 30, 2017 | July 1, 2016 | \$ | % |
| | FSS North America | \$ 457.3 | \$ 406.3 | \$ 51.0 |
| FSS International | 88.6 | 93.0 | (4.4) | (5)% |
| Uniform | 144.2 | 146.3 | (2.1) | (1)% |
| Corporate | (99.9) | (90.1) | (9.8) | 11 % |
| | <u>\$ 590.2</u> | <u>\$ 555.5</u> | <u>\$ 34.7</u> | <u>6 %</u> |

(1) As a percentage of total sales, FSS North America represented 70%, FSS International represented 19% and Uniform represented 11% in both the nine months ended June 30, 2017 and July 1, 2016.

Consolidated Overview

Sales were comparable for the three month period and represented an increase of approximately 1% for the nine month period of fiscal 2017 compared to the prior year periods, respectively. Sales for the three and nine month periods of fiscal 2017 were primarily impacted by:

- growth in the Sports, Leisure & Corrections sector partially offset by a decrease in the Healthcare sector in the FSS North America segment;
- growth in Ireland and Germany partially offset by a decrease in the U.K. in the FSS International segment; and
- the negative impact of foreign currency translation (approximately \$33 million and \$96 million or -1% of the consolidated results in each period, respectively).

Cost of services provided as a percentage of sales was 90% for the three month periods of both fiscal 2017 and fiscal 2016 and 89% and 90% for the nine month periods of fiscal 2017 and fiscal 2016, respectively. The following table presents the percentages attributable to the components in cost of services provided for the three and nine months ended June 30, 2017 and July 1, 2016.

| Cost of services provided components | Three Months Ended | | Nine Months Ended | |
|--------------------------------------|--------------------|--------------|-------------------|--------------|
| | June 30, 2017 | July 1, 2016 | June 30, 2017 | July 1, 2016 |
| Food and support service costs | 25% | 26% | 26% | 27% |
| Personnel costs | 48% | 47% | 47% | 47% |
| Other direct costs | 27% | 27% | 27% | 26% |
| | <u>100%</u> | <u>100%</u> | <u>100%</u> | <u>100%</u> |

Operating income of \$154.7 million for the three months ended June 30, 2017 represented a decrease of approximately 9% compared to the prior year period. The decrease in operating income for the three months ended June 30, 2017 was impacted by:

- a profit decline in the FSS International and Uniform segments;
- an increase in severance related costs (approximately \$16.6 million); and
- a quarter-over-quarter increase in the loss related to the change in the fair value of certain gasoline and diesel agreements (approximately \$14.2 million); which more than offset
- profit growth in the FSS North America segment.

Operating income of \$590.2 million for the nine months ended June 30, 2017 represented an increase of approximately 6% compared to the prior year period. The increase in operating income for the nine months ended June 30, 2017 was impacted by:

- profit growth in the FSS North America segment;
- a decrease in acquisition-related amortization expense (approximately \$17.6 million);
- the prior year period charges related to the sale of one of our buildings (approximately \$6.8 million); and
- a gain from a retrospective refund under our casualty insurance program related to favorable loss experience in a prior year (approximately \$6.5 million); which more than offset
- a year-over-year increase in the loss related to the change in the fair value of certain gasoline and diesel agreements (approximately \$12.3 million);
- an increase in share-based compensation (approximately \$6.8 million); and
- an increase in severance related costs (approximately \$9.4 million).

Interest and Other Financing Costs, net, for the three month period of fiscal 2017 decreased 41% compared to the prior year period. This decrease was primarily due to refinancing activity in the prior year period, which resulted in charges of approximately \$30.2 million, consisting of \$22.2 million for the call premium on the 5.75% Senior Notes, due March 2020 (the "2020 Notes") and \$8.0 million of non-cash charges for the write-off of debt issuance costs and debt discount on the 2020 Notes and the senior secured term loan facility, due September 2019. The quarter was also favorably impacted by lower weighted average interest rates from the refinancing activity in the second quarter of fiscal 2017 as well as the maturing of interest rate swaps.

Interest and Other Financing Costs, net, for the nine month period of fiscal 2017 decreased 9% compared to the prior year period. This decrease was primarily due to lower weighted average interest rates from the refinancing activity in the second quarter of fiscal 2017 as well as the maturing of interest rate swaps.

The effective income tax rate for the three and nine month periods of fiscal 2017 was 29.9% and 28.6%, respectively, compared to 31.6% and 33.7% in the prior periods, respectively. The decrease in the effective tax rate in both current year periods is primarily due to the \$6.2 million and \$18.4 million tax benefit recognized for the three and nine months ended June 30, 2017, respectively, as a result of the adoption of the accounting standards update related to share-based payment transactions (see note 1 to the condensed consolidated financial statements) and from the impact of certain permanently reinvested foreign earnings.

Segment Results

FSS North America Segment

The five sectors of the FSS North America reportable segment are Business & Industry, Education, Healthcare, Sports, Leisure & Corrections and Facilities & Other.

Sales for each of these sectors are summarized as follows (in millions):

| | Three Months Ended | | Nine Months Ended | |
|-------------------------------|--------------------|-------------------|-------------------|-------------------|
| | June 30, 2017 | July 1, 2016* | June 30, 2017 | July 1, 2016* |
| Business & Industry | \$ 400.7 | \$ 388.2 | \$ 1,160.3 | \$ 1,152.2 |
| Education | 652.3 | 644.7 | 2,444.2 | 2,408.8 |
| Healthcare | 312.1 | 341.7 | 951.3 | 1,028.4 |
| Sports, Leisure & Corrections | 644.4 | 607.3 | 1,643.6 | 1,486.3 |
| Facilities & Other | 482.1 | 506.0 | 1,514.5 | 1,555.0 |
| | <u>\$ 2,491.6</u> | <u>\$ 2,487.9</u> | <u>\$ 7,713.9</u> | <u>\$ 7,630.7</u> |

*Prior year amounts have been restated to reflect current period classification due to an internal reorganization related to Facilities & Other beginning in fiscal 2017.

On an annual basis, the Healthcare and Education sectors generally have high-single digit operating income margins and the Business & Industry, Sports, Leisure & Corrections and Facilities & Other sectors generally have mid-single digit operating income margins.

FSS North America segment sales were comparable for the three month period and increased approximately 1% for the nine month period of fiscal 2017 compared to the prior year periods.

Business & Industry sector sales increased approximately 3% and 1% for the three and nine month periods of fiscal 2017, respectively, due to net new business and base business growth. Education sector sales increased approximately 1% for both the three and nine month periods of fiscal 2017 due to an increase in base business. Healthcare sector sales declined approximately

9% and 7% for the three and nine month periods of fiscal 2017, respectively, due to net lost business. Sports, Leisure & Corrections sector sales increased approximately 6% and 11% for the three and nine month periods of fiscal 2017, respectively, due to net new business and base business growth across the sector. Facilities & Other sector sales declined approximately 5% and 3% for the three and nine month periods of fiscal 2017, respectively, due to net lost business.

Cost of services provided was \$2.3 billion for the three month periods of both fiscal 2017 and fiscal 2016 and \$6.9 billion for the nine month periods of both fiscal 2017 and fiscal 2016. Cost of services provided as a percentage of sales was 90% for both the three and nine month periods of fiscal 2017, respectively, and 91% and 90% for the three and nine month periods of fiscal 2016, respectively.

Operating income for the three and nine month periods of fiscal 2017 increased 19% and 13% as compared to the prior year periods, respectively. The increase in operating income for the three and nine month periods of fiscal 2017 was impacted by:

- productivity improvements in base business, specifically in our Business & Industry, Education and Sports, Leisure & Corrections sectors;
- a decrease in acquisition-related amortization expense (approximately \$3.0 million and \$18.1 million, respectively); and
- the prior period charges related to the sale of one of our buildings (approximately \$5.1 million and \$6.8 million, respectively); partially offset by
- a profit decline in our Healthcare and Facilities & Other sectors; and
- a year-over-year increase in severance related costs (approximately \$4.1 million and \$2.2 million, respectively).

The nine month period of fiscal 2017 also includes a gain from a retrospective refund under our casualty insurance program related to favorable loss experience in a prior year (approximately \$4.0 million).

FSS International Segment

Sales in the FSS International segment increased 1% for the three month period of fiscal 2017 and were comparable for the nine month period of fiscal 2017 compared to the prior year periods, respectively. Sales for the three and nine month periods of fiscal 2017 were impacted by:

- sales growth in Ireland, Germany, Korea and China;
- a sales decline in the U.K. and South America; and
- the negative impact of foreign currency translation (approximately \$25 million and \$95 million or -4% in both periods, respectively).

Cost of services provided was \$0.7 billion and \$0.6 billion for the three month periods of fiscal 2017 and fiscal 2016, respectively, and \$1.9 billion for the nine month periods of both fiscal 2017 and fiscal 2016. Cost of services provided as a percentage of sales was 94% and 92% for the three month periods of fiscal 2017 and fiscal 2016, respectively, and 93% for the nine month periods of both fiscal 2017 and fiscal 2016.

Operating income for the three and nine month periods of fiscal 2017 decreased 33% and 5% compared to the prior year periods, respectively. The decrease in operating income for the three and nine month periods of fiscal 2017 was impacted by:

- the negative impact of foreign currency translation (approximately \$0.5 million and \$1.7 million or -1% and -2%, respectively);
- a profit decline in the U.K. and South America; and
- a year-over-year increase in severance related costs (approximately \$10.7 million and \$7.7 million, respectively); which more than offset
- profit growth in China and our AIM Services Co., Ltd. equity method investment.

Uniform Segment

Uniform segment sales for the three and nine month periods of fiscal 2017 were comparable to the prior year periods.

Cost of services provided was \$0.3 billion for the three month periods of both fiscal 2017 and fiscal 2016 and \$0.9 billion for the nine month periods of both fiscal 2017 and fiscal 2016. Cost of services provided as a percentage of sales was 79% and 78% in the three month periods of fiscal 2017 and fiscal 2016, respectively, and 79% in the nine month periods of both fiscal 2017 and fiscal 2016.

Operating income for the three and nine month periods of fiscal 2017 decreased 14% and 1% compared to the prior year periods, respectively. The decrease for the three and nine month periods of fiscal 2017 was primarily due to installation costs related to the onboarding of new business.

Corporate

Corporate expenses, those administrative expenses not allocated to the business segments, were \$36.2 million and \$99.9 million in the three and nine month periods of fiscal 2017 compared to \$22.1 million and \$90.1 million in the prior year periods, respectively. The increase for the three and nine month periods of fiscal 2017 was impacted by:

- a year-over-year increase in the loss related to the change in the fair value of certain gasoline and diesel agreements (approximately \$14.2 million and \$12.3 million, respectively); and
- an increase in share-based compensation expense (approximately \$1.5 million and \$6.8 million, respectively); which more than offset
- the decrease in consulting costs related to our transformation initiatives (approximately \$3.6 million and \$9.4 million, respectively).

Liquidity and Capital Resources**Overview**

Our principal sources of liquidity are cash generated from operating activities, funds from borrowings and existing cash on hand. As of June 30, 2017, we had \$154.7 million of cash and cash equivalents and approximately \$842.8 million of availability under our senior secured revolving credit facility. A significant portion of our cash and cash equivalents is held in mature, liquid markets where we have operations. As of June 30, 2017, there was approximately \$571.4 million of outstanding foreign currency borrowings.

We believe that our cash and cash equivalents and the unused portion of our committed credit availability under the senior secured revolving credit facility will be adequate to meet anticipated cash requirements to fund working capital, capital spending, debt service obligations, refinancings, dividends and other cash needs. We will continue to seek to invest strategically but prudently in certain sectors and geographies. Repatriation of certain overseas funds can result in additional U.S. federal income tax payments. Undistributed earnings of certain foreign subsidiaries for which no deferred tax liability was recorded amounted to approximately \$80 million at June 30, 2017. Those earnings are considered to be indefinitely reinvested and, accordingly, no deferred income taxes have been provided thereon. As part of our ongoing liquidity assessments, we routinely monitor our cash flow (including the mix of domestic and international inflows and outflows) and the condition of the capital markets in order to be prepared to respond to changing conditions.

The table below summarizes our cash activity (in millions):

| | Nine Months Ended | |
|-------------------------------------------|-------------------|--------------|
| | June 30, 2017 | July 1, 2016 |
| Net cash provided by operating activities | \$ 449.2 | \$ 410.5 |
| Net cash used in investing activities | (453.8) | (384.3) |
| Net cash provided by financing activities | 6.7 | 47.9 |

Reference to the Condensed Consolidated Statements of Cash Flows will facilitate understanding of the discussion that follows.

Cash Flows Provided by Operating Activities

During the nine month period of fiscal 2017, there was an increase in net income as discussed above. The change in operating assets and liabilities was approximately \$34.2 million favorable compared to the prior year period, primarily due to the following:

- Prepayments were a larger source of cash in the current period due to the timing of prepayments made at the end fiscal 2016 related to interest on the U.S. dollar denominated term loan, insurance premiums and taxes; and
- Accounts payable were less of a use of cash compared to the prior year period due to the timing of disbursements; partially offset by
- Accounts receivable were a greater use of cash compared to the prior year period due to the timing of collections; and
- Accrued expenses were a greater use of cash compared to the prior year period due to timing of payroll related costs and from the timing of payments for interest and client advances.

