G&K SERVICES INC
Form PREM14A
September 14, 2016
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

Filed by the Registrant x Filed by a Party other than the Registrant ¨

Check the appropriate box:

x Preliminary Proxy Statement
¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
¨ Definitive Proxy Statement
¨ Definitive Additional Materials
¨ Soliciting Material under Rule 14a-12

G&K Services, Inc.

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

¨ No fee required.

x Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

Class A Common stock, par value $0.50 per share.

(2) Aggregate number of securities to which transaction applies:

The maximum number of shares of common stock to which this transaction applies is estimated to be 20,429,525, which consists of: (A) 19,719,454 shares of common stock issued and outstanding (including restricted shares that may be subject to vesting, repurchase or other lapse restrictions) as of September 9, 2016, (B) 699,113 shares of common stock issuable upon exercise of options to purchase shares of common stock outstanding as of September 9, 2016, and (C) 10,958 shares of common stock subject to time-based restricted stock unit awards outstanding as of September 9, 2016.

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

Solely for the purpose of calculating the filing fee, the underlying value of the transaction was calculated based on the sum of (A) the product of 19,719,454 shares of common stock issued and outstanding (including restricted shares that may be subject to vesting, repurchase or other lapse restrictions) as of September 9, 2016 and the baseline per share merger consideration of $97.50, (B) the product of (i) 699,113 shares of common stock issuable upon exercise of options to purchase shares of common stock outstanding as of September 9, 2016 and (ii) the difference between $97.50 and the weighted average exercise price of such options of $43.02, and (C) the product of (i) 10,958 shares of common stock subject to time-based restricted stock unit awards outstanding as of September 9, 2016 and (ii) $97.50.

(4) Proposed maximum aggregate value of transaction:

$1,961,802,846.24.

(5) Total fee paid:

$197,553.55.

¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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PRELIMINARY PROXY STATEMENT SUBJECT TO COMPLETION

Dear Shareholder:

You are cordially invited to attend the annual meeting of the shareholders of G&K Services, Inc., a Minnesota corporation (G&K, the Company, we, our or us), which will be held at 5995 Opus Parkway, Minnetonka, Minne 55343, on [ ], at [ ], local time (such meeting, including any adjournment or postponement thereof, the annual meeting).

As the Company previously announced, the Company, Cintas Corporation, a Washington corporation (Cintas), and Bravo Merger Sub, Inc., a Minnesota corporation and a wholly owned subsidiary of Cintas (Merger Sub), entered into an Agreement and Plan of Merger, dated as of August 15, 2016 (such agreement, as it may be amended from time to time, is referred to as the merger agreement), pursuant to which, subject to the satisfaction or waiver of certain conditions, Merger Sub will merge with and into the Company (the Merger). As a result of the Merger, Merger Sub will cease to exist and the Company will survive as a wholly owned subsidiary of Cintas. If the Merger is completed, at the effective time, each share of Class A common stock issued and outstanding immediately prior to the effective time of the Merger (other than dissenting shares and shares owned by the Company, Cintas or any of their respective subsidiaries) will be cancelled and converted into the right to receive $97.50 per share in cash, without interest, and subject to any applicable withholding taxes.

The Company s Board of Directors (the Company Board or our board) (i) unanimously (of those present) approved the merger agreement and the transactions contemplated thereby, including the Merger and (ii) unanimously recommends that the Company s shareholders approve the merger agreement, including the Merger.

The annual meeting will be held for the following purposes:

1. to approve the merger agreement;

2. to approve, on an advisory (non-binding) basis, certain compensation that may be paid or become payable to the Company s named executive officers in connection with the Merger, the value of which is disclosed in the table in the section of the enclosed proxy statement entitled *The Merger (Proposal 1) Interests of the Company s Directors and Executive Officers in the Merger* ;

3. to approve the adjournment of the annual meeting, if necessary or appropriate, including to solicit additional proxies if there are insufficient votes at the time of the annual meeting to approve the proposal to approve the merger agreement or in the absence of a quorum;

4. to elect the three Class III directors named in the attached proxy statement to serve for terms of three years;

5. to ratify the appointment of KPMG LLP, independent registered public accounting firm, as our independent auditors for fiscal year 2017; and

6. to approve, on an advisory (non-binding) basis, the compensation of the Company s named executive officers.

At the annual meeting we will also transact any other business that may properly come before the annual meeting and any adjournment or postponement thereof.

The Company Board recommends that the shareholders of the Company vote **FOR** each of the proposals listed above and described in more detail in the accompanying proxy statement.

The enclosed proxy statement provides specific information concerning the annual meeting and the parties involved, including a description of the merger agreement, the Merger and the compensation that may be paid or become payable to the named executive officers of the Company in connection with the Merger. A copy of the merger agreement is also attached as **Annex A** to the proxy statement. We urge you to read the entire proxy statement carefully, including its annexes and the documents incorporated by reference in the proxy statement, as it sets forth the details of the proposals to be voted upon at the annual meeting, including the merger agreement and other important information related to the Merger. In addition, you may obtain information about us from documents filed with the Securities and Exchange Commission. See *Where You Can Find Additional Information.*

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Your vote is very important. The Merger cannot be completed unless holders of a majority of the outstanding shares of common stock entitled to vote at the annual meeting vote in favor of the proposal to approve the merger agreement. A failure to vote your shares of common stock on the proposal to approve the merger agreement will have the same effect as a vote AGAINST the proposal to approve the merger agreement.

If you have any questions or need assistance in voting your shares, please contact our proxy solicitor, D.F. King & Co., Inc., at (888) 605-1956 (toll free) or (212) 269-5550 (call collect).

Thank you for your continued support.

Sincerely,

Douglas A. Milroy

Chairman & Chief Executive Officer

Neither the Securities and Exchange Commission nor any state securities regulatory agency has approved or disapproved the Merger, passed upon the merits or fairness of the Merger, the merger agreement or the other transactions contemplated thereby or passed upon the adequacy or accuracy of the disclosure in this document. Any representation to the contrary is a criminal offense.

