



For Immediate Release

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Aramark Reports Record Third Quarter Results

KEY HIGHLIGHTS

Sales +11%; Constant Currency Sales +9%
Operating Income +22%; Adjusted Operating Income (AOI) +20%¹
EPS +12% to \$0.29; Adjusted EPS +18%¹ to \$0.48
Operating Income Margin up 40 bps to 4.7%; AOI Margin up 60 bps to 6.4%¹

Affirming Full-Year 2018 Adjusted EPS Outlook

Philadelphia, PA, August 7, 2018 - Aramark (NYSE: ARMK) today reported third quarter fiscal 2018 results.

“We reported record performance driven by broad-based results across the globe. Our focus on delivering an enhanced customer experience drove strong revenue growth. Our productivity initiatives are working well, which led to solid margin expansion, along with double-digit operating income and EPS growth,” said Eric J. Foss, Chairman, President and CEO. “We affirm our full-year Adjusted EPS outlook of \$2.20 to \$2.30, and we are now expecting approximately 3.5% revenue growth in our legacy operations.”

Foss added: “Aramark benefits from a proven, resilient business model and robust financial flexibility. Looking beyond 2018, we are confident in our ability to continue generating sustainable shareholder value by executing against our clear and focused strategy.”

¹ Constant Currency.

THIRD QUARTER RESULTS*

	Sales			
	Q3 '18	Q3 '17	Change	Constant Currency Change
FSS United States	\$2,501M	\$2,384M	5%	5%
FSS International	930	822	13%	7%
Uniform & Career Apparel	<u>541</u>	<u>388</u>	39%	39%
Total Company	\$3,972M	\$3,593M	11%	9%

	Operating Income			AOI		
	Q3 '18	Q3 '17	Change	Q3 '18	Q3 '17	Change
FSS United States	\$135M	\$120M	12%	\$150M	\$139M	8%
FSS International	46	26	76%	47	39	22%
Uniform & Career Apparel	57	45	27%	64	46	39%
Corporate	<u>(49)</u>	<u>(36)</u>	37%	<u>(7)</u>	<u>(15)</u>	(52)%
Total Company	\$188M	\$155M	22%	\$254M	\$209M	22%
Effect of Currency Translation				(3)		
Constant Currency AOI				\$251M		20%

* May not total due to rounding. A majority of our Canadian operations were reclassified into the FSS International reportable segment beginning in fiscal 2018. The prior-year period was restated to conform to the current period presentation.

Consolidated sales were \$4.0 billion in the quarter, an increase of 9% on a constant-currency basis over the prior-year period, composed of a 5% increase in revenue related to the Avendra and AmeriPride acquisitions and 4% of growth related to the legacy business. Legacy business growth was positively impacted in the United States and International by the timing of the Easter holiday.

The Company continues to deliver productivity improvements across all segments. In addition, uniform income benefited from the inclusion of a full quarter of AmeriPride results.

THIRD QUARTER SUMMARY

On a GAAP basis, sales were \$4.0 billion, operating income was \$188 million, net income attributable to Aramark stockholders was \$73 million and diluted earnings per share were \$0.29. This compares to the third quarter of 2017 where, on a GAAP basis, sales were \$3.6 billion, operating income was \$155 million, net income attributable to Aramark stockholders was \$65 million and diluted earnings per share were \$0.26. Third quarter GAAP diluted earnings per share increased 12% year-over-year.

Adjusted net income was \$120 million or \$0.48 per share, versus adjusted net income of \$100 million or \$0.40 per share in the third quarter of 2017. A weaker U.S. dollar increased sales by approximately

\$52 million, and increased operating income by \$3 million and provided a one-cent benefit to adjusted earnings per share.

CAPITAL STRUCTURE & LIQUIDITY

Total trailing 12-month net debt to covenant adjusted EBITDA was 4.6x at the end of the quarter, a 10 basis point decrease versus the end of the second quarter of 2018.

At quarter-end the company had approximately \$1.1 billion in cash and availability on its revolving credit facility.

