

**Cintas Corporation**  
**Consolidated Condensed Statements of Income**  
(Unaudited)  
(In thousands except per share data)

	Three Months Ended		
	August 31, 2016	August 31, 2015	% Change
Revenue:			
Uniform rental and facility services	\$ 999,596	\$ 938,408	6.5
Other	294,534	260,482	13.1
Total revenue	<u>1,294,130</u>	<u>1,198,890</u>	7.9
Costs and expenses:			
Cost of uniform rental and facility services	540,932	518,503	4.3
Cost of other	169,424	156,243	8.4
Selling and administrative expenses	374,026	338,637	10.5
G&K Services acquisition expenses	2,787	-	100.0
Operating income	206,961	185,507	11.6
Interest income	(65)	(119)	-45.4
Interest expense	14,172	16,412	-13.6
Income before income taxes	192,854	169,214	14.0
Income taxes	54,763	63,016	-13.1
Income from continuing operations	138,091	106,198	30.0
Loss from discontinued operations, net of tax	-	(6,017)	100.0
Net income	<u>\$ 138,091</u>	<u>\$ 100,181</u>	37.8
Basic earnings (loss) per share:			
Continuing operations	\$ 1.29	\$ 0.94	37.2
Discontinued operations	0.00	(0.05)	100.0
Basic earnings per share	<u>\$ 1.29</u>	<u>\$ 0.89</u>	44.9
Diluted earnings (loss) per share:			
Continuing operations	\$ 1.26	\$ 0.93	35.5
Discontinued operations	0.00	(0.05)	100.0
Diluted earnings per share	<u>\$ 1.26</u>	<u>\$ 0.88</u>	43.2
Weighted average number of shares outstanding	104,483	110,597	
Diluted average number of shares outstanding	107,114	112,229	

**CINTAS CORPORATION SUPPLEMENTAL DATA**

	Three Months Ended	
	August 31, 2016	August 31, 2015
Uniform rental and facility services gross margin	45.9%	44.7%
Other gross margin	42.5%	40.0%
Total gross margin	45.1%	43.7%
Net margin, continuing operations	10.7%	8.9%

**Computation of Diluted Earnings Per Share from Continuing Operations**

	Three Months Ended	
	August 31, 2016	August 31, 2015
Income from continuing operations	\$ 138,091	\$ 106,198
Less: income from continuing operations allocated to participating securities	2,727	1,742
Income from continuing operations available to common shareholders	<u>\$ 135,364</u>	<u>\$ 104,456</u>
Basic weighted average common shares outstanding	104,483	110,597
Effect of dilutive securities - employee stock options	2,631	1,632
Diluted weighted average common shares outstanding	<u>107,114</u>	<u>112,229</u>

Diluted earnings per share from continuing operations \$ 1.26 \$ 0.93

#### Reconciliation of Non-GAAP Financial Measures and Regulation G Disclosure

The press release contains non-GAAP financial measures within the meaning of Regulation G promulgated by the Securities and Exchange Commission. To supplement its consolidated financial statements presented in accordance with U.S. generally accepted accounting principles (GAAP), the Company provides additional non-GAAP financial measures of revenue and related growth, net income, earnings per diluted share, and cash flow. The Company believes that these non-GAAP financial measures are appropriate to enhance understanding of its past performance as well as prospects for future performance. Reconciliations of the differences between these non-GAAP financial measures with the most directly comparable financial measures calculated in accordance with GAAP are shown in the tables within the narrative of the press release or below.

#### Computation of Free Cash Flow

	Three Months Ended	
	August 31, 2016	August 31, 2015
Net Cash Provided by Operations	\$ 157,588	\$ 143,083
Capital Expenditures	(78,580)	(62,631)
Free Cash Flow	<u>\$ 79,008</u>	<u>\$ 80,452</u>

Management uses free cash flow to assess the financial performance of the Company. Management believes that free cash flow is useful to investors because it relates the operating cash flow of the Company to the capital that is spent to continue, improve and grow business operations.

#### SUPPLEMENTAL SEGMENT DATA

	Uniform Rental and Facility Services	First Aid and Safety Services	All Other	Corporate <sup>(1)</sup>	Total
<b>As of and for the three months ended August 31, 2016</b>					
Revenue	\$ 999,596	\$ 124,839	\$ 169,695	\$ -	\$ 1,294,130
Gross margin	\$ 458,664	\$ 57,126	\$ 67,984	\$ -	\$ 583,774
Selling and administrative expenses	\$ 270,632	\$ 45,615	\$ 57,779	\$ -	\$ 374,026
G&K Services acquisition expenses	\$ 2,787	\$ -	\$ -	\$ -	\$ 2,787
Interest income	\$ -	\$ -	\$ -	\$ (65)	\$ (65)
Interest expense	\$ -	\$ -	\$ -	\$ 14,172	\$ 14,172
Income (loss) before income taxes	\$ 185,245	\$ 11,511	\$ 10,205	\$ (14,107)	\$ 192,854
Assets	\$ 3,109,120	\$ 578,855	\$ 315,403	\$ 163,767	\$ 4,167,145
<b>As of and for the three months ended August 31, 2015</b>					
Revenue	\$ 938,408	\$ 99,488	\$ 160,994	\$ -	\$ 1,198,890
Gross margin	\$ 419,905	\$ 42,111	\$ 62,128	\$ -	\$ 524,144
Selling and administrative expenses	\$ 254,524	\$ 33,519	\$ 50,594	\$ -	\$ 338,637
Interest income	\$ -	\$ -	\$ -	\$ (119)	\$ (119)
Interest expense	\$ -	\$ -	\$ -	\$ 16,412	\$ 16,412
Income (loss) before income taxes	\$ 165,381	\$ 8,592	\$ 11,534	\$ (16,293)	\$ 169,214
Assets	\$ 2,865,675	\$ 397,573	\$ 341,839	\$ 511,378	\$ 4,116,465

<sup>(1)</sup> Corporate assets include cash and marketable securities in all periods. Corporate assets as of August 31, 2015 include the investment in the Shred-it Partnership.