This proxy statement is dated [ ], 2016 and is first being mailed to shareholders on or about [ ], 2016.

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G&K SERVICES, INC.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

[ ], 2016

TO OUR SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the Annual Meeting of the Shareholders of G&K Services, Inc., a Minnesota corporation (G&K, the Company, we, our or us), will be held at 5995 Opus Parkway, Minnetonka, Minnesota 5 on [ ], at [ ], local time (such meeting, including any adjournment or postponement thereof, the annual meeting), to consider and vote upon the following proposals:

1. to approve the Agreement and Plan of Merger, dated as of August 15, 2016, by and among the Company, Cintas Corporation, a Washington corporation (Cintas), and Bravo Merger Sub, Inc., a Minnesota corporation and a wholly owned subsidiary of Cintas (Merger Sub) (such agreement, as it may be amended from time to time, is referred to as the merger agreement), pursuant to which, subject to the satisfaction or waiver of certain conditions, Merger Sub will merge with and into the Company (the Merger);

2. to approve, on an advisory (non-binding) basis, certain compensation that may be paid or become payable to the Company s named executive officers in connection with the Merger, the value of which is disclosed in the table in the section of the attached proxy statement entitled *The Merger (Proposal 1) Interests of the Company s Directors and Executive Officers in the Merger* ;

3. to approve the adjournment of the annual meeting, if necessary or appropriate, including to solicit additional proxies if there are insufficient votes at the time of the annual meeting to approve the proposal to approve the merger agreement or in the absence of a quorum;

4. to elect the three Class III directors named in the attached proxy statement to serve for terms of three years;

5. to ratify the appointment of KPMG LLP, independent registered public accounting firm, as our independent auditors for fiscal year 2017; and

6. to approve, on an advisory (non-binding) basis, the compensation of the Company s named executive officers.

At the annual meeting, we will also transact any other business that may properly come before the annual meeting and any adjournment or postponement thereof.

The holders of record of our Class A common stock, par value $0.50 per share (common stock), at the close of business on [ ], 2016 (the record date), are entitled to notice of and to vote at the annual meeting. Attendance at the annual meeting will be limited to G&K shareholders as of the close of business on the record date or their authorized representatives, as more fully described under the section entitled *The Annual Meeting Date, Time and Place of the Annual Meeting.*

The Company Board has approved the merger agreement, the Merger and the other transactions contemplated by the merger agreement.

The Company Board recommends that the shareholders of the Company vote **FOR** each of the proposals listed above and described in more detail in the accompanying proxy statement.

If you hold your shares of record (*i.e.*, your name appears on the registered books of the Company), we request that you vote your shares by proxy, even if you plan to attend the annual meeting in person. To vote your shares by proxy, you should complete, sign, date and return the enclosed proxy card in the enclosed postage-paid envelope or submit your proxy by either telephone or on the Internet by following the instructions on the enclosed proxy card, thereby ensuring that your shares of common stock will be represented at the annual meeting if you are unable to attend. In-person attendance at the annual meeting does not by itself constitute a vote.

Shareholders who do not vote in favor of the proposal to approve the merger agreement will have the right to assert dissenters rights if they deliver a demand for dissenters rights before the vote is taken on the merger agreement and comply with all the requirements of Minnesota law, which is summarized herein and reproduced in its entirety in **Annex C** to the accompanying proxy statement. See the section entitled *Dissenters Rights.*

You may revoke your proxy at any time before the vote at the annual meeting by following the procedures outlined in the accompanying proxy statement.

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Your vote is very important. The Merger cannot be completed unless holders of a majority of the outstanding shares of common stock entitled to vote at the annual meeting vote in favor of the proposal to approve the merger agreement. Such approval is a condition to the completion of the Merger. A failure to vote your shares of common stock on the proposal to approve the merger agreement will have the same effect as a vote AGAINST the proposal to approve the merger agreement.

Before voting your shares, we urge you to read the entire proxy statement carefully, including its annexes and the documents incorporated by reference herein.

By order of the Board of Directors

G&K Services, Inc.

Jeffrey L. Cotter

Vice President, General Counsel and Corporate Secretary

[ ], 2016

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SUMMARY

This summary highlights selected information contained in this proxy statement, including with respect to the merger agreement and the Merger. We encourage you to read carefully this entire proxy statement, its annexes and the documents referred to or incorporated by reference in this proxy statement, as this summary may not contain all of the information that may be important to you in determining how to vote. We have included page references to direct you to a more complete description of the topics presented in this summary. You may obtain the information incorporated by reference into this proxy statement without charge by following the instructions under the section entitled Where You Can Find Additional Information.

The Companies (page 21)

G&K Services, Inc.

G&K Services, Inc., referred to as G&K, the Company, we, our or us, is a service-focused market leader of bran uniform and facility services programs in the United States and Canada. Headquartered in Minnetonka, Minnesota, G&K has 8,000 employees serving approximately 170,000 customer locations from 165 facilities in North America. G&K is a publicly held company traded over the NASDAQ Global Select Market under the symbol GK and is a component of the Standard & Poor s SmallCap 600 Index. G&K s principal executive offices are located at 5995 Opus Parkway, Suite 500, Minnetonka, Minnesota 55343, and its telephone number is (952) 912-5500.

Additional information about G&K is contained in its public filings, which are incorporated by reference herein. See the sections entitled *Where You Can Find Additional Information and The Companies G&K Services, Inc.*

Cintas Corporation

Cintas Corporation, referred to as Cintas, is a Washington corporation, that helps more than 900,000 businesses of all types and sizes, primarily in North America, as well as Latin America, Europe and Asia, get Ready to open their doors with confidence every day by providing a wide range of products and services that enhance its customers image and help keep their facilities and employees clean, safe and looking their best. With products and services including uniforms, floor care, restroom supplies, first aid and safety products, fire extinguishers and testing, and safety and compliance training, Cintas helps customers get Ready for the Workday . Headquartered in Cincinnati, Ohio, Cintas is a publicly held company traded over the NASDAQ Global Select Market under the symbol CTAS and is a component of the Standard & Poor s 500 Index. Cintas principal executive offices are located at 6800 Cintas Boulevard, P.O. Box 625737, Cincinnati, Ohio 45262-5737, and its telephone number is (513) 459-1200. See the section entitled *The Companies Cintas Corporation.*

Bravo Merger Sub, Inc.