2018 OUTLOOK

The Company provides its expectations for full-year adjusted EPS and full-year free cash flow on a non-GAAP basis, and does not provide a reconciliation of such forward-looking non-GAAP measures to GAAP due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations, including adjustments that could be made for the impact of the change in fair value related to certain gasoline and diesel agreements, severance and other charges and the effect of currency translation.

The Company is reaffirming its 2018 adjusted EPS outlook of \$2.20 to \$2.30 per share, which includes 2 cents of currency benefit. The Company is affirming its full-year free cash flow outlook of greater than \$400 million. This outlook reflects an expectation of approximately \$100 million benefit due to tax reform and the results of the acquisitions, offset by approximately \$135 million in deal-related costs and certain assumed obligations related to the acquisitions. The Company expects its leverage ratio to be below 4.5x by the end of the fiscal year.

CONFERENCE CALL SCHEDULED

The Company has scheduled a conference call at 10 a.m. ET today to discuss its earnings and outlook. This call and related materials can be heard and reviewed, either live or on a delayed basis, on the Company's web site, www.aramark.com on the investor relations page.

About Aramark

Aramark (NYSE: ARMK) proudly serves Fortune 500 companies, world champion sports teams, state-of-the-art healthcare providers, the world's leading educational institutions, iconic destinations and cultural attractions, and numerous municipalities in 19 countries around the world. Our 270,000 team members deliver experiences that enrich and nourish millions of lives every day through innovative services in food, facilities management and uniforms. We operate our business with social responsibility, focusing on initiatives that support our diverse workforce, advance consumer health and wellness, protect our environment, and strengthen our communities. Aramark is recognized as one of the World's Most Admired Companies by FORTUNE, as well as an employer of choice by the Human Rights Campaign and DiversityInc. Learn more at www.aramark.com or connect with us on Facebook and Twitter.

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Selected Operational and Financial Metrics

Constant Currency Sales

Constant Currency Sales represents sales growth, adjusted to eliminate the impact of currency translation.

Legacy Business Sales

Legacy Business Sales represents sales excluding the impact of currency translation and the sales of AmeriPride and Avendra.

Adjusted Operating Income

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

Adjusted Operating Income (Constant Currency)

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

Adjusted Net Income

Adjusted Net Income represents net income attributable to Aramark stockholders adjusted to eliminate the change in amortization of acquisition-related customer relationship intangible assets resulting from the 2007 LBO; the impact of changes in the fair value related to certain gasoline and diesel agreements; severance and other charges; share-based compensation; merger and integration related charges; the effects of refinancings on interest and other financing costs, net; the impact of tax reform and other items impacting comparability, less the tax impact of these adjustments. The tax effect for adjusted net income for our U.S. earnings is calculated using a blended U.S. federal and state tax rate. The tax effect for adjusted net income in jurisdictions outside the U.S. is calculated at the local country tax rate.

Adjusted Net Income (Constant Currency)

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

Adjusted EPS

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

Covenant Adjusted EBITDA

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

Free Cash Flow

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

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

Explanatory Notes to the Non-GAAP Schedules

Amortization of acquisition-related customer relationship intangible assets resulting from the 2007 Leveraged Buy-out - adjustments to eliminate the change in amortization resulting from the purchase accounting applied to the January 26, 2007 going-private transaction executed with investment funds affiliated with GS Capital Partners, CCMP Capital Advisors, LLC and J.P. Morgan Partners, LLC, Thomas H. Lee Partners, L.P. and Warburg Pincus LLC as well as approximately 250 senior management personnel.

Share-based compensation - adjustments to eliminate compensation expense related to the Company's issuances of share-based awards and the related employer payroll tax expense incurred by the Company when employees exercise in the money stock options or vest in restricted stock awards.

Severance and other charges - adjustments to eliminate severance expenses and other costs incurred in the applicable period such as consulting costs and severance related to streamlining initiatives (\$5.3 million and \$0.1 million for the third quarter of 2018, respectively, and \$17.3 million and \$39.7 million for the year-to-date 2018, respectively, \$0.5 million and \$18.4 million for the third quarter of 2017, respectively, and \$0.5 million and \$18.4 million for year-to-date 2017, respectively), incurring duplicate rent charges to build out and ready the Company's new headquarters while occupying its then-existing headquarters (\$2.5 million for the third quarter of 2018 and \$4.9 million for the year-to-date 2018) and other charges (\$1.0 million for the third quarter of 2018 and \$3.6 million for year-to-date 2018 and \$1.9 million for the third quarter and year-to-date 2017).

