

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

| | Three Months Ended | | |
|--|----------------------|----------------------|-------------|
| | November 30, 2024 | November 30, 2023 | % Change |
| Revenue: | | | |
| Uniform rental and facility services | \$ 1,990,410 | \$ 1,850,542 | 7.6% |
| Other | 571,373 | 526,635 | 8.5% |
| Total revenue | 2,561,783 | 2,377,177 | 7.8% |
| Costs and expenses: | | | |
| Cost of uniform rental and facility services | 1,014,052 | 974,231 | 4.1% |
| Cost of other | 271,028 | 261,398 | 3.7% |
| Selling and administrative expenses | 685,313 | 641,865 | 6.8% |
| Operating income | 591,390 | 499,683 | 18.4% |
| Interest income | (962) | (769) | 25.1% |
| Interest expense | 26,665 | 26,590 | 0.3% |
| Income before income taxes | 565,687 | 473,862 | 19.4% |
| Income taxes | 117,192 | 99,249 | 18.1% |
| Net income | <u>\$ 448,495</u> | <u>\$ 374,613</u> | 19.7% |
| Basic earnings per share | <u>\$ 1.11</u> | <u>\$ 0.92</u> | 20.7% |
| Diluted earnings per share | <u>\$ 1.09</u> | <u>\$ 0.90</u> | 21.1% |
| Basic weighted average common shares outstanding | 403,581 | 406,669 | |
| Diluted weighted average common shares outstanding | 410,667 | 413,066 | |

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| | Six Months Ended | | |
|--|----------------------|----------------------|-------------|
| | November 30, 2024 | November 30, 2023 | % Change |
| Revenue: | | | |
| Uniform rental and facility services | \$ 3,924,249 | \$ 3,677,367 | 6.7% |
| Other | 1,139,121 | 1,042,140 | 9.3% |
| Total revenue | <u>5,063,370</u> | <u>4,719,507</u> | 7.3% |
| Costs and expenses: | | | |
| Cost of uniform rental and facility services | 1,995,215 | 1,921,814 | 3.8% |
| Cost of other | 539,321 | 514,574 | 4.8% |
| Selling and administrative expenses | <u>1,376,413</u> | <u>1,282,880</u> | 7.3% |
| Operating income | 1,152,421 | 1,000,239 | 15.2% |
| Interest income | (2,212) | (1,191) | 85.7% |
| Interest expense | <u>52,284</u> | <u>51,134</u> | 2.2% |
| Income before income taxes | 1,102,349 | 950,296 | 16.0% |
| Income taxes | <u>201,821</u> | <u>190,598</u> | 5.9% |
| Net income | <u>\$ 900,528</u> | <u>\$ 759,698</u> | 18.5% |
| Basic earnings per share | <u>\$ 2.22</u> | <u>\$ 1.86</u> | 19.4% |
| Diluted earnings per share | <u>\$ 2.19</u> | <u>\$ 1.83</u> | 19.7% |
| Basic weighted average common shares outstanding | 403,489 | 407,125 | |
| Diluted weighted average common shares outstanding | 410,613 | 413,673 | |

CINTAS CORPORATION SUPPLEMENTAL DATA

Gross Margin and Net Income Margin Results

| | Three Months Ended | | Six Months Ended | |
|---|----------------------|----------------------|----------------------|----------------------|
| | November 30, 2024 | November 30, 2023 | November 30, 2024 | November 30, 2023 |
| Uniform rental and facility services gross margin | 49.1% | 47.4% | 49.2% | 47.7% |
| Other gross margin | 52.6% | 50.4% | 52.7% | 50.6% |
| Total gross margin | 49.8% | 48.0% | 49.9% | 48.4% |
| Net income margin | 17.5% | 15.8% | 17.8% | 16.1% |

Reconciliation of Non-GAAP Financial Measures

The press release contains non-GAAP financial measures within the meaning of the rules promulgated by the U.S. 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 these additional non-GAAP financial measures of free cash flow and organic revenue growth. 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 below.