Bravo Merger Sub, Inc., referred to as Merger Sub, is a Minnesota corporation and a wholly owned subsidiary of Cintas that was formed solely for the purpose of entering into the merger agreement and consummating the transactions contemplated by the merger agreement. Merger Sub s principal executive offices are located at 6800 Cintas Boulevard, P.O. Box 625737, Cincinnati, Ohio 45262-5737, and its telephone number is (513) 459-1200. See the section entitled *The Companies Bravo Merger Sub, Inc.*

The Merger (page 28)

You will be asked to consider and vote upon the proposal to approve the Agreement and Plan of Merger, dated as of August 15, 2016, by and among the Company, Cintas and Merger Sub, which, as it may be amended

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from time to time, is referred to in this proxy statement as the merger agreement. A copy of the merger agreement is attached as **Annex A**. The merger agreement provides, among other things, that at the effective time of the Merger (the effective time), Merger Sub will be merged with and into the Company (the Merger), with the Company surviving the Merger (the surviving corporation) as a wholly owned subsidiary of Cintas. Upon completion of the Merger, the Company will thereby become a wholly owned subsidiary of Cintas, G&K common stock will no longer be publicly traded and the Company s existing shareholders will cease to have any ownership interest in the Company. Instead, at the effective time, each share of Class A common stock, par value $0.50 per share, of the Company (referred to in this proxy statement as common stock, G&K common stock or Company common stock), issued and outstanding immediately prior to the effective time (other than shares for which the holders thereof have properly perfected dissenters rights with respect to such shares under Minnesota law (such shares, dissenting shares) and shares held by the Company or any direct or indirect wholly owned subsidiary of the Company, Cintas, Merger Sub or any other direct or indirect wholly owned subsidiary of Cintas (the cancelled shares and, together with the dissenting shares, the excluded shares)) will be converted into the right to receive the merger consideration.

The Merger Consideration (page 28)

The merger consideration will be $97.50 per share in cash, without interest, and subject to any applicable withholding taxes (referred to in this proxy statement as the merger consideration).

Treatment of Stock Plans (page 59)

Company Options. Except as provided below, upon the terms and subject to the conditions set forth in the merger agreement: (i) the vesting of each company option that remains outstanding as of immediately prior to the effective time shall be accelerated in full immediately prior to the effective time, (ii) each company option that remains outstanding as of immediately prior to the effective time shall be cancelled and terminated as of the effective time, and (iii) each holder of each such company option shall cease to have any rights with respect thereto, except the right to be paid an amount in cash (without interest) equal to the product of (x) the total number of shares previously subject to such company option and (y) the excess, if any, of the merger consideration over the exercise price per share of such company option, less any required withholding taxes. Each company option that is granted after December 31, 2016 to a person other than Douglas A. Milroy or any employee covered by the company s Executive Severance and Change in Control Policy that provides for pro-rata vesting upon the effective time will vest pro-rata in accordance with its terms (and not in accordance with clause (i) above), will result in the unvested portion being forfeited upon the effective time, and will result in the payment described in clause (iii) above being made only with respect to the vested portion of such company option. Any company option with an exercise price equal to, or in excess of, the per share merger consideration will be cancelled at the effective time for no consideration. For further description of the treatment of Company options under the merger agreement, see the section entitled *The Merger Agreement Treatment of Company Equity Awards; Stock Purchase Program Company Options*.

Restricted Stock. Except as provided below, upon the terms and subject to the conditions set forth in the merger agreement, each award of restricted stock that is outstanding immediately prior to the effective time and not or no longer subject to performance based vesting conditions will become vested and no longer subject to restrictions immediately prior to the effective time, and each award of restricted stock subject to performance-based vesting conditions that have not been satisfied, if any, will become vested as of immediately prior to the effective time, with respect to the number of shares of restricted stock determined as if the applicable performance goals had been achieved at the target level of performance at the end of the applicable performance period. Such vested and unrestricted shares shall be treated in the same manner as company shares generally in the merger, except that the merger consideration paid to the holder shall be reduced by any required withholding taxes. Each award of restricted stock that is granted after December 31, 2016 to a person other than Douglas A.

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Milroy or any employee covered by the company s Executive Severance and Change in Control Policy that provides for pro-rata vesting upon the effective time will vest pro-rata in accordance with its terms (instead of vesting as provided above) and will result in the unvested portion being forfeited as of the effective time for no consideration. Promptly following the effective time, any cash dividends previously paid by the Company with respect to restricted stock and held as of the effective time by the Company or its designated agent shall be distributed by the Company to the holder of such restricted stock, to the extent such restricted stock has become vested as described above. For further description of the treatment of Company restricted stock under the merger agreement, see the section entitled *The Merger Agreement Treatment of Company Equity Awards; Stock Purchase Program Restricted Stock.*

Other Awards. Except as provided below, each award of a right under any stock plan (other than awards of company options or restricted stock, the treatment of which is specified above) entitling the holder thereof to shares or cash equal to or based on the value of shares (a share unit) that is outstanding or payable as of the effective time shall be cancelled and terminated as of the effective time and each share unit holder shall cease to have any rights with respect thereto, except the right to be paid an amount in cash (without interest) equal to the product of (i) the total number of shares underlying such share units (or, if subject to performance-based vesting, the number of shares at the target level of performance) and (ii) the per share merger consideration, less any required withholding taxes. Each share unit that is granted after December 31, 2016 to a person other than Douglas A. Milroy or any employee covered by the company s Executive Severance and Change in Control Policy that provides for pro-rata vesting upon the effective time will be treated as described in the foregoing except that the cash payment amount to be paid to each such holder will be calculated based on the number of shares underlying the pro-rata vested share units (instead of the total number of shares as provided in clause (i) above) and will result in the unvested portion of the share units being forfeited for no consideration. For further description of the treatment of other awards under the merger agreement, see the section entitled *The Merger Agreement Treatment of Company Equity Awards; Stock Purchase Program Other Awards.*