Merger and Integration Related Charges - adjustments to eliminate merger and integration charges related in connection with the Avendra and AmeriPride acquisitions, including deal costs, costs for transitional employees, other acquired employee related costs, and integration related consulting costs (\$11.0 million for the third quarter of 2018 and \$64.8 million for the year-to-date 2018) and other deal costs.

Gains, losses and settlements impacting comparability - adjustments to eliminate certain transactions that are not indicative of our ongoing operational performance, primarily for income from prior years' loss experience that were favorable under our casualty insurance program (\$18.2 million gain for the year-to-date 2018 and \$6.5 million gain for the year-to-date 2017), pension plan charges (\$1.5 million for the third quarter of 2018 and \$4.7 million for the year-to-date 2018), charges related to a joint venture liquidation and acquisition (\$1.9 million for the third quarter of 2018 and \$7.5 million for the year-to-date 2018) the impact of the change in fair value related to certain gasoline and diesel agreements (\$0.2 million gain for the third quarter of 2018 and \$0.5 million gain for the year-to-date 2018 and \$2.9 million loss for the third quarter of 2017 and \$4.0 million loss for the year-to-date 2017).

Effect of currency translation - adjustments to eliminate the impact that fluctuations in currency translation rates had on the comparative results by presenting the periods on a constant currency basis. 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.

Effect of refinancing on interest and other financing costs, net - adjustments to eliminate expenses associated with refinancing activities undertaken by the Company in the applicable period such as financing commitment fees, and third party costs and non-cash charges for the write-offs of debt issuance costs.

Effect of tax reform on provision for income taxes - adjustments to eliminate the impact of tax reform that is not indicative of our ongoing tax position based on the new tax policies and certain other adjustments.

Tax Impact of Adjustments to Adjusted Net Income - adjustments to eliminate the net tax impact of the adjustments to adjusted net income calculated based on a blended U.S. federal and state tax rate for U.S. adjustments and the local country tax rate for adjustments in jurisdictions outside the U.S.

Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 that reflect our current views as to future events and financial performance with respect to, without limitation, conditions in our industry, our operations, our economic performance and financial condition, including, in particular, statements under the heading "2018 Outlook" and including with respect to, without limitation, the benefits and costs of our acquisitions of each of Avendra, LLC ("Avendra") and AmeriPride Services, Inc. ("AmeriPride") and related financings, as well as statements regarding these companies' services and products and statements relating to our business and growth strategy. These statements can be identified by the fact that they do not relate strictly to historical or current facts. They use words such as "outlook," "aim," "anticipate," "are or remain or continue to be confident," "have confidence," "estimate," "expect," "will be," "will continue," "will likely result," "project," "intend," "plan," "believe," "see," "look to" and other words and terms of similar meaning or the negative versions of such words.

Forward-looking statements speak only as of the date made. All statements we make relating to our estimated and projected earnings, costs, expenditures, cash flows, growth rates, financial results and our estimated benefits and costs of our acquisitions are forward-looking statements. In addition, we, through our senior management, from time to time make forward-looking public statements concerning our expected future operations and performance and other developments. These forward-looking statements are subject to risks and uncertainties that may change at any time, and, therefore, our actual results may differ materially from those that we expected. We derive many of our forward-looking statements from our operating budgets and forecasts, which are based upon many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and, of course, it is impossible for us to anticipate all factors that could affect our actual results. All subsequent written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements. Some of the factors that we believe could affect our results or the costs and benefits of the acquisitions include without limitation: unfavorable economic conditions; natural disasters, global calamities, 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; our ability to successfully integrate the businesses of Avendra and AmeriPride and costs and timing related thereto, the risk of unanticipated restructuring costs or assumption of undisclosed liabilities, the risk that we are unable to achieve the anticipated benefits (including tax benefits) and synergies of the acquisition of AmeriPride and Avendra including whether the proposed transactions will be accretive and within the expected timeframes, the availability of sufficient cash to repay certain indebtedness and our decision to utilize the cash for that purpose, the disruption of the transactions to each of Avendra and AmeriPride and their respective managements; the effect of the transactions on each of Avendra's and AmeriPride's ability to retain and hire key personnel and maintain relationships with customers, suppliers and other third parties, our ability to attract new or maintain existing customer and supplier relationships at reasonable cost, our ability to retain key personnel and other factors set forth under the headings Item 1A "Risk Factors," Item 3 "Legal Proceedings" and Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other sections of our Annual Report on Form 10-K, filed with the SEC on November 22, 2017 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 press release 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.