During the nine month period of fiscal 2017, the Company received proceeds of approximately \$9.7 million related to our casualty insurance program from our loss experience being favorable related to a prior year. The "Other operating activities" caption primarily reflects the adjustments to net income in both periods related to certain financing related charges in connection with our refinancing activities.

Cash Flows Used in Investing Activities

The increase in net cash flows used in investing activities between periods relates primarily to higher level of spending for acquisitions.

Cash Flows Provided by Financing Activities

During the nine month period of fiscal 2017, Aramark Services, Inc. issued \$600.0 million of 5.000% Senior Notes due 2025 and Aramark International Finance S.à.r.l. issued €325.0 million (\$351.5 million) of 3.125% Senior Notes due 2025 (collectively the "Senior Notes"). Also during the nine month period of fiscal 2017, we entered into a new credit agreement (the "Credit Agreement"), which resulted in the Company receiving proceeds of \$2.4 billion in the aggregate of new U.S. term loans, new CAD133.4 million (\$100.2 million) of term loans denominated in Canadian dollars and ¥11,107.0 million (\$99.7 million) of term loans denominated in yen. The proceeds from the issuances of the Senior Notes and new Credit Agreement were used to repay all existing term loan facilities under the Company's existing senior secured credit facilities, redeem \$228.8 million of the 5.750% Senior Notes due 2020 and to pay related fees and expenses of approximately \$43.0 million, which are included in "Other financing activities" in the Condensed Consolidated Statements of Cash Flows for the nine months ended June 30, 2017 (See note 5 to the condensed consolidated financial statements).

During the nine month period of fiscal 2016, Aramark Services, Inc. issued \$900.0 million of 5.125% Senior Notes due January 2024 and \$500.0 million of 4.750% Senior Notes due June 2026, repaid principal of the 2020 Notes in the amount of \$771.2 million, repaid a U.S. dollar denominated term loan of a Canadian subsidiary in the amount of \$74.1 million and made an optional prepayment of outstanding term loans under our senior secured term loan facility due September 2019 of \$254.1 million. The "Other financing activities" in the Condensed Consolidated Statements of Cash Flows for the nine months ended July 1, 2016 includes \$22.2 million from the call premium paid on the 2020 Notes.

During fiscal 2017, the Board of Directors authorized a new share repurchase program providing for purchases of up to \$250 million of Aramark common stock over the next two years, pursuant to which the Company repurchased approximately 2.8 million shares of its common stock for \$100.0 million in the second quarter of fiscal 2017. We may utilize various methods to effect repurchases of our common stock under the repurchase program, which could include open market repurchases, privately negotiated transactions, block transactions, accelerated share repurchase or open market solicitations for shares, some of which may be effected through Rule 10b5-1 plans. Repurchases will be made at our discretion, based on ongoing assessments of the capital needs of the business, the market price of our common stock and general market conditions. The program may be suspended or discontinued at any time.

The "Other financing activities" also reflects a use of cash during the nine month period of fiscal 2017 and fiscal 2016 primarily related to taxes paid by the Company when the Company withholds shares upon an employee's exercise or vesting of equity awards to cover income taxes (see note 1 to the condensed consolidated financial statements).

Covenant Compliance

The Credit Agreement contains a number of covenants that, among other things, restrict, subject to certain exceptions, our ability and the ability of our subsidiaries to: incur additional indebtedness; issue preferred stock or provide guarantees; create liens on assets; engage in mergers or consolidations; sell assets; pay dividends, make distributions or repurchase our capital stock; make investments, loans or advances; repay or repurchase any subordinated debt, except as scheduled or at maturity; create restrictions on the payment of dividends or other amounts to us from our restricted subsidiaries; make certain acquisitions; engage in certain transactions with affiliates; amend material agreements governing our subordinated debt (or any indebtedness that refinances our subordinated debt); and fundamentally change our business. The indentures governing our senior notes contain similar provisions. As of June 30, 2017, we were in compliance with these covenants. Generally, the covenants of the Credit Agreement remain substantially consistent with the previous credit agreement.

As stated above, the Credit Agreement and the indentures governing our senior notes contain provisions that restrict our ability to pay dividends and repurchase stock (collectively, "Restricted Payments"). In addition to customary exceptions, the Credit Agreement and indentures permit Restricted Payments in the aggregate up to an amount that increases quarterly by 50% of our Consolidated Net Income, as such term is defined in these debt agreements, subject to being in compliance with the interest coverage ratio described below.

Under the Credit Agreement, we are required to satisfy and maintain specified financial ratios and other financial condition tests and covenants. The indentures governing our senior notes also require us to comply with certain financial ratios in order to take certain actions. Our continued ability to meet those financial ratios, tests and covenants can be affected by events beyond our control, and there can be no assurance that we will meet those ratios, tests and covenants.

These financial ratios, tests and covenants involve the calculation of certain measures that we refer to in this discussion as "Covenant Adjusted EBITDA." Covenant Adjusted EBITDA is not a measurement of financial performance under U.S. GAAP. Covenant Adjusted EBITDA is defined as net income (loss) of Aramark Services, Inc. and its restricted subsidiaries plus interest and other financing costs, net, provision (benefit) for income taxes, and depreciation and amortization, further adjusted

to give effect to adjustments required in calculating covenant ratios and compliance under our Credit Agreement and the indentures governing our senior notes.

Our presentation of these measures 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 U.S. GAAP. You should not consider these measures as alternatives to net income or operating income determined in accordance with U.S. GAAP. Covenant Adjusted EBITDA, as presented by us, may not be comparable to other similarly titled measures of other companies because not all companies use identical calculations.

The following is a reconciliation of net income attributable to Aramark Services, Inc. stockholder, which is a U.S. GAAP measure of Aramark Services, Inc.'s operating results, to Covenant Adjusted EBITDA as defined in our debt agreements. The terms and related calculations are defined in the Credit Agreement and the indentures governing our senior notes. Covenant Adjusted EBITDA is a measure of Aramark Services, Inc. and its restricted subsidiaries only and does not include the results of Aramark.

| (in millions) | Three Months Ended | Three Months Ended | Three Months Ended | Three Months Ended | Twelve Months Ended |
|---------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| | June 30, 2017 | March 31, 2017 | December 30, 2016 | September 30, 2016 | June 30, 2017 |
| Net income attributable to Aramark Services, Inc. stockholder | \$ 65.3 | \$ 70.2 | \$ 125.3 | \$ 83.3 | \$ 344.1 |
| Interest and other financing costs, net | 61.5 | 97.6 | 65.7 | 68.4 | 293.2 |
| Provision for income taxes | 27.8 | 23.6 | 52.9 | 38.8 | 143.1 |
| Depreciation and amortization | 126.4 | 125.3 | 126.5 | 125.6 | 503.8 |
| Share-based compensation expense ⁽¹⁾ | 15.6 | 18.5 | 16.2 | 13.4 | 63.7 |
| Pro forma EBITDA for equity method investees ⁽²⁾ | 2.0 | 2.3 | 5.6 | 3.1 | 13.0 |
| Pro forma EBITDA for certain transactions ⁽³⁾ | — | 0.3 | (0.3) | 0.5 | 0.5 |
| Other ⁽⁴⁾ | 22.0 | 2.9 | (3.5) | 24.9 | 46.3 |
| Covenant Adjusted EBITDA | \$ 320.6 | \$ 340.7 | \$ 388.4 | \$ 358.0 | \$ 1,407.7 |

- Represents share-based compensation expense resulting from the application of accounting for stock options, restricted stock units, performance stock, performance stock units, and deferred stock unit awards (see note 8 to the condensed consolidated financial statements).
- Represents our estimated share of EBITDA, primarily from our AIM Services Co., Ltd. equity method investment, not already reflected in our Covenant Adjusted EBITDA. 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.
- Represents the annualization of net EBITDA from acquisitions made during the period.
- Other includes the following for the twelve months ended June 30, 2017: organizational streamlining initiatives (\$35.3 million), the impact of the change in fair value related to certain gasoline and diesel agreements (\$4.0 million loss), expenses related to acquisition costs (\$2.9 million) and asset write-offs (\$5.0 million).

Our covenant requirements and actual ratios for the twelve months ended June 30, 2017 are as follows:

| | Covenant Requirements | Actual Ratios |
|------------------------------------------------------------------------------|-----------------------|---------------|
| Maximum Consolidated Secured Debt Ratio ⁽¹⁾ | 5.125x | 2.14x |
| Minimum Interest Coverage Ratio (Fixed Charge Coverage Ratio) ⁽²⁾ | 2.000x | 5.61x |

- Our Credit Agreement requires us to maintain a maximum Consolidated Secured Debt Ratio, defined as consolidated total indebtedness secured by a lien to Covenant Adjusted EBITDA, of 5.125x. Consolidated total indebtedness secured by a lien is defined in the Credit Agreement as total indebtedness outstanding under the Credit Agreement, capital leases, advances under the Receivables Facility and any other indebtedness secured by a lien reduced by the amount of cash and cash equivalents on our balance sheet that is free and clear of any lien. Non-compliance with the maximum Consolidated Secured Debt Ratio could result in the requirement to immediately repay all amounts outstanding under our Credit Agreement, which, if our revolving credit facility lenders failed to waive any such default, would also constitute a default under the indentures governing our senior notes.
- Our Credit Agreement establishes an incurrence-based minimum Interest Coverage Ratio, defined as Covenant Adjusted EBITDA to consolidated interest expense, the achievement of which is a condition for us to incur additional indebtedness and to make certain restricted payments. If we do not maintain this minimum Interest Coverage Ratio

calculated on a pro forma basis for any such additional indebtedness or restricted payments, we could be prohibited from being able to incur additional indebtedness, other than the incremental capacity provided for under the Credit Agreement and pursuant to specified exceptions, and make certain restricted payments, other than pursuant to certain exceptions. The minimum Interest Coverage Ratio is 2.000x for the term of the Credit Agreement. The indentures governing our senior notes include a similar requirement which is referred to as a Fixed Charge Coverage Ratio.

The Company and its subsidiaries and affiliates may from time to time, in their sole discretion, purchase, repay, redeem or retire any of our outstanding debt securities (including any publicly issued debt securities), in privately negotiated or open market transactions, by tender offer or otherwise, or extend or refinance any of our outstanding indebtedness.

Our business activities do not include the use of unconsolidated special purpose entities, and there are no significant business transactions that have not been reflected in the accompanying financial statements. We are self-insured for a limited portion of the risk retained under our general liability and workers' compensation arrangements. Self-insurance reserves are recorded based on actuarial analyses.

During the second quarter of fiscal 2017, the Company had a material change to its debt structure (See note 5 to the condensed consolidated financial statements). As a result of this material change in debt structure, the following table summarizes our estimated future obligations for debt repayments and estimated interest payments as of June 30, 2017 (dollars in thousands):

| Contractual Obligations as of June 30, 2017 | Payments Due by Period | | | | |
|---------------------------------------------|------------------------|-------------------|-------------------|---------------------|---------------------|
| | Total | Less than 1 year | 1-3 years | 3-5 years | More than 5 years |
| Long-term borrowings ⁽¹⁾ | \$ 5,469,366 | \$ 58,661 | \$ 491,086 | \$ 894,492 | \$ 4,025,127 |
| Capital lease obligations | 78,447 | 15,576 | 38,457 | 24,414 | — |
| Estimated interest payments ⁽²⁾ | 1,304,800 | 199,500 | 382,600 | 353,700 | 369,000 |
| | <u>\$ 6,852,613</u> | <u>\$ 273,737</u> | <u>\$ 912,143</u> | <u>\$ 1,272,606</u> | <u>\$ 4,394,127</u> |

- (1) Excludes the \$49.0 million reduction to long-term borrowings from debt discounts and deferred financing fees and the increase of \$15.6 million from the unamortized premium on the 2024 Notes.
- (2) These amounts represent future interest payments related to our existing debt obligations based on fixed and variable interest rates specified in the associated debt agreements. Payments related to variable debt are based on applicable rates at June 30, 2017 plus the specified margin in the associated debt agreements for each period presented. The amounts provided relate only to existing debt obligations and do not assume the refinancing or replacement of such debt. The average debt balance for each fiscal year from 2017 through 2022 is \$4,975.2 million, \$4,922.2 million, \$4,865.1 million, \$4,792.7 million, \$4,700.3 million and \$4,320.4 million, respectively. The weighted average interest rate of our existing debt obligations for each fiscal year from 2017 through 2022 is 4.08%, 4.04%, 3.95%, 3.91%, 3.82% and 3.92%, respectively (see note 5 to the condensed consolidated financial statements for the terms and maturities of existing debt obligations).

Critical Accounting Policies and Estimates

Our significant accounting policies are described in the notes to the consolidated financial statements included in our Form 10-K filed with the SEC on November 23, 2016. As described in such notes, the Company recognizes sales in the period in which services are provided pursuant to the terms of our contractual relationships with our clients. Sales from direct marketing activities are recognized upon shipment. For a more complete discussion of the critical accounting policies and estimates that we have identified in the preparation of our condensed consolidated financial statements, please refer to our Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Form 10-K filed with the SEC on November 23, 2016.