Conditions to Completion of the Merger (page 73)

Each party s obligation to consummate the Merger is subject to the satisfaction or waiver (in writing) of the following conditions:

- the approval of the merger agreement by the holders of a majority of the Company s outstanding shares of common stock entitled to vote thereon (the requisite company vote);
- expiration or termination of the applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the HSR Act), and obtaining Competition Act Approval (as defined below) from the Canadian Commissioner of Competition (Competition Commissioner) pursuant to the Canadian Competition Act (the Competition Act (Canada)); and
- the absence of any court or government order enjoining or otherwise prohibiting the consummation of the Merger.

The respective obligations of Cintas and Merger Sub to consummate the Merger are subject to the satisfaction or waiver (in writing) of the following additional conditions:

the accuracy of the representations and warranties of the Company as of August 15, 2016 and as of and as though made on the closing date of the Merger (the closing date) (except for any such representations and warranties made as of a particular date or period, which representations and warranties must be true and correct only as of that date or period), subject to a material adverse effect or other materiality standard provided in the merger agreement;

the Company having performed and complied in all material respects all obligations required by the merger agreement to be performed by it prior to the closing date;

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Cintas receipt of a certificate signed on behalf of the Company by the Chief Executive Officer or Chief Financial Officer of the Company to the effect that each of the conditions described in the two preceding bullet points has been satisfied; and

the absence, since August 15, 2016, of any event or circumstances which has or could reasonably be expected to have a material adverse effect as defined in the merger agreement.

The obligation of the Company to consummate the Merger is subject to the satisfaction or waiver (in writing) of the following additional conditions:

the accuracy of the representations and warranties of Cintas and Merger Sub as of August 15, 2016 and as of and as though made on the closing date (except for any such representations and warranties made as of a particular date or period, which representations and warranties must be true and correct only as of that date or period), subject to a material adverse effect or other materiality standard provided in the merger agreement;

each of Cintas and Merger Sub having performed in all material respects all obligations required by the merger agreement to be performed by it prior to the closing date; and

the Company s receipt of a certificate signed on behalf of Cintas by a senior executive officer of Cintas to the effect that each of the conditions described in the two preceding bullet points has been satisfied.

When the Merger Becomes Effective (page 57)

The completion of the Merger is subject to the adoption of the merger agreement by the requisite company vote of the Company s shareholders and the satisfaction of the other closing conditions.

As of the date of this proxy statement, we expect to consummate the Merger within the next three to five months. The Merger is subject to various regulatory clearances and approvals and other conditions, and it is possible that factors outside the control of G&K or Cintas could result in the Merger being completed at a later time, or not at all. There may be a substantial amount of time between the annual meeting and the consummation of the Merger.

Recommendation of the Company Board (page 35)

After careful consideration, the Company Board approved the merger agreement, the Merger and the other transactions contemplated by the merger agreement. **The Company Board recommends that G&K shareholders vote FOR the proposal to approve the merger agreement at the annual meeting**.

Reasons for the Merger (page 35)

For a description of the reasons considered by the Company Board in deciding to recommend adoption of the merger agreement, see the sections entitled *The Merger (Proposal 1) Reasons for Recommending the Approval of the Merger Agreement.*

Opinion of BofA Merrill Lynch (page 40)

In connection with the Merger, Merrill Lynch, Pierce, Fenner & Smith Incorporated (BofA Merrill Lynch), G&K s financial advisor, delivered to the Company Board a written opinion, dated August 15, 2016, as to the fairness, from a financial point of view and as of the date of the opinion, of the merger consideration to be received by holders of G&K common stock. The full text of the written opinion, dated August 15, 2016, of BofA Merrill Lynch, which describes, among other things, the assumptions made, procedures followed, factors

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considered and limitations on the review undertaken, is attached as **Annex B** to this document and is incorporated by reference herein in its entirety. **BofA Merrill Lynch provided its opinion to the Company Board (in its capacity as such) for the benefit and use of the Company Board in connection with and for purposes of its evaluation of the merger consideration from a financial point of view. BofA Merrill Lynch s opinion does not address any other aspect of the Merger and no opinion or view was expressed as to the relative merits of the Merger in comparison to other strategies or transactions that might be available to G&K or in which G&K might engage or as to the underlying business decision of G&K to proceed with or effect the Merger. BofA Merrill Lynch s opinion does not address any other aspect of the Merger and does not constitute a recommendation to any shareholder as to how to vote or act in connection with the proposed Merger or any related matter.**

Interests of the Company s Directors and Executive Officers in the Merger (page 46)

In considering the recommendation of the Company Board with respect to the merger agreement, you should be aware that some of the Company s directors and executive officers have interests in the Merger that are different from, or in addition to, the interests of the Company s shareholders generally. Interests of officers and directors that may be different from, or in addition to, the interests of the Company s shareholders include, among others, treatment of the outstanding Company equity awards pursuant to the merger agreement, potential severance and retention benefits and other payments and rights to ongoing indemnification and insurance coverage. The Company Board was aware of these different or additional interests and considered such interests along with other matters in approving the merger agreement and the transactions contemplated thereby, including the Merger. These interests are discussed in more detail in the section entitled *The Merger (Proposal 1) Interests of the Company s Directors and Executive Officers in the Merger.*

Financing (page 54)

In connection with execution of the merger agreement, Cintas expects to fund the merger consideration in part with new debt incurred under a debt financing commitment letter previously provided to the Company. In this respect, Cintas received debt financing commitments in the amount of $2.3 billion. Cintas has agreed to use reasonable best efforts to obtain the debt financing contemplated by such debt financing commitment letter. There is, however, no financing condition to Cintas obligation to consummate the Merger.