ARAMARK AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

(In Thousands, Except Per Share Amounts)

	Three Months Ended	
	June 29, 2018	June 30, 2017
Sales	\$ 3,971,606	\$ 3,593,277
Costs and Expenses:		
Cost of services provided	3,524,804	3,232,366
Depreciation and amortization	156,934	126,440
Selling and general corporate expenses	101,715	79,792
	<u>3,783,453</u>	<u>3,438,598</u>
Operating income	188,153	154,679
Interest and Other Financing Costs, net	91,265	61,483
Income Before Income Taxes	96,888	93,196
Provision for Income Taxes	24,172	27,832
Net income	72,716	65,364
Less: Net income attributable to noncontrolling interest	139	69
Net income attributable to Aramark stockholders	<u>\$ 72,577</u>	<u>\$ 65,295</u>

Earnings per share attributable to Aramark stockholders:

Basic	\$ 0.29	\$ 0.27
Diluted	\$ 0.29	\$ 0.26

Weighted Average Shares Outstanding:

Basic	246,028	244,266
Diluted	251,857	251,156

	Nine Months Ended	
	June 29, 2018	June 30, 2017
Sales	\$ 11,876,035	\$ 10,950,288
Costs and Expenses:		
Cost of services provided	10,606,377	9,757,892
Depreciation and amortization	443,646	378,258
Selling and general corporate expenses	282,327	223,984
	<u>11,332,350</u>	<u>10,360,134</u>
Operating income	543,685	590,154
Interest and Other Financing Costs, net	261,717	224,791
Income Before Income Taxes	281,968	365,363
(Benefit) Provision for Income Taxes	(110,904)	104,334
Net income	392,872	261,029
Less: Net income attributable to noncontrolling interest	442	244
Net income attributable to Aramark stockholders	<u>\$ 392,430</u>	<u>\$ 260,785</u>

Earnings per share attributable to Aramark stockholders:

Basic	\$ 1.60	\$ 1.07
Diluted	\$ 1.56	\$ 1.04

Weighted Average Shares Outstanding:

Basic	245,588	244,399
Diluted	252,231	251,548

ARAMARK AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(In Thousands)

	June 29, 2018	September 29, 2017
Assets		
Current Assets:		
Cash and cash equivalents	\$ 165,968	\$ 238,797
Receivables	1,851,928	1,615,993
Inventories	705,364	610,732
Prepayments and other current assets	186,806	187,617
Total current assets	2,910,066	2,653,139
Property and Equipment, net	1,321,366	1,042,031
Goodwill	5,606,234	4,715,511
Other Intangible Assets	2,170,608	1,120,824
Other Assets	1,657,266	1,474,724
	\$ 13,665,540	\$ 11,006,229
Liabilities and Stockholders' Equity		
Current Liabilities:		
Current maturities of long-term borrowings	\$ 81,970	\$ 78,157
Accounts payable	846,740	955,925
Accrued expenses and other current liabilities	1,213,904	1,334,013
Total current liabilities	2,142,614	2,368,095
Long-Term Borrowings	7,788,335	5,190,331
Deferred Income Taxes and Other Noncurrent Liabilities	878,771	978,944
Redeemable Noncontrolling Interest	10,045	9,798
Total Stockholders' Equity	2,845,775	2,459,061
	\$ 13,665,540	\$ 11,006,229