Effective for the first quarter of fiscal 2017, the earnings since the beginning of the fiscal year of certain of the Company's foreign subsidiaries are intended to be indefinitely reinvested in operations outside the U.S. and, therefore, U.S. taxes have not been recorded on those earnings.

In preparing our financial statements, management is required to make estimates and assumptions that, among other things, affect the reported amounts of assets, liabilities, sales and expenses. These estimates and assumptions are most significant where they involve levels of subjectivity and judgment necessary to account for highly uncertain matters or matters susceptible to change, and where they can have a material impact on our financial condition and operating performance. If actual results were to differ materially from the estimates made, the reported results could be materially affected.

Critical accounting estimates and the related assumptions are evaluated periodically as conditions warrant, and changes to such estimates are recorded as new information or changed conditions require.

New Accounting Standard Updates

See note 1 to the condensed consolidated financial statements for a full description of recent accounting standard updates, including the expected dates of adoption.

Item 3. Quantitative and Qualitative Disclosure About Market Risk

We are exposed to the impact of interest rate changes and manage this exposure through the use of variable-rate and fixed-rate debt and by utilizing interest rate swaps. We do not enter into contracts for trading purposes and do not use leveraged instruments. The information below summarizes our market risks associated with debt obligations as of June 30, 2017. Fair values were computed using market quotes, if available, or based on discounted cash flows using market interest rates as of the end of the respective periods (see notes 5 and 12 to the condensed consolidated financial statements). The table presents principal cash flows and related interest rates by contractual fiscal year of maturity. Variable interest rates disclosed represent the weighted-average rates of the portfolio at June 30, 2017. The Company's market risk associated with its interest rate swaps has not materially changed from September 30, 2016 (see note 6 to the condensed consolidated financial statements).

| As of June 30, 2017 | (US\$ equivalent in millions) | | | | | | | | |
|-----------------------|----------------------------------|--------|--------|--------|--------|------------|----------|------------|--|
| | Expected Fiscal Year of Maturity | | | | | | | | |
| | 2017 - 2018 | 2019 | 2020 | 2021 | 2022 | Thereafter | Total | Fair Value | |
| Debt: | | | | | | | | | |
| Fixed rate | \$ 26 | \$ 18 | \$ 14 | \$ 11 | \$ 10 | \$ 2,371 | \$ 2,450 | \$ 2,566 | |
| Average interest rate | 5.0% | 5.0% | 5.0% | 5.0% | 5.0% | 4.7% | 4.7% | | |
| Variable rate | \$ 74 | \$ 397 | \$ 103 | \$ 113 | \$ 757 | \$ 1,654 | \$ 3,098 | \$ 3,115 | |
| Average interest rate | 3.0% | 2.3% | 3.0% | 2.9% | 3.0% | 3.2% | 3.0% | | |

Item 4. Controls and Procedures

The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of the end of the period covered by this report. Based on that evaluation, management, with the participation of the Chief Executive Officer and Chief Financial Officer, concluded that the Company's disclosure controls and procedures, as of the end of the period covered by this report, are functioning effectively to provide reasonable assurance that the information required to be disclosed by the Company in reports filed under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and is accumulated and communicated to the Company's management, including its principal executive and principal financial officers, to allow timely decisions regarding required disclosures. A controls system, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected. No change in the Company's internal control over financial reporting occurred during the Company's third quarter of fiscal 2017 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II

Item 1. Legal Proceedings

Our business is subject to various federal, state and local laws and regulations governing, among other things, the generation, handling, storage, transportation, treatment and disposal of water wastes and other substances. We engage in informal settlement discussions with federal, state, local and foreign authorities regarding allegations of violations of environmental laws in connection with our operations or businesses conducted by our predecessors or companies that we have acquired, the aggregate amount of which and related remediation costs we do not believe should have a material adverse effect on our financial condition or results of operations.

From time to time, the Company and its subsidiaries are a party to various legal actions, proceedings and investigations involving claims incidental to the conduct of their business, including actions by clients, consumers, employees, government entities and third parties, including under federal, state, international, national, provincial and local employment laws, wage and hour laws, discrimination laws, immigration laws, human health and safety laws, import and export controls and customs laws, environmental laws, false claims or whistleblower statutes, minority, women and disadvantaged business enterprise statutes, tax codes, antitrust and competition laws, consumer protection statutes, procurement regulations, intellectual property laws, food safety and sanitation laws, cost and accounting principles, the Foreign Corrupt Practices Act, the U.K. Bribery Act, other anti-corruption laws, lobbying laws, motor carrier safety laws, data privacy and security laws and alcohol licensing and service laws, or alleging negligence and/or breaches of contractual and other obligations. Based on information currently available, advice of counsel, available insurance coverage, established reserves and other resources, the Company does not believe that any such actions, proceedings or investigations are likely to be, individually or in the aggregate, material to its business, financial condition, results of operations or cash flows. However, in the event of unexpected further developments, it is possible that the ultimate resolution of these matters, or other similar matters, if unfavorable, may be materially adverse to the Company's business, financial condition, results of operations or cash flows.

Item 1A. Risk Factors

There have been no material changes to the risk factors disclosed in Part I, Item 1A of the Form 10-K for the fiscal year ended September 30, 2016 and filed with the SEC on November 23, 2016.

Item 5. Other Information

On August 2, 2017, the Board of Directors of the Company amended and restated the Company's Amended and Restated By-laws (the "By-laws"), effective immediately, to implement a proxy access by-law permitting a stockholder, or a group of up to 20 stockholders, owning 3% or more of the Company's outstanding common stock continuously for at least three years to nominate, and have included in the Company's proxy materials, director nominees constituting up to the greater of two individuals and 20% of the Board of Directors (rounded down), provided that the stockholder(s) and the proxy access nominee(s) satisfy the requirements specified in the By-laws. Requests to include stockholder-nominated director candidates in Aramark's proxy statement for its 2018 annual meeting of stockholders must be received by Aramark between October 4, 2017 and November 3, 2017. In addition, the Board of Directors also made certain other clerical changes to the By-laws.

The description of the amendments to the By-Laws is a summary only and is qualified in its entirety by reference to the text of the amended and restated By-Laws, a copy of which is attached to this Quarterly Report on Form 10-Q as Exhibit 3.3 and is incorporated herein by reference.

Item 6. Exhibits

Required exhibits are listed in the Index to Exhibits and are incorporated herein by reference.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on August 8, 2017.

Aramark

By:

/s/ BRIAN PRESSLER

Name:

Brian Pressler

Title:

**Senior Vice President and Chief Accounting Officer (Principal
Accounting Officer
and Authorized Signatory)**

Exhibit Index

| Exhibit No. | Description |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3.1 | Amended and Restated Certificate of Incorporation of Aramark (incorporated by reference to Exhibit 3.1 to Aramark's Current Report on Form 8-K filed with the SEC on December 16, 2013, pursuant to the Exchange Act (file number 001-36223)). |
| 3.2 | Certificate of Ownership and Merger (incorporated by reference to Exhibit 3.1 to Aramark's Current Report on Form 8-K filed with the SEC on May 15, 2014, pursuant to the Exchange Act (file number 001-36223)). |
| 3.3 | Amended and Restated By-laws of Aramark. |
| 31.1 | Certification of Eric Foss, Chief Executive Officer, pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended. |
| 31.2 | Certification of Stephen P. Bramlage Jr., Chief Financial Officer, pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended. |
| 32.1 | Certification of Eric Foss, Chief Executive Officer, and Stephen P. Bramlage Jr., Chief Financial Officer, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 101 | The following financial information from Aramark's Quarterly Report on Form 10-Q for the period ended June 30, 2017 formatted in XBRL: (i) Condensed Consolidated Balance Sheets as of June 30, 2017 and September 30, 2016; (ii) Condensed Consolidated Statements of Income for the three and nine months ended June 30, 2017 and July 1, 2016; (iii) Condensed Consolidated Statements of Comprehensive Income for the three and nine months ended June 30, 2017 and July 1, 2016; (iv) Condensed Consolidated Statements of Cash Flows for the nine months ended June 30, 2017 and July 1, 2016; and (v) Notes to condensed consolidated financial statements. |

AMENDED AND RESTATED BY-LAWS
OF
ARAMARK

ARTICLE I
OFFICES

§ 1. REGISTERED OFFICE - The registered office of the Corporation shall be established and maintained at the office of The Corporation Trust Company at 1209 Orange Street in the City of Wilmington, in the County of New Castle, in the State of Delaware, and said corporation shall be the registered agent of this Corporation, unless otherwise established by the Board of Directors and a certificate certifying the change is filed in the manner provided by statute.

§ 2. OTHER OFFICES - The Corporation may also have offices in the City of Philadelphia, Commonwealth of Pennsylvania, and also offices at such other place or places as the Board of Directors may from time to time appoint or as the business of the Corporation may require.

ARTICLE II
MEETINGS OF STOCKHOLDERS

§ 1 PLACE OF MEETINGS - All meetings of the stockholders shall be held in the offices of the Corporation in Philadelphia, Pennsylvania, or at such other place as shall be determined by the Board of Directors and stated in the notice of the meeting or in a duly executed waiver of notice thereof. The Board of Directors may, in its sole discretion, determine that the meeting shall not be held at any place, but may instead be held solely by means of remote communication as described in Section 11 of Article II of these By-laws in accordance with Section 211(a)(2) of the General Corporation Law of the State of Delaware (the “Delaware General Corporation Law”).

§ 2. ANNUAL MEETING - An annual meeting of the stockholders, for the election of directors and for the transaction of such other business as may properly come before the meeting, shall be held at such place, on such date, and at such time as the Board of Directors shall each year fix.

Nominations of persons for election to the Board and the proposal of business to be transacted by the stockholders may be made at an annual meeting of stockholders pursuant to the Corporation’s notice of meeting (or any supplement thereto) delivered pursuant to Section 4 of Article II of these By-laws, (a) pursuant to the Corporation’s proxy materials, (b) by or at the direction of the Board or any authorized committee thereof, including pursuant to the Stockholders Agreement (as defined in the Corporation’s certificate of incorporation as then in effect (as the same may be amended from time to time, the “Amended and Restated Certificate of Incorporation”)) or (c) by any stockholder of record of the Corporation who was a stockholder of record at the time of the giving of the notice provided for in the following paragraph, who is entitled to vote at the meeting and (1) who has complied with the notice procedures set forth in this section, or (2) complied with the requirements of Section 13 of Article II of these By-laws. For the avoidance of doubt, the foregoing clause (c) shall be the exclusive means for a stockholder to make nominations or propose business (other than business included in the Corporation’s proxy materials pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended (such act, and the rules and regulations promulgated thereunder, the “Exchange Act”)) at an annual meeting of the stockholders.

For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (c) of the foregoing paragraph, (1) the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation, (2) such business must be a proper matter for stockholder action, including under the General Corporation Law of the State of Delaware, (3) if the stockholder, or the beneficial owner on whose behalf any such proposal or nomination is made, has provided the Corporation with a Solicitation Notice, as that term is defined in subclause (c)(iv) of this paragraph, such stockholder or beneficial owner must, in the case of a proposal, have delivered a proxy statement and form of proxy to holders of at least the percentage of the Corporation's voting shares required under applicable law to carry any such proposal, or, in the case of a nomination or nominations, have delivered a proxy statement and form of proxy to holders of a percentage of the Corporation's voting shares reasonably believed by such stockholder or beneficial holder to be sufficient to elect the nominee or nominees proposed to be nominated by such stockholder, and must, in either case, have included in such materials the Solicitation Notice and (4) if no Solicitation Notice relating thereto has been timely provided pursuant to this section, the stockholder or beneficial owner proposing such business or nomination must not have solicited a number of proxies sufficient to have required the delivery of such a Solicitation Notice under this section. To be timely, a stockholder's notice shall be delivered to or mailed and received by the Secretary at the principal executive offices of the Corporation not less than ninety (90) nor more than one hundred twenty (120) days in advance of the first anniversary of the preceding year's annual meeting (the "Anniversary"); provided, however, subject to the following sentence, that if the date of the annual meeting is advanced more than thirty (30) days prior to or delayed by more than thirty (30) days after the Anniversary, or if no annual meeting was held in the preceding year, notice by the stockholder to be timely must be so delivered not later than the close of business on the later of (i) the ninetieth (90th) day prior to such annual meeting or (ii) the tenth (10th) day following the day on which public announcement of the date of such meeting is first made. In no event shall an adjournment or postponement of an annual meeting for which notice has been given commence a new time period (or extend any time period) for the giving of a stockholder's notice. Such stockholder's notice shall set forth (a) as to each person whom the stockholder proposes to nominate for election or reelection as a director all information relating to such person as would be required to be disclosed in solicitations of proxies for the election of such nominees as directors or is otherwise required, in each case, pursuant to Section 14(a) under the Exchange Act and the rules and regulations promulgated thereunder, and such person's written consent to being named in the proxy statement and to serve as a director if elected; (b) as to any other business that the stockholder proposes to bring before the meeting, a brief description of such business, the text of the proposal or business (including the text of any resolutions proposed for consideration and, in the event that such business includes a proposal to amend these By-laws, the language of the proposed amendment), reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; (c) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (i) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner, (ii) the class and number of shares of the Corporation that are owned, directly or indirectly, beneficially and of record by such stockholder and such beneficial owner, (iii) in the case of the stockholder giving the notice, a representation that the stockholder is a holder of record of the stock of the Corporation at the time of the giving of the notice, will be entitled to vote at such meeting and will appear in person or by proxy at the meeting to propose such business or nomination, (iv) a representation whether or not the stockholder or the beneficial owner, if any, will or is part of a group which will (x) deliver a proxy statement and/or form of proxy to holders of at least the percentage of the voting power of the Corporation's outstanding capital stock required under applicable law to approve or adopt the proposal or, in the case of nominations, reasonably believed by such stockholder or beneficial owner to elect the nominee and/or (y) otherwise solicit proxies or votes from stockholders in support of such proposal or nomination (in each case, a "Solicitation Notice"), (v) a certification regarding whether

