

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

**Three Months Ended**

	<b>February 28, 2019</b>	<b>February 28, 2018</b>	<b>% Change</b>
<b>Revenue:</b>			
Uniform rental and facility services	\$ 1,358,322	\$ 1,284,516	5.7%
Other	324,008	304,622	6.4%
<b>Total revenue</b>	<b>1,682,330</b>	<b>1,589,138</b>	<b>5.9%</b>
<b>Costs and expenses:</b>			
Cost of uniform rental and facility services	748,971	718,138	4.3%
Cost of other	178,206	170,537	4.5%
Selling and administrative expenses	476,099	490,618	(3.0)%
G&K Services, Inc. integration expenses	799	9,821	(91.9)%
<b>Operating income</b>	<b>278,255</b>	<b>200,024</b>	<b>39.1%</b>
Interest income	(70)	(384)	(81.8)%
Interest expense	26,770	25,901	3.4%
<b>Income before income taxes</b>	<b>251,555</b>	<b>174,507</b>	<b>44.2%</b>
Income taxes	50,632	(121,282)	(141.7)%
<b>Income from continuing operations</b>	<b>200,923</b>	<b>295,789</b>	<b>(32.1)%</b>
Income from discontinued operations, net of tax	2,411	6,306	(61.8)%
<b>Net income</b>	<b>\$ 203,334</b>	<b>\$ 302,095</b>	<b>(32.7)%</b>
<b>Basic earnings per share:</b>			
Continuing operations	\$ 1.89	\$ 2.73	(30.8)%
Discontinued operations	0.02	0.06	(66.7)%
<b>Basic earnings per share</b>	<b>\$ 1.91</b>	<b>\$ 2.79</b>	<b>(31.5)%</b>
<b>Diluted earnings per share:</b>			
Continuing operations	\$ 1.83	\$ 2.66	(31.2)%
Discontinued operations	0.02	0.05	(60.0)%
<b>Diluted earnings per share</b>	<b>\$ 1.85</b>	<b>\$ 2.71</b>	<b>(31.7)%</b>
<b>Weighted average number of shares outstanding</b>	<b>105,080</b>	<b>106,558</b>	
<b>Diluted average number of shares outstanding</b>	<b>108,162</b>	<b>110,175</b>	

**Cintas Corporation**  
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(Unaudited)  
(In thousands except per share data)

	Nine Months Ended		
	February 28, 2019	February 28, 2018	% Change
<b>Revenue:</b>			
Uniform rental and facility services	\$ 4,124,038	\$ 3,904,338	5.6%
Other	974,535	902,744	8.0%
Total revenue	<u>5,098,573</u>	<u>4,807,082</u>	6.1%
<b>Costs and expenses:</b>			
Cost of uniform rental and facility services	2,256,543	2,148,961	5.0%
Cost of other	537,007	501,936	7.0%
Selling and administrative expenses	1,472,404	1,444,985	1.9%
G&K Services, Inc. integration expenses	13,496	26,866	(49.8)%
Operating income	819,123	684,334	19.7%
Gain on sale of a cost method investment	69,373	—	100.0%
Interest income	(957)	(972)	(1.5)%
Interest expense	75,954	85,347	(11.0)%
Income before income taxes	813,499	599,959	35.6%
Income taxes	157,035	5,325	2,849.0%
Income from continuing operations	656,464	594,634	10.4%
Income from discontinued operations, net of tax	2,398	61,781	(96.1)%
Net income	<u>\$ 658,862</u>	<u>\$ 656,415</u>	0.4%
<b>Basic earnings per share:</b>			
Continuing operations	\$ 6.10	\$ 5.50	10.9%
Discontinued operations	0.02	0.57	(96.5)%
Basic earnings per share	<u>\$ 6.12</u>	<u>\$ 6.07</u>	0.8%
<b>Diluted earnings per share:</b>			
Continuing operations	\$ 5.91	\$ 5.35	10.5%
Discontinued operations	0.02	0.55	(96.4)%
Diluted earnings per share	<u>\$ 5.93</u>	<u>\$ 5.90</u>	0.5%
Weighted average number of shares outstanding	106,147	106,210	
Diluted average number of shares outstanding	109,583	109,254	

## CINTAS CORPORATION SUPPLEMENTAL DATA

### Gross Margin Results

	Three Months Ended	
	February 28, 2019	February 28, 2018
Uniform rental and facility services gross margin	44.9%	44.1%
Other gross margin	45.0%	44.0%
Total gross margin	44.9%	44.1%

  

	Nine Months Ended	
	February 28, 2019	February 28, 2018
Uniform rental and facility services gross margin	45.3%	45.0%
Other gross margin	44.9%	44.4%
Total gross margin	45.2%	44.9%

### 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 condensed financial statements presented in accordance with U.S. generally accepted accounting principles (GAAP), the Company provides the additional non-GAAP financial measures of 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. A reconciliation 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.