ARAMARK AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In Thousands)

	Nine Months Ended	
	June 29, 2018	June 30, 2017
Cash flows from operating activities:		
Net income	\$ 392,872	\$ 261,029
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	443,646	378,258
Deferred income taxes	(155,050)	(21,094)
Share-based compensation expense	68,318	50,318
Changes in operating assets and liabilities	(597,182)	(251,872)
Other operating activities	(11,182)	32,550
Net cash provided by operating activities	141,422	449,189
Cash flows from investing activities:		
Net purchases of property and equipment, client contract investments and other	(425,093)	(325,377)
Acquisitions, divestitures and other investing activities	(2,247,086)	(128,393)
Net cash used in investing activities	(2,672,179)	(453,770)
Cash flows from financing activities:		
Net proceeds/payments of long-term borrowings	2,445,007	145,908
Net change in funding under the Receivables Facility	145,800	82,000
Payments of dividends	(77,317)	(75,543)
Proceeds from issuance of common stock	15,961	23,048
Repurchase of stock	(24,410)	(100,000)
Other financing activities	(47,113)	(68,738)
Net cash provided by financing activities	2,457,928	6,675
Increase (decrease) in cash and cash equivalents	(72,829)	2,094
Cash and cash equivalents, beginning of period	238,797	152,580
Cash and cash equivalents, end of period	\$ 165,968	\$ 154,674

ARAMARK AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP MEASURES
ADJUSTED CONSOLIDATED OPERATING INCOME MARGIN

(Unaudited)
(In thousands)

	Three Months Ended				
	June 29, 2018				
	FSS United States	FSS International	Uniform	Corporate	Aramark and Subsidiaries
Sales (as reported)	\$ 2,501,000	\$ 929,875	\$ 540,731		\$ 3,971,606
Operating Income (as reported)	\$ 134,601	\$ 45,851	\$ 57,149	\$ (49,448)	\$ 188,153
Operating Income Margin (as reported)	5.38%	4.93%	10.57%		4.74%
Sales (as reported)	\$ 2,501,000	\$ 929,875	\$ 540,731		\$ 3,971,606
Effect of Currency Translation	(2,199)	(47,591)	(2,047)		(51,837)
Constant Currency Sales	\$ 2,498,801	\$ 882,284	\$ 538,684		\$ 3,919,769
Sales Growth (as reported)	4.92%	13.16%	39.43%		10.53%
Constant Currency Sales Growth	4.83%	7.36%	38.91%		9.09%
Operating Income (as reported)	\$ 134,601	\$ 45,851	\$ 57,149	\$ (49,448)	\$ 188,153
Amortization of Acquisition-Related Customer Relationship Intangible Assets Resulting from the 2007 LBO	8,158	(453)	—	—	7,705
Share-Based Compensation	96	26	27	34,814	34,963
Severance and Other Charges	3,595	149	—	5,313	9,057
Merger and Integration Related Charges	1,970	—	6,851	2,186	11,007
Gains, Losses and Settlements impacting comparability	1,492	1,926	—	(205)	3,213
Adjusted Operating Income	\$ 149,912	\$ 47,499	\$ 64,027	\$ (7,340)	\$ 254,098
Effect of Currency Translation	(543)	(1,963)	(174)	—	(2,680)
Adjusted Operating Income (Constant Currency)	\$ 149,369	\$ 45,536	\$ 63,853	\$ (7,340)	\$ 251,418
Operating Income Growth (as reported)	12.30%	76.07%	27.12%	36.68 %	21.64%
Adjusted Operating Income Growth	7.77%	22.36%	38.78%	(51.75)%	21.66%
Adjusted Operating Income Growth (Constant Currency)	7.37%	17.30%	38.41%	(51.75)%	20.38%
Adjusted Operating Income Margin (Constant Currency)	5.98%	5.16%	11.85%		6.41%
	Three Months Ended				
	June 30, 2017				
	FSS United States	FSS International	Uniform	Corporate	Aramark and Subsidiaries
Sales (as reported)	\$ 2,383,702	\$ 821,771	\$ 387,804		\$ 3,593,277
Operating Income (as reported)	\$ 119,857	\$ 26,042	\$ 44,957	\$ (36,177)	\$ 154,679
Amortization of Acquisition-Related Customer Relationship Intangible Assets and Depreciation of Property and Equipment Resulting from the 2007 LBO	14,127	(413)	—	—	13,714
Share-Based Compensation	150	98	79	15,771	16,098
Severance and Other Charges	4,716	13,370	1,098	1,690	20,874
Gains, Losses and Settlements impacting comparability	260	(277)	—	3,503	3,486
Adjusted Operating Income	\$ 139,110	\$ 38,820	\$ 46,134	\$ (15,213)	\$ 208,851
Operating Income Margin (as reported)	5.03%	3.17%	11.59%		4.30%
Adjusted Operating Income Margin	5.84%	4.72%	11.90%		5.81%