such stockholder and beneficial owner, if any, have complied with all applicable federal, state and other legal requirements in connection with the stockholder's and/or beneficial owner's acquisition of shares of capital stock or other securities of the Corporation and/or the stockholder's and/or beneficial owner's acts or omissions as a stockholder of the Corporation and (vi) any other information relating to such stockholder and beneficial owner, if any, required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in an election contest pursuant to and in accordance with Section 14(a) of the Exchange Act and the rules and regulations promulgated thereunder; (d) a description of any agreement, arrangement or understanding with respect to the nomination or proposal and/or the voting of shares of any class or series of stock of the Corporation between or among the stockholder giving the notice, the beneficial owner, if any, on whose behalf the nomination or proposal is made, any of their respective affiliates or associates and/or any others acting in concert with any of the foregoing (collectively, "proponent persons"); and (e) a description of any agreement, arrangement or understanding (including without limitation any contract to purchase or sell, acquisition or grant of any option, right or warrant to purchase or sell, swap or other instrument) to which any proponent person is a party, the intent or effect of which may be (i) to transfer to or from any proponent person, in whole or in part, any of the economic consequences of ownership of any security of the Corporation, (ii) to increase or decrease the voting power of any proponent person with respect to shares of any class or series of stock of the Corporation and/or (iii) to provide any proponent person, directly or indirectly, with the opportunity to profit or share in any profit derived from, or to otherwise benefit economically from, any increase or decrease in the value of any security of the Corporation. A stockholder providing notice of a proposed nomination for election to the Board of Directors or other business proposed to be brought before a meeting (whether given pursuant to this Section 2 or Section 3 of Article II of these By-laws) shall update and supplement such notice from time to time to the extent necessary so that the information provided or required to be provided in such notice shall be true and correct (x) as of the record date for determining the stockholders entitled to notice of the meeting and (y) as of the date that is fifteen (15) days prior to the meeting or any adjournment or postponement thereof, provided that if the record date for determining the stockholders entitled to vote at the meeting is less than fifteen (15) days prior to the meeting or any adjournment or postponement thereof, the information shall be supplemented and updated as of such later date. Any such update and supplement shall be delivered in writing to the Secretary of the Corporation at the principal executive offices of the Corporation not later than five (5) days after the record date for determining the stockholders entitled to notice of the meeting (in the case of any update and supplement required to be made as of the record date for determining the stockholders entitled to notice of the meeting), not later than ten (10) days prior to the date for the meeting or any adjournment or postponement thereof (in the case of any update or supplement required to be made as of fifteen (15) days prior to the meeting or adjournment or postponement thereof) and not later than five (5) days after the record date for determining the stockholders entitled to vote at the meeting, but no later than the date prior to the meeting or any adjournment or postponement thereof (in the case of any update and supplement required to be made as of a date less than fifteen (15) days prior the date of the meeting or any adjournment or postponement thereof). The Corporation may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the Corporation and to determine the independence of such director under the Exchange Act and rules and regulations thereunder and applicable stock exchange rules.

Notwithstanding anything in these By-laws to the contrary, in the event that the number of directors to be elected to the Board is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board made by the Corporation at least one hundred (100) days prior to the Anniversary, a stockholder's notice required by this By-law shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it

shall be received by the Secretary of the Corporation at the principal executive offices of the Corporation not later than the close of business on the tenth (10th) day following the day on which such public announcement is first made by the Corporation.

Only persons nominated in accordance with the procedures set forth in this Section 2 or Section 3 or by or at the direction of the Board of Directors shall be eligible to serve as directors and such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this section or Section 3. The chair of the meeting shall have the power and the duty to determine whether a nomination or any business proposed to be brought before the meeting has been made in accordance with the procedures set forth in these By-laws and, if any proposed nomination or business is not in compliance with these By-laws, to declare that such defective proposed business or nomination shall not be presented for stockholder action at the meeting and shall be disregarded. Notwithstanding anything herein to the contrary, unless otherwise required by law, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual or special meeting of stockholders of the Corporation to present a nomination or business, such nomination shall be disregarded and such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 2 of Article II, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders.

For purposes of these By-laws, "public announcement" shall mean disclosure (a) in a press release released by the Corporation, provided such press release is released by the Corporation following its customary procedures, is reported by the Dow Jones News Service, Associated Press or a comparable national news service, or is generally available on internet news sites, or (b) in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act and the rules and regulations promulgated thereunder.

Notwithstanding the foregoing provisions of this Section 2, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to matters set forth in this Section 2. Nothing in this Section 2 shall be deemed to affect any rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

Notwithstanding anything to the contrary contained in this Section 2 or Section 3 of Article II, for as long as the Stockholders Agreement remains in effect with respect to the Controlling Owners (as defined in the Amended and Restated Certificate of Incorporation), the Controlling Owners and their affiliates (to the extent then subject to the Stockholders Agreement) shall not be subject to the notice procedures set forth in Section 2 or Section 3 of Article II with respect to any annual or special meeting of stockholders.

§ 3. SPECIAL MEETINGS - Special meetings of the stockholders may only be called in the manner provided in the Amended and Restated Certificate of Incorporation and may be held either within or without the State of Delaware. The Board of Directors acting pursuant to a resolution adopted by a majority of the Whole Board may postpone, reschedule or cancel any special meeting of stockholders previously scheduled by the Board of Directors or the Chairman of the Board of Directors; provided, however, that with respect to any special meeting of stockholders previously scheduled by the Board of Directors or the Chairman of the Board of Directors at the request of the Controlling Owners and their

affiliates, the Board of Directors shall not postpone, reschedule or cancel such special meeting without the prior written consent of such Controlling Owners or affiliates. Special meetings of the stockholders, for any purpose or purposes prescribed in the notice of the meeting, may be called by a majority of the Whole Board. For purposes of these By-laws, the term "Whole Board" shall mean the total number of authorized directors whether or not there exist any vacancies in previously authorized directorships. Such meetings shall be held at the place, on the date and at the time as they or he shall fix. Business transacted at all special meetings shall be confined to the purpose or purposes stated in the Corporation's notice of meeting. Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (a) by or at the direction of the Board of Directors or any committee thereof or (b) provided that the Board (or the Controlling Owners or their affiliates pursuant to Section (B) of Article Tenth of the Amended and Restated Certificate of Incorporation) has determined that directors shall be elected at such meeting, by any stockholder of record of the Corporation who is a stockholder of record at the time such notice is delivered to the Secretary of the Corporation as provided for in this paragraph, who shall be entitled to vote at the meeting and who delivers a written notice to the Secretary setting forth the information required in connection with nominations for annual meetings pursuant to Section 2 of this Article II. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board, any such stockholder entitled to vote in the election of directors may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting if the stockholder's notice required by the preceding sentence shall be received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the later of the ninetieth (90th) day prior to such special meeting or the tenth (10th) day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall an adjournment or postponement of a special meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

Notwithstanding the foregoing provisions of this Section 3, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to matters set forth in this Section 3.

§ 4. NOTICE OF MEETINGS - Notice of the place, if any, date, and time of the meeting, the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, the record date for determining the stockholders entitled to vote at the meeting, if such date is different from the record date for determining stockholders entitled to notice of the meeting, and, in the case of a special meeting, the purposes for which the meeting is called, shall be given not less than ten (10) nor more than sixty (60) days before the date on which the meeting is to be held, to each stockholder of record entitled to vote thereat as of the record date for determining the stockholders entitled to notice of the meeting, except as otherwise provided herein or required by law (meaning, here and hereinafter, as required from time to time by the Delaware General Corporation Law or the Amended and Restated Certificate of Incorporation). When a meeting is adjourned to another place, date or time, notice need not be given of the adjourned meeting if the time and place, if any, thereof, and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and to vote at such adjourned meeting are announced at the meeting at which the adjournment is taken; provided, however, that if the date of any adjourned meeting is more than thirty (30) days after the date for which the meeting was originally noticed, or if a new record date is fixed for the adjourned meeting, notice of the place, if any, date, and time of the adjourned meeting and the means of remote communications, if any, by which stockholders and proxyholders may be deemed present and to vote at such adjourned meeting shall be given in conformity herewith. At any adjourned meeting, any business

may be transacted which might have been transacted at the original meeting; but only those stockholders entitled to vote at the meeting as originally noticed shall be entitled to vote at any adjournment or adjournments thereof, unless the Board of Directors shall fix a new record date for the adjourned meeting pursuant to these By-laws.

§ 5. QUORUM - Except to the extent that the presence of a larger number may be required by law, the Amended and Restated Certificate of Incorporation or the rules of any stock exchange upon which the Corporation's securities are listed, the presence, in person or by proxy, of the holders of record of a majority of the voting power of the issued and outstanding shares of capital stock of the Corporation entitled to vote thereat shall constitute a quorum at all meetings of the stockholders, and every reference in these By-laws to a majority or other proportion of shares or stock (or the holders thereof) for the purposes of determining any quorum requirement or any requirement for stockholder consent or approval shall be deemed to refer to such majority or other proportion of the votes (or the holders thereof) then entitled to be cast in respect of such shares or capital stock. Once a quorum is present to organize a meeting, it shall not be broken by the subsequent withdrawal of any stockholders.

If a quorum shall fail to attend any meeting, the chairman of the meeting or, if the chairman of the meeting so elects, the holders of a majority of the voting power of the shares of stock entitled to vote who are present, in person or by proxy, may adjourn the meeting to another place, if any, date, or time.

§ 6. ORGANIZATION - The Chairman of the Board, if one is elected, or in his or her absence or disability, such person as the Board of Directors may have designated or, in the absence of, or upon the failure so to delegate such a person, the Chief Executive Officer of the Corporation, shall call to order any meeting of the stockholders and act as chairman of the meeting. The Secretary of the Corporation shall act as Secretary of all meetings of the stockholders. In the absence or disability of the Secretary of the Corporation, the secretary of the meeting shall be such person as the chairman or the Chief Executive Officer appoints.

§ 7. CONDUCT OF BUSINESS - Except as otherwise required by law, the Amended and Restated Certificate of Incorporation or these By-laws, the chairman of the meeting shall, in addition to making any other determination that may be appropriate for the conduct of the meeting, have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in these By-laws and, if any proposed nomination or business is not in compliance with these By-laws, to declare that such defective proposal or nomination shall be disregarded. The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting by the chairman of the meeting. The Board of Directors may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chairman of the meeting shall have the right and authority to convene and (for any or no reason) to recess and/or adjourn the meeting, to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chairman of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting to stockholders entitled to vote at the meeting, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants

and on shareholder approvals. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meeting of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

§ 8. PROXIES AND VOTING - Each stockholder entitled to vote at a meeting of stockholders or to express consent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by proxy authorized by an instrument in writing or by a transmission permitted by law filed in accordance with the procedure established for the meeting and bearing a date not more than three (3) years prior to said meeting, unless said instrument provides for a longer period. Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission created pursuant to this paragraph may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by delivering to the Secretary of the Corporation a revocation of the proxy or a new proxy bearing a later date. Each stockholder shall be entitled to vote, in accordance with the provisions of the Amended and Restated Certificate of Incorporation relating to shares of stock, the shares of stock registered in his name on the record date for the meeting, except as otherwise provided herein or required by law. Unless required by the Amended and Restated Certificate of Incorporation or applicable law, or determined by the chairman of the meeting to be advisable, the vote on any question need not be by ballot. Every vote taken by ballots shall be counted by an inspector or inspectors appointed as provided herein.

At every meeting of stockholders duly called and held at which a quorum is present (i) in all matters other than the election of directors, the vote of the holders of a majority of the voting power represented in person or by proxy at the meeting and entitled to vote on the matter and (ii) in the case of the election of directors, a plurality of the votes cast at the meeting upon the election, by the holders who are present in person or by proxy and entitled to vote on the matter, shall be necessary to decide the question or election, unless the question is one upon which, by express provision of applicable law, of the rules or regulations of any stock exchange applicable to the Corporation, of any regulation applicable to the Corporation or its securities, of the Amended and Restated Certificate of Incorporation or of these By-laws, a different vote is required, in which case such express provision shall govern and control the decision of such question or election. Shares represented by a limited proxy (i.e., a proxy that by its terms, withholds authority or does not empower the holder to vote on the matter) will not be considered as part of the voting power present and entitled to vote with respect to that matter for determining whether the matter has a majority (or other required percentage) approval of the voting power present and entitled to vote on the matter. Abstentions (whether in person or by proxy) are counted as voting power present and entitled to vote on any proposal to which they relate.