Computation of Free Cash Flow

| (In thousands) | Six Months Ended | |
|---------------------------------|----------------------|----------------------|
| | November 30, 2024 | November 30, 2023 |
| Net cash provided by operations | \$ 908,136 | \$ 729,631 |
| Capital expenditures | (194,337) | (200,527) |
| Free cash flow | <u>\$ 713,799</u> | <u>\$ 529,104</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.

Computation of Organic Revenue Growth

| | Three Months Ended | | | Six Months Ended | | |
|---|----------------------|----------------------|-------------|----------------------|----------------------|-------------|
| | November 30, 2024 | November 30, 2023 | Growth % | November 30, 2024 | November 30, 2023 | Growth % |
| | A | B | G | I | J | O |
| Revenue | \$ 2,561,783 | \$ 2,377,177 | 7.8% | \$ 5,063,370 | \$ 4,719,507 | 7.3% |
| | | | $G=(A-B)/B$ | | | $O=(I-J)/J$ |
| | C | D | | K | L | |
| Workdays in the period | 65 | 65 | | 130 | 131 | |
| | E | F | H | M | N | P |
| Workday adjusted revenue | \$ 2,561,783 | \$ 2,377,177 | 7.8% | \$ 5,102,319 | \$ 4,719,507 | 8.1% |
| | $E=(A/C)*D$ | $F=(B/D)*D$ | $H=(E-F)/F$ | $M=(I/K)*L$ | $N=(J/L)*L$ | $P=(M-N)/N$ |
| Acquisition and foreign currency exchange impact, net | | | (0.7)% | | | (0.5)% |
| Organic revenue growth | | | 7.1% | | | 7.6% |

Management believes that organic revenue growth is valuable to investors because it reflects the revenue performance compared to a prior period with the same number of revenue generating days and excludes the impact from acquisitions and foreign currency exchange rate fluctuations.

SUPPLEMENTAL SEGMENT DATA

| (In thousands) | Uniform Rental and Facility Services | First Aid and Safety Services | All Other | Total |
|---|--|-------------------------------------|--------------|--------------|
| For the three months ended November 30, 2024 | | | | |
| Revenue | \$ 1,990,410 | \$ 299,367 | \$ 272,006 | \$ 2,561,783 |
| Gross margin | \$ 976,358 | \$ 171,485 | \$ 128,860 | \$ 1,276,703 |
| Selling and administrative expenses | \$ 503,999 | \$ 96,262 | \$ 85,052 | \$ 685,313 |
| Operating income | \$ 472,359 | \$ 75,223 | \$ 43,808 | \$ 591,390 |
| For the three months ended November 30, 2023 | | | | |
| Revenue | \$ 1,850,542 | \$ 266,401 | \$ 260,234 | \$ 2,377,177 |
| Gross margin | \$ 876,311 | \$ 145,316 | \$ 119,921 | \$ 1,141,548 |
| Selling and administrative expenses | \$ 476,700 | \$ 86,785 | \$ 78,380 | \$ 641,865 |
| Operating income | \$ 399,611 | \$ 58,531 | \$ 41,541 | \$ 499,683 |
| For the six months ended November 30, 2024 | | | | |
| Revenue | \$ 3,924,249 | \$ 591,934 | \$ 547,187 | \$ 5,063,370 |
| Gross margin | \$ 1,929,034 | \$ 340,288 | \$ 259,512 | \$ 2,528,834 |
| Selling and administrative expenses | \$ 1,010,237 | \$ 193,777 | \$ 172,399 | \$ 1,376,413 |
| Operating income | \$ 918,797 | \$ 146,511 | \$ 87,113 | \$ 1,152,421 |
| For the six months ended November 30, 2023 | | | | |
| Revenue | \$ 3,677,367 | \$ 527,094 | \$ 515,046 | \$ 4,719,507 |
| Gross margin | \$ 1,755,553 | \$ 291,092 | \$ 236,474 | \$ 2,283,119 |
| Selling and administrative expenses | \$ 949,414 | \$ 172,980 | \$ 160,486 | \$ 1,282,880 |
| Operating income | \$ 806,139 | \$ 118,112 | \$ 75,988 | \$ 1,000,239 |