ARAMARK AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP MEASURES
ADJUSTED CONSOLIDATED OPERATING INCOME MARGIN

(Unaudited)
(In thousands)

Nine Months Ended

June 29, 2018

	FSS United States	FSS International	Uniform	Corporate	Aramark and Subsidiaries
Sales (as reported)	\$ 7,656,979	\$ 2,768,157	\$ 1,450,899		\$ 11,876,035
Operating Income (as reported)	\$ 451,491	\$ 107,943	\$ 132,029	\$ (147,778)	\$ 543,685
Operating Income Margin (as reported)	5.90%	3.90 %	9.10 %		4.58 %
Sales (as reported)	\$ 7,656,979	\$ 2,768,157	\$ 1,450,899		\$ 11,876,035
Effect of Currency Translation	(6,518)	(184,985)	(3,656)		(195,159)
Constant Currency Sales	\$ 7,650,461	\$ 2,583,172	\$ 1,447,243		\$ 11,680,876
Sales Growth (as reported)	4.30%	13.55 %	23.91 %		8.45 %
Constant Currency Sales Growth	4.21%	5.96 %	23.60 %		6.67 %
Operating Income (as reported)	\$ 451,491	\$ 107,943	\$ 132,029	\$ (147,778)	\$ 543,685
Amortization of Acquisition-Related Customer Relationship Intangible Assets Resulting from the 2007 LBO	31,323	(1,292)	—	—	30,031
Share-Based Compensation	546	150	172	68,513	69,381
Severance and Other Charges	21,909	23,549	1,571	18,504	65,533
Merger and Integration Related Charges	11,656	—	27,137	27,345	66,138
Gains, Losses and Settlements impacting comparability	(11,725)	7,912	(1,746)	(221)	(5,780)
Adjusted Operating Income	\$ 505,200	\$ 138,262	\$ 159,163	\$ (33,637)	\$ 768,988
Effect of Currency Translation	(1,443)	(5,753)	(259)	—	(7,455)
Adjusted Operating Income (Constant Currency)	\$ 503,757	\$ 132,509	\$ 158,904	\$ (33,637)	\$ 761,533
Operating Income Growth (as reported)	3.16%	(0.24)%	(8.44)%	47.92 %	(7.87)%
Adjusted Operating Income Growth	4.18%	14.10 %	10.66 %	(21.76)%	8.77 %
Adjusted Operating Income Growth (Constant Currency)	3.88%	9.35 %	10.48 %	(21.76)%	7.72 %
Adjusted Operating Income Margin (Constant Currency)	6.58%	5.13 %	10.98 %		6.52 %