Material U.S. Federal Income Tax Consequences of the Merger (page 53)

If you are a U.S. holder (as defined under *The Merger (Proposal 1) Material U.S. Federal Income Tax Consequences of the Merger*), the receipt of cash in exchange for shares of common stock pursuant to the Merger will generally be a taxable transaction for U.S. federal income tax purposes, and may also be a taxable transaction under applicable state, local or foreign income or other tax laws. You should consult your own tax advisor regarding the particular tax consequences to you of the exchange of shares of common stock for cash pursuant to the Merger in light of your particular circumstances (including the application and effect of any state, local or foreign income and other tax laws).

Regulatory Approvals (page 55)

HSR Clearance and Competition Act (Canada) Approval. Under the HSR Act and related rules, certain transactions, including the Merger, may not be completed until notifications have been given and information furnished to the Antitrust Division of the United States Department of Justice (the Antitrust Division), the United States Federal Trade Commission (the FTC) and all statutory waiting period requirements have been satisfied. Under the Competition Act (Canada), notification concerning the transaction must be filed with the Competition Commissioner. Similarly, under

the Competition Act (Canada), transactions above certain financial thresholds, including the Merger, may not be completed until notice has been given to, and prescribed information filed with, the Competition Commissioner and all statutory waiting period requirements have been satisfied.

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Completion of the Merger is subject to the expiration or termination of the applicable waiting period under the HSR Act, and either (i) the receipt of an advance ruling certificate from the Competition Commissioner (which has not been rescinded prior to the completion of the Merger) or (ii) the receipt of a no action letter in respect of the Merger from the Competition Commissioner along with the expiration or termination of the applicable waiting period under the Competition Act (Canada) (Competition Act Approval). On August 29, 2016, Cintas filed its Notification and Report Forms with the Antitrust Division and the FTC. On August 30, 2016, the Company filed its Notification and Report Forms with the Antitrust Division and the FTC. On September 12, 2016, both the Company and Cintas filed their respective pre-merger notification forms with the Competition Commissioner, and Cintas also filed a request for an advance ruling certificate or no-action letter.

Commitments to Obtain Approvals. If necessary to satisfy the applicable closing condition related to requisite antitrust clearances, the Company and Cintas have agreed, among other things, (i) to propose, negotiate, commit to, effect and agree to, by consent decree, hold separate order, or otherwise, the sale, divestiture, license, holding separate, and other disposition of the businesses, assets, properties, products, product lines, and equity interests of Cintas, the Company, and their respective subsidiaries and take such action or actions that would in the aggregate have a similar effect, (ii) create, terminate, or divest relationships, ventures, contractual rights or obligations of Cintas, the Company or their respective subsidiaries, and (iii) otherwise take or commit to take any action that would limit Cintas freedom of action with respect to, or its ability to retain or hold, directly or indirectly, any businesses, assets, equity interests, products, product lines or properties of the Cintas or the Company (including any of their respective subsidiaries). However, the Company and Cintas will not be required to take, or cause to be taken, or commit to take, or commit to cause to be taken, any divestiture, license, hold separate, sale or other disposition (1) of, or with respect to, any of the products, product lines, services or service lines, in each case in whole or in part, of the Company, Cintas or any of their respective subsidiaries representing, in the aggregate, in excess of $300 million of net sales (but excluding any related assets, businesses, properties, or equity interests, which will not be included in the calculation of net sales) or (2) of, or with respect to, Cintas CINTAS trademark or trade name. See the sections entitled *The Merger Agreement Efforts to Consummate the Merger* and *Divestitures and Triggering Divestiture.*

For purposes of the regulatory approvals provisions in the merger agreement, the calculation of net sales means net sales with respect to any product, product line, service or service line, in each case, in whole or in part, measured by reference to the net sales associated with such product, product line, service or service line for the fiscal year ended July 2, 2016, in the case of products, product lines, services or service lines of the Company or any of its subsidiaries, or May 31, 2016, in the case of Cintas or any of its subsidiaries. However, any related assets, businesses, properties, or equity interests shall not be included in the calculation of net sales.

Dissenter s Rights (page 123)

If the Merger is approved and becomes effective, shareholders who do not vote their shares in favor of the Merger will be entitled to statutory dissenters rights if they strictly comply with Sections 302A.471 and 302A.473 of the Minnesota Business Corporation Act, as amended, (the MBCA). For a description of the rights of such holders and of the procedures to be followed in order to assert such rights and obtain payment of the fair value of their shares of stock, see Sections 302A.471 and 302A.473 of the MBCA, copies of which are attached as **Annex C** of this proxy statement, as well as the information set forth below.

IN ORDER TO PERFECT DISSENTERS RIGHTS WITH RESPECT TO THE MERGER, A SHAREHOLDER MUST SEND A NOTICE TO THE COMPANY BEFORE THE DATE OF THE ANNUAL MEETING AND MUST NOT VOTE IN FAVOR OF THE PROPOSAL TO APPROVE THE MERGER BY PROXY OR OTHERWISE.

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Delisting and Deregistration of Company Common Stock (page 56)

If the Merger is completed, the Company common stock will be delisted from the NASDAQ Global Select Market, and deregistered under the Securities Exchange Act of 1934, as amended (the Exchange Act).