§ 9. STOCK LIST - A complete list of stockholders entitled to vote at any meeting of stockholders, arranged in alphabetical order and showing the address of each such stockholder and the number of shares registered in his name, shall be open to the examination of any such stockholder, for any purpose germane to the meeting for a period of at least ten (10) days prior to the meeting, (provided, however, if the record date for determining the stockholders entitled to vote is less than ten (10) days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the tenth (10th) day before the meeting date) (a) on a reasonably accessible electronic network; provided that the information required to gain access to such list is provided with the notice of meeting or (b) during ordinary business hours at the principal place of business of the Corporation. In the event that the Corporation determines to make the

list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation.

If the meeting is to be held at a place, the stock list shall also be kept at the place of the meeting during the whole time thereof and shall be open to the examination of any such stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. Except as otherwise provided by law, this list shall presumptively determine the identity of the stockholders entitled to examine the list of stockholders required by this Section or entitled to vote at the meeting and the number of shares held by each of them.

§ 10. CONSENT OF STOCKHOLDERS IN LIEU OF MEETING - Any action required or permitted to be taken at any annual or special meeting of stockholders of the Corporation may be taken without a meeting, without prior notice and without a vote only to the extent permitted by and in the manner provided in the Amended and Restated Certificate of Incorporation and in accordance with applicable law.

§ 11. REMOTE COMMUNICATION - If authorized by the Board of Directors in its sole discretion, and subject to such guidelines and procedures as the Board of Directors may adopt, stockholders and proxy holders not physically present at a meeting of stockholders may, by means of remote communication:

(a) participate in a meeting of stockholders; and

(b) be deemed present in person and vote at a meeting of stockholders whether such meeting is to be held at a designated place or solely by means of remote communication,

provided, that

(i) the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxyholder;

(ii) the Corporation shall implement reasonable measures to provide such stockholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings; and

(iii) if any stockholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the Corporation.

§ 12. INSPECTORS OF ELECTION - The Corporation may, and shall if required by law, in advance of any meeting of stockholders, appoint one or more inspectors of election, who may be employees of the Corporation, to act at the meeting or any adjournment thereof and to make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. In the event that no inspector so appointed or designated is able to act at a meeting of stockholders, the chairman of the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector or inspectors so appointed or designated shall (i) ascertain the number of shares of capital stock of the Corporation outstanding and the voting power of each such share, (ii) determine the shares of capital stock

of the corporation represented at the meeting and the validity of proxies and ballots, (iii) count all votes and ballots, (iv) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors, and (v) certify their determination of the number of shares of capital stock of the Corporation represented at the meeting and such inspectors' count of all votes and ballots. Such certification and report shall specify such other information as may be required by law. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders of the Corporation, the inspectors may consider such information as is permitted by applicable law. No person who is a candidate for an office at an election may serve as an inspector at such election.

§ 13. INCLUSION OF STOCKHOLDER DIRECTOR NOMINATIONS IN THE CORPORATION'S PROXY MATERIALS -

(a) Subject to the terms and conditions set forth in these By-laws, the Corporation shall include in its proxy materials for an annual general meeting of stockholders the name, together with the Required Information (as defined below), of any person nominated for election (the "Stockholder Nominee") to the Board of Directors by a stockholder or group of stockholders that satisfy the requirements of this Section 13 and that expressly elects at the time of providing the written notice required by this Section 13 (a "Proxy Access Notice") to have its nominee included in the Corporation's proxy material pursuant to this Section 13. For the purposes of this Section 13:

(i) "Voting Stock" shall mean outstanding shares of capital stock of the Corporation entitled to vote generally for the election of directors;

(ii) "Constituent Holder" shall mean any stockholder, collective investment fund included within a Qualifying Fund (as defined in paragraph (e) below) or beneficial holder whose stock ownership is counted for the purposes of qualifying as an Eligible Stockholder (as defined in paragraph (e) below);

(iii) "affiliate" and "associate" shall have the meanings ascribed thereto in Rule 405 under the Securities Act of 1933, as amended (such act, and the rules and regulations promulgated thereunder, the "Securities Act"); provided, however, that the term "partner" as used in the definition of "associate" shall not include any limited partner that is not involved in the management of the relevant partnership; and

(iv) a stockholder (including any Constituent Holder) shall be deemed to "own" only those outstanding shares of Voting Stock as to which the stockholder (or such Constituent Holder) possesses both (a) the full voting and investment rights pertaining to the shares and (b) the full economic interest in (including the opportunity for profit and risk of loss on) such shares. The number of shares calculated in accordance with the foregoing clauses (a) and (b) shall be deemed not to include (and, to the extent any of the following arrangements have been entered into by affiliates of the stockholder (or of any Constituent Holder), shall be reduced by) any shares (x) sold by such stockholder or Constituent Holder (or any of either's affiliates) in any transaction that has not been settled or closed, including any short sale, (y) borrowed by such stockholder or Constituent Holder (or any of either's affiliates) for any purposes or purchased by such stockholder or Constituent Holder (or any of either's affiliates) pursuant to an agreement to resell, or (z) subject to any option, warrant, forward contract, swap, contract of sale, other derivative or similar agreement entered into by or effecting such stockholder or Constituent Holder (or any of either's affiliates), whether any such instrument or agreement is to be settled with shares, cash or other consideration, in any such case which instrument or agreement has, or is intended to have, or if exercised by either party thereto would have, the purpose or effect of (i) reducing in any manner,

presently or in the future, the full voting and investment rights pertaining to such shares, and/or (ii) hedging, offsetting or altering to any degree the full economic interest in (including the opportunity for profit and risk of loss on) such shares. A stockholder (including any Constituent Holder) shall “own” shares held in the name of a nominee or other intermediary so long as the stockholder (or such Constituent Holder) retains the right to instruct how the shares are voted with respect to the election of directors and the right to direct the disposition thereof and possesses the full economic interest in the shares. A stockholder’s (including any Constituent Holder’s) ownership of shares shall be deemed to continue during any period in which such person has (i) loaned such shares, provided that such stockholder has the power to recall such loaned shares on not more than five (5) business days’ notice and includes in its Proxy Access Notice an agreement that it (A) will promptly recall such loaned shares upon being notified that any of its Stockholder Nominees will be included in the Corporation’s proxy materials and (B) will continue to hold such recalled shares through the date of the annual meeting or (ii) delegated any voting power over such shares by means of a proxy, power of attorney or other instrument or arrangement which in all such cases is revocable at any time by the stockholder. The terms “owned,” “owning” and other variations of the word “own” shall have correlative meanings.

(b) For purposes of this Section 13, the “Required Information” that the Corporation will include in its proxy statement is (1) the information concerning the Stockholder Nominee and the Eligible Stockholder that the Corporation determines is required to be disclosed in the Corporation’s proxy statement by the regulations promulgated under the Exchange Act; and (2) if the Eligible Stockholder so elects, a Statement (as defined in paragraph (g) below). The Corporation shall also include the name of the Stockholder Nominee in its proxy card. For the avoidance of doubt, and any other provision of these By-laws notwithstanding, the Corporation may in its sole discretion solicit against, and include in the proxy statement its own statements or other information relating to, any Eligible Stockholder and/or Stockholder Nominee.

(c) To be timely, a stockholder’s Proxy Access Notice, together with all related materials provided for herein, must be delivered to the principal executive offices of the Corporation within the time periods applicable to stockholder notices of nominations pursuant to paragraph Section 2 of this Article II. In no event shall any adjournment or postponement of an annual general meeting, the date of which has been announced by the Corporation, commence a new time period for the giving of a Proxy Access Notice.

(d) The number of Stockholder Nominees (which shall include Stockholder Nominees that were submitted by all Eligible Stockholders for inclusion in the Corporation’s proxy materials pursuant to this Section 13 but either (x) are subsequently withdrawn (or withdraw) or (y) the Board of Directors decides to nominate as Board of Directors’ nominees) appearing in the Corporation’s proxy materials with respect to an annual general meeting of stockholders shall not exceed the greater of (x) two (2) and (y) the largest whole number that does not exceed twenty percent (20%) of the number of directors in office as of the last day on which a Proxy Access Notice may be delivered in accordance with the procedures set forth in this Section 13 (such greater number, the “Permitted Number”); provided, however, that the Permitted Number shall be reduced by:

(i) the number of directors in office that will be included in the Corporation’s proxy materials with respect to such annual general meeting for whom access to the Corporation’s proxy materials was previously provided pursuant to this Section 13, other than any such director who at the time of such annual general meeting will have served as a director continuously, as a nominee of the Board of Directors, for at least two (2) successive annual terms; and

(ii) the number of directors in office or director candidates that in either case will be included in the Corporation's proxy materials with respect to such annual general meeting as an unopposed (by the Corporation) nominee pursuant to an agreement, arrangement or other understanding with a stockholder or group of stockholders (other than any such agreement, arrangement or understanding entered into in connection with an acquisition of Voting Stock, by such stockholder or group of stockholders, directly from the Corporation), other than any such director referred to in this clause (ii) who at the time of such annual general meeting will have served as a director continuously, as a nominee of the Board of Directors, for at least two (2) successive annual terms;

provided, further, that in the event the Board of Directors resolves to reduce the size of the Board of Directors effective on or prior to the date of the annual general meeting, the Permitted Number shall be calculated based on the number of directors in office as so reduced. An Eligible Stockholder submitting more than one Stockholder Nominee for inclusion in the Corporation's proxy statement pursuant to this paragraph (d) shall rank such Stockholder Nominees based on the order that the Eligible Stockholder desires such Stockholder Nominees to be selected for inclusion in the Corporation's proxy statement and include such specified rank in its Proxy Access Notice. If the number of Stockholder Nominees pursuant to this paragraph (d) for an annual general meeting of stockholders exceeds the Permitted Number, then the highest ranking qualifying Stockholder Nominee from each Eligible Stockholder will be selected by the Corporation for inclusion in the proxy statement until the Permitted Number is reached, going in order of the amount (largest to smallest) of the ownership position as disclosed in each Eligible Stockholder's Proxy Access Notice. If the Permitted Number is not reached after the highest ranking Stockholder Nominee from each Eligible Stockholder has been selected, this selection process will continue as many times as necessary, following the same order each time, until the Permitted Number is reached.

Notwithstanding anything to the contrary contained in this Section 13, the Corporation shall not be required to include any Stockholder Nominees in its proxy materials pursuant to this Section 13 for any meeting of stockholder for which the Secretary of the Corporation receives notice (whether or not subsequently withdrawn) that a stockholder intends to nominate one or more persons for election to the Board of Directors pursuant to the advance notice requirements for stockholder nominees set forth in Section 2 of Article II of the By-laws.

(e) An "Eligible Stockholder" is one or more Stockholders of record who own and have owned, or are acting on behalf of one or more beneficial owners who own and have owned, in each case continuously for at least three (3) years as of both the date that the Proxy Access Notice is received by the Corporation pursuant to this Section 13, and as of the record date for determining stockholders eligible to vote at the annual general meeting, at least three percent (3%) of the aggregate voting power of the Voting Stock (the "Proxy Access Request Required Shares"), and who continue to own the Proxy Access Request Required Shares at all times between the date such Proxy Access Notice is received by the Corporation and the date of the applicable annual general meeting, provided that the aggregate number of stockholders (and, if and to the extent that a stockholder is acting on behalf of one or more beneficial owners, of such beneficial owners) whose stock ownership is counted for the purpose of satisfying the foregoing ownership requirement shall not exceed twenty (20).

Two or more collective investment funds that are (I) part of the same family of funds or sponsored by the same adviser or (II) a "group of investment companies" as such term is defined in Section 12(d)(1)(G)(ii) of the Investment Company Act of 1940 (a "Qualifying Fund") shall be treated as one stockholder for the purpose of determining the aggregate number of stockholders in this paragraph (e). For the avoidance of doubt, each fund included within a Qualifying Fund must meet the requirements set forth in this Section 13, including by providing the required information and materials.

No share may be attributed to more than one group constituting an Eligible Stockholder under this Section 13. For the avoidance of doubt, no stockholder may be a member of more than one group constituting an Eligible Stockholder.

A record holder acting on behalf of one or more beneficial owners will not be counted separately as a stockholder with respect to the shares owned by such beneficial owner(s). Each such beneficial owner will be counted separately as a stockholder with respect to the shares owned by such beneficial owner, subject to the other provisions of this paragraph (e).

For the avoidance of doubt, Proxy Access Request Required Shares will qualify as such only if the beneficial owner of such shares as of the date of the Proxy Access Notice has individually beneficially owned such shares continuously for the three-year (3-year) period ending on that date and through the other applicable dates referred to above (in addition to the other applicable requirements being met).