Nine Months Ended

June 30, 2017

	FSS United States	FSS International	Uniform	Corporate	Aramark and Subsidiaries
Sales (as reported)	\$ 7,341,558	\$ 2,437,803	\$ 1,170,927		\$ 10,950,288
Operating Income (as reported)	\$ 437,652	\$ 108,201	\$ 144,202	\$ (99,901)	\$ 590,154
Amortization of Acquisition-Related Customer Relationship Intangible Assets and Depreciation of Property and Equipment Resulting from the 2007 LBO	44,803	(549)	(383)	—	43,871
Share-Based Compensation	491	434	246	50,895	52,066
Severance and Other Charges	4,716	13,370	1,098	1,690	20,874
Gains, Losses and Settlements impacting comparability	(2,711)	(277)	(1,336)	4,322	(2)
Adjusted Operating Income	\$ 484,951	\$ 121,179	\$ 143,827	\$ (42,994)	\$ 706,963
Operating Income Margin (as reported)	5.96%	4.44 %	12.32 %		5.39 %
Adjusted Operating Income Margin	6.61%	4.97 %	12.28 %		6.46 %

ARAMARK AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP MEASURES
ADJUSTED NET INCOME & ADJUSTED EPS

(Unaudited)

(In thousands, except per share amounts)

	Three Months Ended		Nine Months Ended	
	June 29, 2018	June 30, 2017	June 29, 2018	June 30, 2017
Net Income Attributable to Aramark Stockholders (as reported)	\$ 72,577	\$ 65,295	\$ 392,430	\$ 260,785
<i>Adjustment:</i>				
Amortization of Acquisition-Related Customer Relationship Intangible Assets and Depreciation of Property and Equipment Resulting from the 2007 LBO	7,705	13,714	30,031	43,871
Share-Based Compensation	34,963	16,098	69,381	52,066
Severance and Other Charges	9,057	20,874	65,533	20,874
Merger and Integration Related Charges	11,007	—	66,138	—
Gains, Losses and Settlements impacting comparability	3,213	3,486	(5,780)	(2)
Effects of Refinancing on Interest and Other Financing Costs, net	—	—	17,773	29,968
Effect of Tax Reform on Provision for Income Taxes	—	—	(183,808)	—
Tax Impact of Adjustments to Adjusted Net Income	(18,719)	(19,493)	(61,238)	(54,735)
Adjusted Net Income	\$ 119,803	\$ 99,974	\$ 390,460	\$ 352,827
Effect of Currency Translation, net of Tax	(1,408)	—	(4,705)	—
Adjusted Net Income (Constant Currency)	\$ 118,395	\$ 99,974	\$ 385,755	\$ 352,827
Earnings Per Share (as reported)				
Net Income Attributable to Aramark Stockholders (as reported)	\$ 72,577	\$ 65,295	\$ 392,430	\$ 260,785
Diluted Weighted Average Shares Outstanding	251,857	251,156	252,231	251,548
	\$ 0.29	\$ 0.26	\$ 1.56	\$ 1.04
Earnings Per Share Growth (as reported)	11.54%		50.00%	
Adjusted Earnings Per Share				
Adjusted Net Income	\$ 119,803	\$ 99,974	\$ 390,460	\$ 352,827
Diluted Weighted Average Shares Outstanding	251,857	251,156	252,231	251,548
	\$ 0.48	\$ 0.40	\$ 1.55	\$ 1.40
Adjusted Earnings Per Share Growth	20.00%		10.71%	
Adjusted Earnings Per Share (Constant Currency)				
Adjusted Net Income (Constant Currency)	\$ 118,395	\$ 99,974	\$ 385,755	\$ 352,827
Diluted Weighted Average Shares Outstanding	251,857	251,156	252,231	251,548
	\$ 0.47	\$ 0.40	\$ 1.53	\$ 1.40
Adjusted Earnings Per Share Growth (Constant Currency)	17.50%		9.29%	

ARAMARK AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP MEASURES
NET DEBT TO COVENANT ADJUSTED EBITDA

(Unaudited)
(In thousands)