Acquisition Proposals; No Solicitation (page 65)

Pursuant to the merger agreement, none of the Company, its subsidiaries nor any of the officers and directors of it or its subsidiaries may, and the Company will direct its and its subsidiaries employees, investment bankers, lenders, attorneys, accountants, agents and other advisors and representatives (collectively, representatives) not to, directly or indirectly:

- initiate, solicit, knowingly facilitate or knowingly encourage any inquiries or the making of any proposal or offer that constitutes, or would reasonably be expected to lead to, any acquisition proposal, as described in the section entitled *The Merger Agreement Acquisition Proposals; No Solicitation* ;

- engage in, continue or otherwise participate in any discussions or negotiations regarding, or provide any non-public information to any third party relating to, any acquisition proposal, except to notify such third party of the existence of the non-solicitation restrictions of the merger agreement;

- enter into any letter of intent or similar document, or any agreement or commitment, providing for any acquisition proposal; or

- grant any waiver, amendment or release under any standstill or confidentiality agreement in connection with an acquisition proposal; provided, however, that if the Company Board determines in good faith, after consultation with outside legal counsel, that it would be inconsistent with the Company s directors fiduciary obligations under applicable Law not to do so, the Company may waive any standstill or similar provisions in any agreement to which it is a party to the extent necessary to permit a person to make, on a confidential basis to Company Board, an acquisition proposal.

However, if, before the requisite company vote is obtained, the Company receives a written acquisition proposal from any third party (that did not result from a breach of the non-solicitation restrictions of the merger agreement), which (i) the Company Board determines in good faith to be bona fide and (ii) the Company Board determines in good faith after consultation with outside legal counsel that failure to take such action, in light of the acquisition proposal and the terms of the merger agreement, would be inconsistent with the Company s directors fiduciary duties under applicable law, the Company may:

- if the Company Board has determined in good faith based on the information then available and after consultation with the Company s outside legal counsel and financial advisors that such acquisition proposal either constitutes a superior proposal or is reasonably likely to result in a superior proposal:

provide information to the person who made such acquisition proposal, but only if the Company receives from the person so requesting such information an executed confidentiality agreement on terms not less restrictive to such other party than those contained in the confidentiality agreement (excluding any standstill provision) with Cintas and, to the extent such information has not been previously made available to Cintas, promptly makes available to Cintas any information the Company discloses to such person or its representatives; and

engage or participate in any discussions or negotiations with such person and its representatives; and

if the Company Board determines in good faith after consultation with the Company s outside legal counsel and financial advisors that such acquisition proposal is a superior proposal, so long as the Company has complied with certain obligations set forth in the merger agreement, which are described below in the section below entitled *Change in Board Recommendation*, approve, recommend, or otherwise declare advisable or propose to approve, recommend or declare advisable (publicly or otherwise) such acquisition proposal.

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Change in Board Recommendation (page 67)

The Company Board has recommended that G&K shareholders vote **FOR** the proposal to approve the merger agreement. The merger agreement permits the Company Board to make a change of recommendation (as described in the section entitled *The Merger Agreement Change in Board Recommendation*) only in certain limited circumstances, as described below.

At any time after August 15, 2016 and prior to the time the requisite company vote is obtained, the Company Board may make a change of recommendation in response to an intervening event if prior to taking such action, (i) the Company Board has determined in good faith, after consultation with outside legal counsel, that the failure to take such action would be inconsistent with its fiduciary duties under applicable law, (ii) G&K has delivered to Cintas a written notice stating that the Company Board intends to take such action no less than four business days prior to making such change of recommendation and has provided Cintas a description of the intervening event, and (iii) at the end of such notice period, the Company Board must have considered in good faith any revisions to the terms of the merger agreement proposed in writing by Cintas, if any, and have determined, after consultation with the Company s outside legal counsel and financial advisors, that the failure to make a change of recommendation would be inconsistent with its fiduciary duties under applicable law. See the section entitled *The Merger Agreement Change in Board Recommendation.*

Further, at any time after August 15, 2016 and prior to the time the requisite company vote is obtained, if the Company Board determines in good faith, after consultation with the Company s outside legal counsel and financial advisors, that an acquisition proposal made after August 15, 2016 (that did not result from a breach of the non-solicitation restrictions of the merger agreement (other than an immaterial breach)) is a superior proposal, and failure to take such action would be inconsistent with the Company s directors fiduciary duties, then the Company Board may (1) make a change of recommendation and/or (2) cause G&K to terminate the merger agreement and pay a $60 million termination fee to Cintas on or before the termination date. Prior to making any such change of recommendation or terminating the merger agreement and paying the termination fee with respect to a superior proposal, (1) G&K must have given Cintas at least four business days prior written notice of its intention to terminate the merger agreement and pay the termination fee, and have provided Cintas the material terms and conditions of, and the identity of the party making, any such superior proposal and copies of the most current version of the agreement reflecting such terms and conditions and (2) after providing such notice and prior to taking any such action with respect to a superior proposal, G&K must have negotiated in good faith with Cintas during such four business day period (to the extent that Cintas indicates to the Company that Cintas desires to negotiate) with respect to, and must have considered in good faith, any changes to the merger agreement agreed to be made in writing by Cintas so that such superior proposal ceases to constitute a superior proposal. See the sections entitled *The Merger Agreement Change in Board Recommendation* and *Termination Fee.*

Termination (page 74)

The merger agreement may be terminated at any time prior to the effective time in the following circumstances:

by the mutual written consent of G&K and Cintas;

by either G&K or Cintas, if:

the Merger has not been completed by August 15, 2017, subject to a three-month extension in certain circumstances to November 15, 2017 (as it may be extended, the end date, as described in the section entitled *The Merger Agreement Termination*);

an order by a governmental entity of competent jurisdiction has been issued permanently restraining, enjoining or otherwise prohibiting the consummation of the Merger, and such order has become final and nonappealable; or