### Earnings Per Share Results

	Three Months Ended		
	February 28, 2019	February 28, 2018	Growth vs. FY 2018
EPS - continuing operations	\$ 1.83	\$ 2.66	
G&K Services, Inc. integration expenses	0.01	0.06	
One-time cash payment to employees	—	0.24	
One-time deferred tax benefit of Tax Act	—	(1.59)	
EPS excluding above items	\$ 1.84	\$ 1.37	34.3%

  

	Nine Months Ended		
	February 28, 2019	February 28, 2018	Growth vs. FY 2018
EPS - continuing operations	\$ 5.91	\$ 5.35	
G&K Services, Inc. integration expenses	0.09	0.16	
One-time cash payment to employees	—	0.24	
Non-recurring gain on sale of investment	(0.47)	—	
One-time deferred tax benefit of Tax Act	—	(1.59)	
EPS excluding above items	\$ 5.53	\$ 4.16	32.9%

## Computation of Free Cash Flow

	Nine Months Ended	
	February 28, 2019	February 28, 2018
Net cash provided by operations	\$ 670,717	\$ 660,864
Capital expenditures	(207,805)	(196,040)
Free cash flow	\$ 462,912	\$ 464,824

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	Total
<b>For the three months ended February 28, 2019</b>					
Revenue	\$ 1,358,322	\$ 149,170	\$ 174,838	\$ —	\$ 1,682,330
Gross margin	\$ 609,351	\$ 71,890	\$ 73,912	\$ —	\$ 755,153
Selling and administrative expenses	\$ 369,414	\$ 50,268	\$ 56,417	\$ —	\$ 476,099
G&K Services, Inc. integration expenses	\$ 799	\$ —	\$ —	\$ —	\$ 799
Interest income	\$ —	\$ —	\$ —	\$ (70)	\$ (70)
Interest expense	\$ —	\$ —	\$ —	\$ 26,770	\$ 26,770
Income (loss) before income taxes	\$ 239,138	\$ 21,622	\$ 17,495	\$ (26,700)	\$ 251,555
<b>For the three months ended February 28, 2018</b>					
Revenue	\$ 1,284,516	\$ 137,327	\$ 167,295	\$ —	\$ 1,589,138
Gross margin	\$ 566,378	\$ 64,348	\$ 69,737	\$ —	\$ 700,463
Selling and administrative expenses	\$ 383,270	\$ 47,643	\$ 59,705	\$ —	\$ 490,618
G&K Services, Inc. integration expenses	\$ 9,821	\$ —	\$ —	\$ —	\$ 9,821
Interest income	\$ —	\$ —	\$ —	\$ (384)	\$ (384)
Interest expense	\$ —	\$ —	\$ —	\$ 25,901	\$ 25,901
Income (loss) before income taxes	\$ 173,287	\$ 16,705	\$ 10,032	\$ (25,517)	\$ 174,507
<b>For the nine months ended February 28, 2019</b>					
Revenue	\$ 4,124,038	\$ 455,935	\$ 518,600	\$ —	\$ 5,098,573
Gross margin	\$ 1,867,495	\$ 219,045	\$ 218,483	\$ —	\$ 2,305,023
Selling and administrative expenses	\$ 1,140,436	\$ 154,112	\$ 177,856	\$ —	\$ 1,472,404
G&K Services, Inc. integration expenses	\$ 13,496	\$ —	\$ —	\$ —	\$ 13,496
Gain on sale of a cost method investment	\$ —	\$ —	\$ —	\$ 69,373	\$ 69,373
Interest income	\$ —	\$ —	\$ —	\$ (957)	\$ (957)
Interest expense	\$ —	\$ —	\$ —	\$ 75,954	\$ 75,954
Income (loss) before income taxes	\$ 713,563	\$ 64,933	\$ 40,627	\$ (5,624)	\$ 813,499
<b>For the nine months ended February 28, 2018</b>					
Revenue	\$ 3,904,338	\$ 416,999	\$ 485,745	\$ —	\$ 4,807,082
Gross margin	\$ 1,755,377	\$ 196,383	\$ 204,425	\$ —	\$ 2,156,185
Selling and administrative expenses	\$ 1,132,500	\$ 142,292	\$ 170,193	\$ —	\$ 1,444,985
G&K Services, Inc. integration expenses	\$ 26,866	\$ —	\$ —	\$ —	\$ 26,866
Interest income	\$ —	\$ —	\$ —	\$ (972)	\$ (972)
Interest expense	\$ —	\$ —	\$ —	\$ 85,347	\$ 85,347
Income (loss) before income taxes	\$ 596,011	\$ 54,091	\$ 34,232	\$ (84,375)	\$ 599,959