(f) On the date on which an Eligible Stockholder delivers a nomination pursuant to this Section 13, such Eligible Stockholder (including each Constituent Holder) must provide the following information in writing to the Secretary of the Corporation with respect to such Eligible Stockholder (and each Constituent Holder):

(i) the name and address of, and number of shares of Voting Stock owned by, such person;

(ii) one or more written statements from the record holder of the shares (and from each intermediary through which the shares are or have been held during the requisite three-year (3-year) holding period) verifying that, as of a date within seven (7) calendar days prior to the date the Proxy Access Notice is delivered to the Corporation, such person owns, and has owned continuously for the preceding three (3) years in the manner required by paragraph (a)(iv) above, the Proxy Access Request Required Shares, and such person's agreement to provide:

(A) within ten (10) days after the record date for the annual general meeting, written statements from the record holder and intermediaries verifying such person's continuous ownership of the Proxy Access Request Required Shares through the record date, together with any additional information reasonably requested by the Corporation to verify such person's ownership of the Proxy Access Request Required Shares; and

(B) immediate notice to the Corporation if the Eligible Stockholder ceases to own in the manner required by paragraph (a)(iv) above any of the Proxy Access Request Required Shares prior to the date of the applicable annual general meeting of stockholder for any reason;

(iii) the information that would be required to be submitted pursuant to Section 2 of this Article II for director nominations;

(iv) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three (3) years, and any other material relationships, between or among the Eligible Stockholder (including any Constituent Holder) and its or their respective affiliates and associates, or others acting in concert therewith, on the one hand, and each of such Eligible Stockholder's Stockholder Nominees, and his or her respective affiliates and associates, or others acting in concert therewith, on the other hand, including without limitation all information that would be required to be disclosed pursuant to

Rule 404 promulgated under Regulation S-K of the Securities and Exchange Commission if the Eligible Stockholder (including any Constituent Holder), or any affiliate or associate thereof or person acting in concert therewith, were the “registrant” for purposes of such rule and the Stockholder Nominee or any affiliate or associate thereof or person acting in concert therewith were a director or executive officer of such registrant;

(v) a representation that the Eligible Stockholder (and each Constituent Holder):

(A) acquired the Proxy Access Request Required Shares in the ordinary course of business and not with the intent to change or influence control of the Corporation, and does not presently have any such intent;

(B) has not nominated and will not nominate for election to the Board of Directors at the annual general meeting any person other than the Stockholder Nominees being nominated pursuant to this Section 13;

(C) has not engaged and will not engage in, and has not and will not be a “participant” in another person’s, “solicitation” within the meaning of Rule 14a-1(l) under the Exchange Act in support of the election of any individual as a director at the annual general meeting other than its Stockholder Nominees or a nominee of the Board of Directors;

(D) will not distribute to any stockholder any form of proxy for the annual general meeting other than the form distributed by the Corporation; and

(E) will provide facts, statements and other information in all communications with the Corporation and its stockholders that are and will be true and correct in all material respects and do not and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, and will otherwise comply with all applicable laws, rules and regulations in connection with any actions taken pursuant to this Section 13 (and the other provisions of this Article II to the extent related to this Section 13);

(F) in the case of a nomination by a group of stockholders that together is such an Eligible Stockholder, the designation by all group members of one group member that is authorized to act on behalf of all members of the nominating stockholder group with respect to the nomination and matters related thereto, including withdrawal of the nomination; and

(G) an undertaking that the Eligible Stockholder (and each Constituent Holder) agrees to:

(1) assume all liability stemming from, and indemnify and hold harmless the Corporation and each of its directors, officers, and employees individually against any liability, loss or damages in connection with any threatened or pending action, suit or proceeding, whether legal, administrative or investigative, against the Corporation or any of its directors, officers or employees arising out of any legal or regulatory violation arising out of the communications of the Eligible Stockholder (and any Constituent Holder) with the stockholders of the Corporation or out of the information that the Eligible Stockholder (and any Constituent Holder)

provided to the Corporation in connection with the nomination of the Stockholder Nominee(s) or efforts to elect the Stockholder Nominee(s); and

(2) file with the Securities and Exchange Commission any solicitation by the Eligible Stockholder of stockholders of the Corporation relating to the annual general meeting at which the Stockholder Nominee will be nominated.

In addition, on the date on which an Eligible Stockholder delivers a nomination pursuant to this Section 13, any Qualifying Fund whose stock ownership is counted for purposes of qualifying as an Eligible Stockholder must provide to the Secretary of the Corporation documentation reasonably satisfactory to the Board of Directors that demonstrates that the funds included within the Qualifying Fund satisfy the definition thereof.

In order to be considered timely, all information required by this paragraph (f) to be provided to the Corporation must be supplemented, by delivery to the Secretary of the Corporation, to disclose such information (1) as of the record date for the applicable annual general meeting and (2) as of the date that is no earlier than ten (10) days prior to such annual general meeting. Any supplemental information delivered pursuant to clause (1) of the preceding sentence must be delivered to the Secretary of the Corporation no later than ten (10) days following the record date for the applicable annual general meeting, and any supplemental information delivered pursuant to clause (2) of the preceding sentence must be delivered to the Secretary of the Corporation no later than the fifth day before the applicable annual general meeting. For the avoidance of doubt, the requirement to update and supplement such information shall not permit any Eligible Stockholder (or any Constituent Holder) or other person to change or add any proposed Stockholder Nominee or be deemed to cure any defects or limit the remedies (including without limitation under these By-laws) available to the Corporation relating to any defect.

(g) The Eligible Stockholder may provide to the Secretary of the Corporation, at the time the information required by this Section 13 is originally provided, a written statement for inclusion in the Corporation's proxy statement for the annual general meeting, not to exceed five hundred (500) words, in support of the candidacy of each such Eligible Stockholder's Stockholder Nominee (the "Statement"). Notwithstanding anything to the contrary contained in this Section 13, the Corporation may omit from its proxy materials any information or Statement that it, in good faith, believes is materially false or misleading, omits to state any material fact, or would violate any applicable law or regulation.

(h) On the date on which an Eligible Stockholder delivers a nomination pursuant to this Section 13, each Stockholder Nominee must:

(A) provide to the Corporation an executed agreement, in a form deemed satisfactory by the Board of Directors or its designee (which form shall be provided by the Corporation reasonably promptly upon written request of a Stockholder), that such Stockholder Nominee consents to being named in the Corporation's proxy statement and form of proxy card (and will not agree to be named in any other person's proxy statement or form of proxy card with respect to the applicable annual general meeting of the Corporation) as a nominee and to serving as a director of the Corporation if elected;

(B) provide the information with respect to a Stockholder Nominee that would be required to be submitted pursuant to Section 2 of Article II of these By-laws for director nominations;

(C) complete, sign and submit all questionnaires, representations and agreements (including confidentiality agreements) required by these By-laws or of the Corporation's directors generally;

(D) provide a written representation and agreement (in the form provided by the Secretary of the Corporation upon written request) that such Stockholder Nominee (1) is not and will not become a party to (A) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such Stockholder Nominee, if elected as a director of the Corporation, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the Corporation or (B) any Voting Commitment that could limit or interfere with such Stockholder Nominee's ability to comply, if elected as a director of the Corporation, with such person's fiduciary duties under applicable law, (2) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director that has not been disclosed therein, and (3) will abide by the requirements of the Corporate Governance Guidelines, Business Conduct Policy and any other policies generally applicable to the Corporation's directors (including confidentiality requirements); and

(E) provide such additional information as necessary to permit the Board of Directors to determine if such Stockholder Nominee:

(1) is independent under the listing standards of each principal U.S. exchange upon which the Common Stock of the Corporation is listed, any applicable rules of the Securities and Exchange Commission and any publicly disclosed standards used by the Board of Directors in determining and disclosing the independence of the Corporation's directors;

(2) has any direct or indirect relationship with the Corporation;

(3) would, by serving on the Board of Directors, violate or cause the Corporation to be in violation of these By-laws, the rules and listing standards of the principal U.S. exchange upon which the Common Stock of the Corporation is listed or any applicable law, rule or regulation; and

(4) is or has been subject to any event specified in Item 401(f) of Regulation S-K (or successor rule) of the Securities and Exchange Commission.

In the event that any information or communications provided by the Eligible Stockholder (or any Constituent Holder) or the Stockholder Nominee to the Corporation or its stockholders ceases to be true and correct in all material respects or omits a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading, each Eligible Stockholder (or any Constituent Holder) or Stockholder Nominee, as the case may be, shall promptly notify the Secretary of the Corporation of any defect in such previously provided information and of the information that is required to correct any such defect; it being understood for the avoidance of doubt that providing any such notification shall not be deemed to cure any such defect or limit the remedies (including without limitation under these By-laws) available to the Corporation relating to any such defect.

(i) Any Stockholder Nominee who is included in the Corporation's proxy materials for a

particular annual general meeting of stockholders but either (A) withdraws from or becomes ineligible or unavailable for election at that annual general meeting (other than by reason of such Stockholder Nominee's disability or other health reason), or (B) does not receive at least twenty-five percent (25%) of the votes cast in favor of his or her election, will be ineligible to be a Stockholder Nominee pursuant to this Section 13 for (x) such particular annual general meeting and (y) the next two annual general meetings.

(j) The Corporation shall not be required to include, pursuant to this Section 13, a Stockholder Nominee in its proxy materials for any annual general meeting of Stockholders, or, if the proxy statement already has been filed, to permit a vote with respect to the election of a Stockholder Nominee, notwithstanding that proxies in respect of such vote may have been received by the Corporation:

(A) who is not independent under the listing standards of the principal U.S. exchange upon which the Common Stock of the Corporation is listed, any applicable rules of the Securities and Exchange Commission and any publicly disclosed standards used by the Board of Directors in determining and disclosing independence of the Corporation's directors, who does not meet the audit committee independence requirements under the rules of any stock exchange on which the Corporation's Common Stock are traded and applicable securities laws, who is not a "non-employee director" for the purposes of Rule 16b-3 under the Exchange Act (or any successor rule), who is not an "outside director" for the purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended (or any successor provision), in each of the foregoing cases as determined by the Board of Directors in its sole discretion;

(B) whose service as a member of the Board of Directors would violate or cause the Corporation to be in violation of these By-laws, the rules and listing standards of the principal U.S. exchange upon which the Common Stock of the Corporation is traded, or any applicable law, rule or regulation;

(C) who is or has been, within the past three (3) years, an employee, officer or director of, or otherwise affiliated with, a competitor, as defined in Section 8 of the Clayton Antitrust Act of 1914;

(D) who is or has been a named subject of a pending criminal proceeding (excluding non-criminal traffic violations) or has been convicted in such a criminal proceeding within the past ten (10) years, or who is or has been a named subject of any legal, regulatory or self-regulatory proceeding, action or settlement as a result of which the service of such Stockholder Nominee on the Board of Directors would result in any restrictions on the ability of any of the Corporation or its affiliates to conduct business in any jurisdiction;

(E) who is subject to any order of the type specified in Rule 506(d) of Regulation D promulgated under the Securities Act;

(F) who shall have provided information to the Corporation in respect of such nomination that was untrue in any material respect or omitted to state a material fact necessary in order to make the statement made, in light of the circumstances under which they were made, not misleading, as determined by the Board of Directors or any committee thereof, in each of the foregoing cases as determined by the Board of Directors in its sole discretion;

(G) who otherwise breaches or fails to comply in any material respect with its obligations pursuant to this Section 13 or any agreement, representation or undertaking required by these By-laws; or

(H) was proposed by an Eligible Stockholder who ceases to be an Eligible Stockholder for any reason, including but not limited to not owning the Proxy Access Request Required Shares through the date of the applicable annual general meeting.

In addition, if any Constituent Holder (i) shall have provided information to the Corporation in respect of a nomination under this Section 13 that was untrue in any material respect or omitted to state a material fact necessary in order to make the statement made, in light of the circumstances under which they were made, not misleading, as determined by the Board of Directors or any committee thereof, in each of the foregoing cases as determined by the Board of Directors in its sole discretion or (ii) otherwise breaches or fails to comply in any material respect with its obligations pursuant to this Section 13 or any agreement, representation or undertaking required by these By-laws, the Voting Stock owned by such Constituent Holder shall be excluded from the Proxy Access Request Required Shares and, if as a result the Eligible Stockholder no longer meets the requirements as such, all of the applicable Eligible Stockholder's Stockholder Nominees shall be excluded from the Corporation's proxy statement for the applicable annual general meeting of stockholder, if such proxy statement has not been filed, and, in any case, all of such stockholder's Stockholder Nominees shall be ineligible to be nominated at such annual general meeting.

Notwithstanding anything contained herein to the contrary, no Stockholder Nominee shall be eligible to serve as a Stockholder Nominee in any of the next two (2) successive annual general meetings following an act or omission specified in clause (F) or (G) of this paragraph (j) by such person, in each case as determined by the Board of Directors or any committee thereof in its sole discretion. In addition, no person who has submitted materials as a purported Eligible Stockholder (or Constituent Holder) under this Section 13, or any of its affiliates or associates, shall be eligible to be an Eligible Stockholder (or Constituent Holder) in any of the next two (2) successive annual general meetings following a nomination proposed under this Section 13 if, in connection therewith, such purported Eligible Stockholder (or such Constituent Holder) shall have provided information to the Corporation in respect of such nomination that was untrue in any material respect or omitted to state a material fact necessary in order to make the statement made, in light of the circumstances under which they were made, not misleading, or shall have otherwise materially breached or failed to comply with its obligations pursuant to this Section 13 or any agreement, representation or undertaking required by these By-laws, in each case as determined by the Board of Directors or any committee thereof in its sole discretion.