	Twelve Months Ended		
	June 29, 2018	March 30, 2018	June 30, 2017
Net Income Attributable to Aramark Stockholders (as reported)	\$ 505,568	\$ 498,286	\$ 344,128
Interest and Other Financing Costs, net	324,341	294,559	293,339
(Benefit) Provision for Income Taxes	(68,783)	(65,124)	143,108
Depreciation and Amortization	573,601	543,107	503,851
Share-based compensation expense ⁽¹⁾	83,154	63,981	63,702
Pro forma EBITDA for equity method investees ⁽²⁾	16,168	15,338	13,012
Pro forma EBITDA for certain transactions ⁽³⁾	105,424	137,627	553
Other ⁽⁴⁾	133,936	140,979	46,047
Covenant Adjusted EBITDA	\$ 1,673,409	\$ 1,628,753	\$ 1,407,740
Net Debt to Covenant Adjusted EBITDA			
Total Long-Term Borrowings	\$ 7,870,305	\$ 7,822,007	\$ 5,514,380
Less: Cash and cash equivalents	\$ 165,968	\$ 185,533	\$ 154,674
Net Debt	\$ 7,704,337	\$ 7,636,474	\$ 5,359,706
Covenant Adjusted EBITDA	\$ 1,673,409	\$ 1,628,753	\$ 1,407,740
Net Debt/Covenant Adjusted EBITDA	4.6	4.7	3.8

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

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

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

(4) Other for the twelve months ended June 29, 2018, March 30, 2018 and June 30, 2017, respectively, includes organizational streamlining initiatives (\$40.6 million costs, \$58.9 million costs and \$35.3 million costs), the impact of the change in fair value related to certain gasoline and diesel agreements (\$4.1 million gain, \$0.9 million gain and \$4.0 million loss), expenses related to merger and integration related charges (\$66.9 million, \$57.2 million and \$2.9 million) and other miscellaneous expenses. The twelve months ended June 29, 2018 and March 30, 2018, respectively, also include the estimated impact of natural disasters, net of insurance proceeds (\$13.3 million, of which \$6.1 million related to asset write-downs, and \$14.4 million, of which \$6.1 million related to asset write-downs), property and other asset write-downs related to a joint venture liquidation and acquisition (\$7.5 million and \$5.6 million) and duplicate rent charges to build out and ready the Company's new headquarters while occupying its then-existing headquarters (\$4.9 million and \$2.4 million). The twelve months ended June 30, 2017 also includes asset write-offs (\$5.0 million).

ARAMARK AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP MEASURES
LEGACY BUSINESS SALES

(Unaudited)
(In thousands)

	Three Months Ended June 29, 2018	Nine Months Ended June 29, 2018
Sales (as reported)	\$ 3,971,606	\$ 11,876,035
Effect of Currency Translation	(51,837)	(195,159)
Constant Currency Sales	3,919,769	11,680,876
Effect of AmeriPride and Avendra Acquisitions	(184,666)	(338,047)
Legacy Business Sales	<u>\$ 3,735,103</u>	<u>\$ 11,342,829</u>
	Three Months Ended June 30, 2017	Nine Months Ended June 30, 2017
Sales (as reported)	\$ 3,593,277	\$ 10,950,288
Sales Growth (as reported)	10.53%	8.45%
Legacy Business Sales Growth	3.95%	3.58%

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

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

August 7, 2018

Date of Report (Date of earliest event reported)

Aramark

(Exact name of Registrant as Specified in its Charter)

Delaware

(State or other Jurisdiction of Incorporation)

001-36223

(Commission File Number)

20-8236097

(IRS Employer
Identification No.)

1101 Market Street
Philadelphia, Pennsylvania

(Address of Principal Executive Offices)

19107

(Zip Code)

(215) 238-3000

(Registrant's Telephone Number, Including Area Code)

N/A

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations

On August 7, 2018, Aramark (the “Company”) issued a press release announcing the results of the Company’s operations for the quarter ended June 29, 2018. The full text of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference in this Item 2.02.

The information set forth under this Item 2.02 of this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing made by the Company under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits**(d) Exhibits**

Exhibit No.	Description
Exhibit 99.1	Press release of Aramark, dated August 7, 2018, announcing results for the quarter ended June 29, 2018.

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 hereunto duly authorized.

Aramark

Date: August 7, 2018

By: /s/ STEPHEN P. BRAMLAGE, JR.

Name: STEPHEN P. BRAMLAGE, JR.

Title: Executive Vice President and
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
Exhibit 99.1	<u>Press release of Aramark, dated August 7, 2018, announcing results for the quarter ended June 29, 2018.</u>