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the requisite company vote has not been obtained at the G&K shareholders meeting or at any adjournment or postponement of the G&K shareholders meeting;

except that the right to terminate the merger agreement by reason of the three clauses above will not be available to any party that has breached in any material respect its obligations under the merger agreement;

by G&K:

at any time prior to the receipt of the requisite company vote, if G&K is not in breach of its covenants relating to (i) non-solicitation, (ii) the consideration of other acquisition proposals, or (iii) a change of recommendation of the Company Board set forth in the merger agreement (other than an immaterial breach) and G&K pays to Cintas the termination fee prior to or concurrently with its termination of the merger agreement; or

at any time if G&K is not then in material breach of the merger agreement and there has been a breach of any representation, warranty, covenant or agreement made by Cintas or Merger Sub in the merger agreement, or any such representation or warranty will have become untrue after the date of the merger agreement, in each case such that the relevant conditions under the merger agreement would not be satisfied by Cintas and such breach or condition is not curable or, if curable, is not cured within the earlier of (i) 30 calendar days after written notice thereof is given by G&K to Cintas and (ii) the date that is three business days prior to the end date; or

by Cintas:

if the Company Board (i) has made a change of recommendation; (ii) following the public announcement of an acquisition proposal, has failed to reaffirm its approval and recommendation of the merger agreement and the Merger within ten business days after receipt of a written request to do so from Cintas in accordance with the provisions of the merger agreement; or (iii) prior to the earlier of (A) the day prior to the date of the shareholders meeting and (B) eleven business days after the commencement of a tender or exchange offer for outstanding shares that has been publicly disclosed (other than by Cintas or an affiliate of Cintas), fails to recommend against such tender offer or exchange offer;

if G&K or any of its representatives breaches any covenant relating to non-solicitation, the consideration of other acquisition proposals, and a change of recommendation of the Company Board set forth in the merger agreement in any material respect; or

at any time if neither Cintas nor Merger Sub is then in material breach of the merger agreement and there has been a breach of any representation, warranty, covenant or agreement made by G&K under the merger agreement, or any such representation and warranty will have become untrue after the date of the merger agreement, in each case such that the relevant conditions under the merger agreement

would not be satisfied by G&K and such breach or condition is not curable or, if curable, is not cured prior to the earlier of (i) 30 calendar days after written notice thereof is given by Cintas to G&K and (ii) the date that is three business days prior to the end date.

Termination Fee (page 75)

G&K will pay Cintas a termination fee in an amount equal to $60 million in immediately available funds if the merger agreement is terminated in the following circumstances:

by G&K at any time prior to the receipt of the requisite company vote, provided that G&K is not in breach of its covenants relating to (i) non-solicitation, (ii) the consideration of other acquisition proposals, or (iii) a change of recommendation of the Company Board set forth in the merger agreement (other than an immaterial breach) and G&K pays to Cintas such termination fee prior to or concurrently with its termination of the merger agreement;

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by Cintas because the Company Board (i) has made a change of recommendation; (ii) following the public announcement of an acquisition proposal, has failed to reaffirm its approval and recommendation of the merger agreement and the Merger within ten business days after receipt of a written request to do so from Cintas in accordance with the merger agreement; or (iii) prior to the earlier of (A) the day prior to the date of the shareholders meeting and (B) eleven business days after the commencement of a tender or exchange offer for outstanding shares that has been publicly disclosed (other than by Cintas or an affiliate of Cintas), fails to recommend against such tender offer or exchange offer;

by Cintas following a breach by G&K or it representatives of any of the covenants relating to non-solicitation, the consideration of other acquisition proposals, and a change of recommendation of the Company Board set forth in the merger agreement in any material respect; or

(i) by either G&K or Cintas because the requisite company vote has not been obtained at the G&K shareholders meeting or at any adjournment or postponement of the G&K shareholders meeting or (ii) provided that neither Cintas nor Merger Sub is then in material breach of the merger agreement, by Cintas because there has been a breach of any representation, warranty, covenant or agreement made by G&K under the merger agreement, or any such representation or warranty will have become untrue after the date of the merger agreement, in each case, such that the relevant conditions under the merger agreement would not be satisfied by G&K and such breach or condition is not curable or, if curable, is not cured by the earlier of (x) 30 calendar days after written notice thereof is given by Cintas to G&K and (y) the date that is three business days prior to the end date; and, in the case of both the preceding clauses (i) and (ii), between August 15, 2016 and the date of the termination of the merger agreement any person has made or publicly disclosed or announced an acquisition proposal with respect to at least 50.1% of the voting power of G&K or any of its material subsidiaries or at least 50.1% of the combined assets of G&K and its subsidiaries, and a transaction contemplated by such acquisition proposal has been consummated or G&K has executed a definitive agreement with respect to such acquisition proposal within twelve months after the termination of the merger agreement. See the section entitled *The Merger Agreement Termination Fee.*

Reverse Termination Fee (page 75)

Cintas will pay G&K a reverse termination fee in an amount equal to $100 million in immediately available funds if the merger agreement is terminated by either Cintas or G&K in the following circumstances:

if any court or government order permanently restraining, enjoining or otherwise prohibiting consummation of the Merger shall have become final and non-appealable, but only if the applicable order relates to the HSR Act or any other competition, merger control, antitrust or similar law or regulation; or

if the Merger will not have been consummated by the end date and at the time of such termination, provided all of the conditions to closing of Cintas, Merger Sub and G&K set forth in the merger agreement have been satisfied (other than (x) (1) expiration or termination of any applicable waiting period (or any extension thereof) under the HSR Act and obtaining Competition Act Approval, and (2) the condition that no governmental entity of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any law that is in effect and restrains, enjoins or otherwise prohibits consummation of the Merger (only if the applicable order relates to the HSR Act or any other competition, merger control, antitrust or similar law or

regulation), and (y) conditions that by their nature are to be satisfied at the closing, but that are capable of being satisfied if the closing were to occur on the date of such termination).