ARTICLE III BOARD OF DIRECTORS

§ 1. NUMBER AND TERM - Subject to the Amended and Restated Certificate of Incorporation, the number of directors shall be fixed exclusively by resolution adopted by a majority of the Whole Board from time to time. Each director shall be elected to serve for a term that expires at the next regular annual meeting of the shareholders and when a successor is elected and has qualified, or at the time of the earlier death, resignation, removal or disqualification of the director. Directors need not be stockholders.

§ 2. CHAIRMAN - The Board of Directors shall elect a Chairman of the Board, who shall have the powers and perform such duties as provided in these By-laws and as the Board of Directors may from

time to time prescribe. The Chairman of the Board shall preside at all meetings of the Board of Directors at which he or she is present. If the Chairman of the Board is not present at a meeting of the Board of Directors, the Chief Executive Officer (if the Chief Executive Officer is a director and is not also the Chairman of the Board) shall preside at such meeting, and, if the Chief Executive Officer is not present at such meeting or is not a director, a majority of the directors present at such meeting shall elect one (1) of their members to preside.

§ 3. RESIGNATION AND VACANCIES - Any director or member of a committee may resign at any time. Such resignation shall be made to the Board of Directors, the Chairman of the Board of Directors, the Chief Executive Officer or the Secretary of the Corporation, in writing or by electronic transmission, and shall take effect at the time specified therein and if no time is specified, at the time of its receipt. The acceptance of a resignation shall not be necessary to make it effective unless otherwise expressly provided in the resignation. Vacancies (whether by death, resignation, disqualification, removal or other cause) and newly created directorships resulting from any increase in the authorized number of directors shall be filled in accordance with the Amended and Restated Certificate of Incorporation. Any director elected to fill a vacancy or newly created directorship shall hold office until the next regular annual meeting of the stockholders and until his or her successor shall be elected and qualified, or until his or her earlier death, resignation, disqualification or removal.

§ 4. REMOVAL - Directors of the Corporation may be removed in the manner provided in the Amended and Restated Certificate of Incorporation and applicable law.

§ 5. COMMITTEES - The Board of Directors may designate one or more committees, each committee to consist of one or more directors of the Corporation. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of any member of any committee and any alternate member in his or her place, the member or members of the committee present at the meeting and not disqualified from voting, whether or not he or she or they constitute a quorum, may by unanimous vote appoint another member or the Board of Directors to act at the committee meeting in the place of the absent or disqualified member.

Any such committee, to the extent provided in the resolution of the Board of Directors establishing such committee, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following matters: (a) approving or adopting, or recommending to the stockholders, any action or matter (other than the election or removal of directors) expressly required by the Delaware General Corporation Law to be submitted to stockholders for approval or (b) adopting, amending or repealing any By-law of the Corporation. Each committee may determine the procedural rules for meeting and conducting its business and shall act in accordance therewith, except as otherwise provided herein, by a resolution of the Board of Directors designating such committee, or required by law. Adequate provision shall be made for notice to members of all meetings; unless otherwise provided in such a resolution, at least a majority of the members shall constitute a quorum unless the committee shall consist of one or two members, in which event one member shall constitute a quorum; and all matters shall be determined by a majority vote of the members present at a meeting of the committee at which a quorum is present.

§ 6. MEETINGS -Regular meetings of the Board of Directors may be held without notice at such places and times as shall be determined from time to time by resolution of the Board of Directors and publicized among all directors. A notice of each regular meeting shall not be required. Special meetings

of the Board of Directors may be called by the Chairman of the Board of Directors, the Chief Executive Officer or by the Secretary of the Corporation if directed by the Board of Directors and shall be called by them on the written request of any two (2) directors. Notice of the place, date, and time of each such special meeting shall be given each director by whom it is not waived by mailing notice not less than five (5) days before the meeting or by sending notice by guaranteed overnight carrier not less than forty-eight (48) hours before the meeting or by telephoning, hand delivering, telegraphing, faxing, e-mailing or sending by similar form of telecommunication notice or electronic transmission not less than twenty-four (24) hours before the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting. Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors (whether regular or special), or any committee, by means of conference telephone call or by means of other communications equipment by which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

§ 7. QUORUM AND VOTING - In addition to any other requirements set forth in the Stockholders Agreement, a majority of the Whole Board shall constitute a quorum for the transaction of business. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time until a quorum is obtained, and no further notice thereof need be given other than by announcement at the meeting which shall be so adjourned. The affirmative vote of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless applicable law, the Amended and Restated Certificate of Incorporation or these By-laws shall require the vote of a greater number.

§ 8. COMPENSATION - Directors shall be entitled to such compensation and fees (including reimbursement of reasonable expenses) for their services as directors or as members of committees as shall be authorized by resolution of the Board. Nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity as an officer, agent or otherwise, and receiving compensation therefor.

§ 9. ACTION WITHOUT MEETING - Any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee designated by the Board of Directors, may be taken without a meeting, if all members of the Board or of such committee, as the case may be, consent thereto in writing or by electronic transmission and the writing or writings or transmission or transmissions are filed with the minutes of proceedings of the Board or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

§ 10. POWERS - The Board of Directors shall have full power to manage the business and affairs of the Corporation; and all powers of the Corporation, except those specifically reserved or granted to the stockholders by statute, the Amended and Restated Certificate of Incorporation or these By-laws, are hereby granted to and vested in the Board of Directors.

ARTICLE IV OFFICERS

§ 1. OFFICERS - The officers of the Corporation shall be a Chief Executive Officer, a President, one or more Vice Presidents, a Treasurer and a Secretary, all of whom shall be elected by the Board of Directors and shall hold office until their successors are elected and qualified or until their earlier

resignation or removal. In addition, the Board of Directors may elect a Chairman and a Vice Chairman of the Board of Directors and such Assistant Secretaries and Assistant Treasurers, as it may deem proper. Except for the Chief Executive Officer, none of the officers of the Corporation need be directors. Two or more offices may be held by the same person. The Chief Executive Officer may serve as Chairman if so elected by the Board of Directors.

§ 2. OTHER OFFICERS AND AGENTS - The Board of Directors may appoint such other officers and agents as it may deem advisable, who shall hold office for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

§ 3. CHIEF EXECUTIVE OFFICER - The Chief Executive Officer of the Corporation shall be responsible for the general supervision of the business and affairs of the Corporation and, except as set forth in these By-laws or a resolution of the Board of Directors, of the Corporation's other officers, and shall have and perform such other duties as from time to time may be assigned to him by the Board of Directors. He may sign, execute and acknowledge, in the name of the Corporation, deeds, mortgages, bonds, contracts or other instruments authorized by the Board of Directors, except in cases where the signing and execution thereof shall be expressly and exclusively delegated by the Board of Directors, or by these By-laws, to some other officer or agent of the Corporation; and, in general, shall perform all duties incident to the office of Chief Executive Officer, and such other duties as from time to time may be assigned to him by the Board of Directors.

§ 4. PRESIDENT - The President shall have such powers and shall perform such duties as from time to time shall be assigned to him by the Chief Executive Officer or the Board of Directors.

§ 5. VICE-PRESIDENTS - Each Vice-President shall have such powers and shall perform such duties as from time to time shall be assigned to him by the Chief Executive Officer or the Board of Directors.

§ 6. TREASURER - The Treasurer shall provide for the custody of the corporate funds and securities and shall keep full and accurate account of receipts and disbursements in books belonging to the Corporation. He shall collect and deposit all moneys and other valuables in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors.

The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors or the Chief Executive Officer, taking proper vouchers for such disbursements. He shall render to the Chief Executive Officer and the Board of Directors at meetings of the Board of Directors, or whenever the directors may request it, an account of all his transactions as Treasurer and of the financial condition of the Corporation. If required by the Board of Directors, he shall give the Corporation a bond for the faithful discharge of his duties in such amount and with such surety as the Board of Directors shall prescribe. In addition, the Treasurer shall have such further powers and perform such other duties incident to the office of Treasurer as from time to time are assigned to him by the Chief Executive Officer or the Board of Directors.

§ 7. SECRETARY - The Secretary shall be present at and give, or cause to be given, notice of all meetings of stockholders and directors, and all other notices required by law or by these By-laws, and in case of his absence or refusal or neglect so to do, any such notice may be given by any Assistant Secretary or by any person thereunto directed by the Chief Executive Officer, or by the Board of Directors. He shall record all the proceedings of the meetings of the Corporation and of the Board of Directors in books to be kept for such purpose, and shall perform such other duties as may be assigned to him by the Chief Executive Officer or the Board of Directors. He shall have the custody of the seal of the Corporation and shall affix the same to all instruments requiring it, when authorized by the Board of Directors or the Chief

Executive Officer, and attest the same. The Secretary shall have such further powers and perform such other duties as prescribed from time to time by the Chief Executive Officer or the Board of Directors.

§ 8. ASSISTANT TREASURERS AND ASSISTANT SECRETARIES - Each Assistant Treasurer and each Assistant Secretary, if any are elected, shall be vested with all the powers and shall perform all the duties of the Treasurer and Secretary, respectively, in the absence or disability of such officer, unless or until the Chief Executive Officer or the Board of Directors shall otherwise determine. Assistant Treasurers and Assistant Secretaries, if any, shall have such powers and shall perform such duties as shall be assigned to them, respectively, by the Chief Executive Officer or by the Board of Directors.

§ 9. REMOVAL AND REMOVAL - Any officer of the Corporation may be removed at any time, with or without cause, by the Board of Directors. Any officer may resign at any time in the same manner prescribed under Section 3 of Article III of these By-laws.

§ 10. ACTION WITH RESPECT TO SECURITIES OF OTHER CORPORATIONS - Unless otherwise directed by the Board of Directors, the Chief Executive Officer or any officer of the Corporation authorized by the Chief Executive Officer shall have the power to vote and otherwise act on behalf of the Corporation, in person or by proxy, at any meeting of stockholders of or with respect to any action of stockholders of any other corporation in which this Corporation may hold securities and otherwise to exercise any and all rights and powers which this Corporation may possess by reason of its ownership of securities in such other corporation.

§ 11. CONTRACTS AND OTHER DOCUMENTS - The Chief Executive Officer and the Secretary, or such other officer or officers as may from time to time be authorized by the Board of Directors or any other committee given specific authority in the premises by the Board of Directors during the intervals between the meetings of the Board of Directors, shall have power to sign and execute on behalf of the Corporation deeds, conveyances and contracts, and any and all other documents requiring execution by the Corporation.

§ 12. DELEGATION OF DUTIES - The Board of Directors may from time to time delegate the powers or duties of any officer to any other officers or agents, notwithstanding any provisions of these By-Laws.

§ 13. VACANCIES - The Board of Directors shall have the power to fill vacancies occurring in any office.

ARTICLE V GENERAL PROVISIONS

§ 1. CERTIFICATES OF STOCK - The stock of the Corporation shall be represented by certificates unless the Board of Directors shall by resolution in accordance with applicable law provide that some or all of any class or series of stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. Every holder of stock in the Corporation represented by certificates shall be entitled to have a certificate signed by, or in the name of the Corporation by, the Chairman of the Board of Directors or the Vice Chairman of the Board of Directors, or the President or a Vice President, and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Corporation, certifying the number and class of shares of stock of the Corporation owned by such holder. Any or all of the signatures on the certificate may be a facsimile. The Board of Directors shall have the power to appoint one or more transfer agents and/or

registrars for the transfer or registration of certificates of stock of any class, and may require stock certificates to be countersigned or registered by one or more of such transfer agents and/or registrars.

§ 2. **SHARES WITHOUT CERTIFICATES** - If the Board of Directors chooses to issue shares of stock without certificates, the Corporation, if required by the Delaware General Corporation Law, shall, within a reasonable time after the issue or transfer of shares without certificates, send the stockholder a written statement of the information required by the Delaware General Corporation Law. The Corporation may adopt a system of issuance, recordation and transfer of its shares of stock by electronic or other means not involving the issuance of certificates, provided the use of such system by the Corporation is permitted in accordance with applicable law.

§ 3. **LOST CERTIFICATES** - Unless otherwise provided by the Amended and Restated Certificate of Incorporation, a new certificate of stock or uncertificated shares may be issued in the place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen, destroyed or mutilated, and (in the case of any certificate alleged to be lost, stolen or destroyed) the Board of Directors may, in its discretion, require the owner thereof or his legal representatives, to give the Corporation a bond, in such sum as the Board of Directors may direct, sufficient to indemnify the Corporation against any claim that may be made against it with respect to any such certificate, prior to the issuance of any new certificate.

§ 4. **TRANSFER OF SHARES** - Shares of stock of the Corporation shall be transferable upon its books by the holders thereof, in person or by their duly authorized attorneys or legal representatives, upon surrender to the Corporation by delivery thereof (to the extent evidenced by a physical stock certificate) to the person in charge of the stock and transfer books and ledgers. Certificates representing such shares, if any, shall be cancelled and new certificates, if the shares are to be certificated, shall thereupon be issued. Shares of capital stock of the Corporation that are not represented by a certificate shall be transferred in accordance with applicable law. A record shall be made of each transfer. Whenever any transfer of shares shall be made for collateral security, and not absolutely, it shall be so expressed in the entry of the transfer if, when the certificates are presented, both the transferor and transferee request the Corporation to do so. The Board of Directors shall have power and authority to make such rules and regulations as it may deem necessary or proper concerning the issue, transfer and registration of certificates for shares of stock of the Corporation.

§ 5. **STOCKHOLDER RECORD DATE** - In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date on which the resolution fixing the record date is adopted and which, unless otherwise required by law, shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, nor more than sixty (60) days prior to any such other action. If the Board of Directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of and to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held, and, for determining stockholders entitled to receive payment of any dividend or other distribution or allotment of rights or to exercise any rights of change, conversion or exchange of stock or for any other purpose, the record date shall be at the close of business on the day on which the Board of Directors adopts a resolution relating thereto.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to an adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

Unless otherwise restricted by the Amended and Restated Certificate of Incorporation, in order that the Corporation may determine the stockholders entitled to express consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. If no record date for determining stockholders entitled to express consent to corporate action in writing without a meeting is fixed by the Board of Directors, (i) when no prior action of the Board of Directors is required by law, the record date for such purpose shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation in accordance with applicable law, and (ii) if prior action by the Board of Directors is required by law, the record date for such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

§ 6. REGISTERED STOCKHOLDERS - Prior to the surrender to the Corporation of the certificate or certificates for a share or shares of stock or notification to the Corporation of the transfer of uncertificated shares with a request to record the transfer of such share or shares, the Corporation may treat the registered owner of such share or shares as the person entitled to receive dividends, to vote, to receive notifications and otherwise to exercise all the rights and powers of an owner of such share or shares. To the fullest extent permitted by law, the Corporation shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof.

§ 7. DIVIDENDS - Subject to the provisions of law and the provisions of the Amended and Restated Certificate of Incorporation or any resolution or resolutions adopted by the Board of Directors pursuant to authority expressly vested in it by the Amended and Restated Certificate of Incorporation and Section 151 of the Delaware General Corporation Law, the Board of Directors may, to the fullest extent permitted by law, declare dividends upon the capital stock of the Corporation. Before declaring any dividend there may be set apart out of any funds of the Corporation legally available for dividends, such sum or sums as the Board of Directors from time to time in its discretion deem proper for working capital, future capital needs or as a reserve fund to meet contingencies or for such other purposes as the Board of Directors shall deem appropriate or in the interests of the Corporation.

§ 8. SEAL - The Board of Directors may provide a suitable seal, containing the name of the Corporation and the words "CORPORATE SEAL DELAWARE". Such seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

§ 9. FACSIMILE SIGNATURES - In addition to the provisions for use of facsimile signatures elsewhere specifically authorized in these By-laws, facsimile signatures of any officer or officers of the Corporation may be used whenever and as authorized by the Board of Directors or a committee thereof.

§ 10. RELIANCE UPON BOOKS, REPORTS AND RECORDS - Each director, each member of any committee designated by the Board of Directors, and each officer of the Corporation shall, in the performance of his duties, be fully protected in relying in good faith upon the books of account or other records of the Corporation and upon such information, opinions, reports or statements made to the

Corporation by any of its officers, or employees, or committees of the Board of Directors, or by any other person as to matters the member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation.

§ 11. FISCAL YEAR - The fiscal year of the Corporation shall end on the Friday nearest September 30 in each year, and shall be subject to change, by resolution of the Board of Directors.

§ 12. CHECKS - All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation, and in such manner, as shall be determined from time to time by resolution of the Board of Directors.

§ 13. NOTICE AND WAIVER OF NOTICE - Except as otherwise provided in this Section 13, whenever any notice is required to be given, personal notice is not meant unless expressly so stated, and any notice so required shall be deemed to be sufficient if deposited in the United States mail, postage prepaid, addressed to the person entitled thereto at his address as it appears on the records of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders may be given by electronic transmission in the manner provided in Section 232 of the Delaware General Corporation Law. Stockholders not entitled to vote shall not be entitled to receive notice of any meetings except as otherwise required by law.

Whenever any notice is required to be given under the provisions of any law, or under the provisions of the Amended and Restated Certificate of Incorporation or these By-laws, a waiver thereof in writing, or by telegraph, fax or similar form of telecommunication or electronic transmission, whether before or after the time stated therein, shall be deemed equivalent thereto. Neither the business nor the purpose of any meeting needs to be specified in such a waiver. Attendance at any meeting (in person or by remote communication) shall constitute waiver of notice except attendance for the sole purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

§ 14. TIME PERIODS - In applying any provision of these By-laws which requires that an act be done or not done a specified number of days prior to an event or that an act be done during a period of a specified number of days prior to an event, calendar days shall be used, the day of the doing of the act shall be excluded, and the day of the event shall be included.

§ 15. SECTION HEADINGS - Section headings in these By-laws are for convenience of reference only and shall not be given any substantive effect in limiting or otherwise construing any provision herein.

§ 16. INCONSISTENT PROVISIONS - In the event that any provision of these By-laws is or becomes inconsistent with any provision of the Amended and Restated Certificate of Incorporation, the Delaware General Corporation Law or any other applicable law, such provision of these By-laws shall not be given any effect to the extent of such inconsistency but shall otherwise be given full force and effect.

ARTICLE VI AMENDMENTS

The Board of Directors is authorized to make, repeal, alter, amend change, add to and rescind, in whole or in part, these By-laws without the assent or vote of the stockholders in any manner not

inconsistent with the laws of the State of Delaware or the Amended and Restated Certificate of Incorporation. Notwithstanding any other provisions of these By-laws or any provision of law which might otherwise permit a lesser vote of the stockholders, for as long as the Controlling Owners and their affiliates beneficially own, in the aggregate, at least a majority in voting power of the shares of stock of the Company entitled to vote generally in the election of directors, any amendment, alteration, rescission or repeal of these By-laws (including, without limitation, this Article VI) or adoption of any provision inconsistent herewith by our stockholders shall require the affirmative vote of a majority in voting power of the outstanding shares of our stock present in person or represented by proxy at the meeting of stockholders and entitled to vote on such amendment, alteration, change, addition, rescission or repeal. At any time when the Controlling Owners and their affiliates beneficially own, in the aggregate, less than a majority in voting power of all outstanding shares of stock of the Company entitled to vote generally in the election of directors, any amendment, alteration, rescission or repeal of these By-laws (including, without limitation, this Article VI) or adoption of any provision inconsistent herewith by our stockholders shall require the affirmative vote of the holders of at least seventy-five percent (75%) in voting power of all the then-outstanding shares of stock of the Company entitled to vote thereon, voting together as a single class.

ARTICLE VII INDEMNIFICATION OF DIRECTORS AND OFFICERS

Each person who was or is made a party or is threatened to be made a party to or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she or a person of whom he or she is the legal representative is or was a director or an officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee, agent or trustee of another corporation, or as its representative in a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "indemnitee"), whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee, agent trustee or representative or in any other capacity while serving as a director, officer, employee, agent trustee or representative, shall be indemnified and held harmless by the Corporation to the fullest extent permitted by the Delaware General Corporation Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such indemnitee in connection therewith; provided, however, that, except as provided in this Article with respect to proceedings to enforce rights to indemnification and "advancement of expenses" (as defined below) or with respect to any compulsory counterclaim brought by such indemnitee, the Corporation shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation.

In addition to the right to indemnification conferred in this Article, an indemnitee shall also have the right to be paid by the Corporation the expenses (including attorneys' fees) incurred in appearing at, participating in or defending any such proceeding in advance of its final disposition or in connection with a proceeding brought to establish or enforce a right to indemnification or advancement of expenses under this Article (hereinafter an "advancement of expenses"); provided, however, that, if the Delaware General Corporation Law requires or in the case of an advance made in a proceeding brought to establish or

enforce a right to indemnification or advancement, an advancement of expenses incurred by an indemnitee in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the Corporation of an undertaking (hereinafter an “undertaking”), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a “final adjudication”) that such indemnitee is not entitled to be indemnified or entitled to advancement for such expenses under this Article or otherwise. If a claim under this Article is not paid in full by the Corporation within sixty (60) days after a written claim for indemnification has been received by the Corporation, and in the case of a claim for an advancement of expenses, within twenty (20) days, the indemnitee may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim or to obtain advancement of expenses, as applicable. To the fullest extent permitted by law, if successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall be entitled to be paid also the expense of prosecuting or defending such suit. In (i) any suit brought by the indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the indemnitee to enforce a right to an advancement of expenses) it shall be a defense that, and (ii) in any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that, the indemnitee has not met any applicable standard for indemnification set forth in the Delaware General Corporation Law. Neither the failure of the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) that the indemnitee has not met such applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this Article or otherwise shall be on the Corporation.

The provision of indemnification to or the advancement of expenses and costs to any indemnitee under this Article, or the entitlement of any indemnitee to indemnification or advancement of expenses and costs under this Article, shall not limit or restrict in any way the power of the Corporation to indemnify or advance expenses and costs to such indemnitee in any other way permitted by law or be deemed exclusive of, or invalidate, any right to which any indemnitee seeking indemnification or advancement of expenses and costs may be entitled under any law, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such indemnitee’s capacity as an officer, director, employee or agent of the Corporation and as to action in any other capacity.

Given that certain jointly indemnifiable claims (as defined below) may arise due to the service of the indemnitee as a director of the Corporation at the request of the indemnitee-related entities (as defined below), the Corporation shall be fully and primarily responsible for the payment to the indemnitee in respect of indemnification or advancement of expenses in connection with any such jointly indemnifiable claims, pursuant to and in accordance with the terms of this Article, irrespective of any right of recovery the indemnitee may have from the indemnitee-related entities. Under no circumstance shall the

Corporation be entitled to any right of subrogation or contribution by the indemnitee-related entities and no right of advancement or recovery the indemnitee may have from the indemnitee-related entities shall reduce or otherwise alter the rights of the indemnitee or the obligations of the Corporation hereunder. In the event that any of the indemnitee-related entities shall make any payment to the indemnitee in respect of indemnification or advancement of expenses with respect to any jointly indemnifiable claim, the indemnitee-related entity making such payment shall be subrogated to the extent of such payment to all of the rights of recovery of the indemnitee against the Corporation, and the indemnitee shall execute all papers reasonably required and shall do all things that may be reasonably necessary to secure such rights, including the execution of such documents as may be necessary to enable the indemnitee-related entities effectively to bring suit to enforce such rights. Each of the indemnitee-related entities shall be third-party beneficiaries with respect to this paragraph of this Article, entitled to enforce this paragraph of this Article.

For purposes of this Article, the following terms shall have the following meanings: The term “indemnitee-related entities” means any corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise (other than the Corporation or any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise for which the indemnitee has agreed, on behalf of the Corporation or at the Corporation’s request, to serve as a director, officer, employee or agent and which service is covered by the indemnity described herein) from whom an indemnitee may be entitled to indemnification or advancement of expenses with respect to which, in whole or in part, the Corporation may also have an indemnification or advancement obligation.

The term “jointly indemnifiable claims” shall be broadly construed and shall include, without limitation, any action, suit or proceeding for which the indemnitee shall be entitled to indemnification or advancement of expenses from both the indemnitee-related entities and the Corporation pursuant to Delaware law, any agreement or certificate of incorporation, by-laws, partnership agreement, operating agreement, certificate of formation, certificate of limited partnership or comparable organizational documents of the Corporation or the indemnitee-related entities, as applicable.

The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Delaware General Corporation Law.

The Corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Corporation to the fullest extent of the provisions of this Article with respect to the indemnification and advancement of expenses of directors and officers of the Corporation.

The rights conferred upon indemnitees in this Article shall be contract rights and such rights shall continue as to an indemnitee who has ceased to be a director, officer or trustee and shall inure to the benefit of the indemnitee’s heirs, executors and administrators. Any amendment, alteration or repeal of this Article that adversely affects any right of an indemnitee or its successors shall be prospective only and shall not limit or eliminate any such right with respect to any proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place prior to such amendment or repeal.

August 2, 2017

CERTIFICATIONS

I, Eric J. Foss, Chairman, President and Chief Executive Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Aramark for the quarter ended June 30, 2017;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 8, 2017

/s/ ERIC J. FOSS

Eric J. Foss

Chairman, President and Chief Executive Officer

CERTIFICATIONS

I, Stephen P. Bramlage, Jr., Executive Vice President and Chief Financial Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Aramark for the quarter ended June 30, 2017;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 8, 2017

/s/ STEPHEN P. BRAMLAGE, JR.

Stephen P. Bramlage, Jr.
Executive Vice President and
Chief Financial Officer

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Aramark (the "Company") on Form 10-Q for the fiscal quarter ended June 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Eric J. Foss, Chairman, President and Chief Executive Officer of the Company, and Stephen P. Bramlage, Jr., Executive Vice President and Chief Financial Officer of the Company, each certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, based on each of our knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 8, 2017

/s/ ERIC J. FOSS

Eric J. Foss

Chairman, President and Chief Executive Officer

/s/ STEPHEN P. BRAMLAGE, JR.

Stephen P. Bramlage, Jr.

Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.