The reverse termination fee to be paid by Cintas under the merger agreement, if necessary, shall be paid on the second business day immediately following the date of such termination. However, no reverse termination

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fee shall be payable by Cintas as described above in the event that the failure of the conditions set forth in the merger agreement to be satisfied is a result of G&K s breach of its obligations to use its reasonable best efforts to consummate and make the Merger effective as required in the merger agreement (other than an immaterial breach). See the section entitled *The Merger Agreement Reverse Termination Fee.*

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QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND THE MERGER

The following questions and answers address briefly some questions you may have regarding the annual meeting and the proposals to be voted on at the annual meeting. These questions and answers may not address all of the questions that may be important to you as a shareholder of the Company. Please refer to the more detailed information contained elsewhere in this proxy statement, the annexes to this proxy statement and the documents referred to or incorporated by reference in this proxy statement, which you should read carefully and in their entirety. You may obtain the information incorporated by reference into this proxy statement without charge by following the instructions under the section entitled Where You Can Find Additional Information.

Q: Why am I receiving this proxy statement?

A: You are receiving this proxy statement in connection with the solicitation of proxies by the Company Board in favor of the proposal to approve the merger agreement among other proposals to be voted on at the annual meeting. The Company entered into a definitive agreement providing for the Merger of Merger Sub, a wholly owned subsidiary of Cintas, with and into the Company, with the Company surviving the Merger as a wholly owned subsidiary of Cintas. As a result, the Company will, among other things, become a wholly owned subsidiary of Cintas and no longer be listed on the NASDAQ Global Select Market.

Q: When and where is the annual meeting?

A: The annual meeting will be held at 5995 Opus Parkway, Minnetonka, Minnesota 55343, on [ ], at [ ], local time (including any adjournment or postponement thereof, the annual meeting).

Q: Who is entitled to vote at the annual meeting?

A: Only holders of record of G&K common stock as of the close of business on [ ], 2016 (the record date) are entitled to receive these proxy materials and to vote their shares at the annual meeting. As of the close of business on the record date, there were [ ] shares of common stock outstanding and entitled to vote at the annual meeting, held by [ ] holders of record. Each share of G&K common stock issued and outstanding as of the record date will be entitled to one vote on each matter submitted to a vote at the annual meeting.

Q: What matters will be voted on at the annual meeting?

A: You will be asked to consider and vote on the following proposals:

1. to approve the merger agreement;

2. to approve, on an advisory (non-binding) basis, certain compensation that may be paid or become payable to the Company s named executive officers in connection with the Merger, the value of which is disclosed in the table in the

section of this proxy statement entitled *The Merger (Proposal 1) Interests of the Company s Directors and Executive Officers in the Merger* ;

3. to approve the adjournment of the annual meeting, if necessary or appropriate, including to solicit additional proxies if there are insufficient votes at the time of the annual meeting to approve the proposal to approve the merger agreement or in the absence of a quorum;

4. to elect the three Class III directors named in the attached proxy statement to serve for terms of three years;

5. to ratify the appointment of KPMG LLP, independent registered public accounting firm, as our independent auditors for fiscal year 2017; and

6. to approve, on an advisory (non-binding) basis, the compensation of the Company s named executive officers.

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Q: May I attend the annual meeting and vote in person?

A: Yes. All shareholders as of the record date may attend the annual meeting and vote in person. Even if you plan to attend the annual meeting in person, we encourage you to complete, sign, date and return the enclosed proxy or vote electronically over the Internet or via telephone to ensure that your shares will be represented at the annual meeting. If you attend the annual meeting and wish to vote in person, you must deliver to our Secretary a written revocation of any proxy you previously submitted, as your vote by ballot will not revoke any proxy previously submitted. If you hold your shares in street name, because you are not the shareholder of record, you may not vote your shares in person at the annual meeting unless you request and obtain a valid proxy from your broker, bank or other nominee.

Q: How many shares are needed to constitute a quorum?

A: A quorum, consisting of the holders of a majority of G&K common stock issued and outstanding and entitled to vote at the annual meeting, is required for the transaction of business at the annual meeting. Such quorum must be present, either in person or represented by proxy, for the transaction of business at the annual meeting, except as otherwise required by law, our Amended and Restated Articles of Incorporation or our Amended and Restated Bylaws.

If a quorum is not present at the annual meeting, the annual meeting may be adjourned or postponed from time to time until a quorum is obtained.

As of [ ], 2016, the record date for the annual meeting, there were [ ] shares of common stock outstanding.

If you submit a proxy but fail to provide voting instructions or abstain on any of the proposals listed on the proxy card, your shares will be counted for the purpose of determining whether a quorum is present at the annual meeting.

If you hold your shares in street name through a broker, bank or other nominee (Nominee) and you do not instruct your Nominee on how you wish to vote your shares, a broker non-vote will occur with respect to each of the proposals other than the auditor ratification proposal. As a result, (i) your shares will be counted for the purpose of establishing a quorum at the annual meeting, but (ii) your Nominee may not vote your shares on the proposal to approve the merger agreement, the advisory (non-binding) proposal to approve certain compensation that may be paid or become payable to the named executive officers of the Company in connection with the Merger, the adjournment proposal, the election of directors or the advisory (non-binding) proposal to approve executive compensation, but may vote your shares, in its discretion, on the auditor ratification proposal. A broker non-vote will have the effect of a vote **AGAINST** the proposal to approve the merger agreement, no effect in the election of directors proposal and will reduce the number of shares necessary to approve the advisory (non-binding) proposal to approve certain compensation that may be paid or become payable to the named executive officers of the Company in connection with the Merger, the adjournment proposal and the advisory (non-binding) proposal to approve executive compensation.

Q: What vote of G&K shareholders is required to approve the merger agreement?

A: Adoption of the merger agreement requires that shareholders holding a majority of the shares of common stock entitled to vote at the annual meeting vote **FOR** the proposal to approve the merger agreement. A failure to vote your shares of common stock or an abstention from voting will have the same effect as a vote **AGAINST** the proposal to approve the merger agreement. If you hold your shares in street name through your Nominee and you do not instruct the Nominee how to vote your shares, such failure to instruct your Nominee will have the same effect as a vote **AGAINST** the proposal to approve the merger agreement.

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Q: What vote of G&K shareholders is required to approve the other proposals to be voted upon at the annual meeting?

A: *Election of Directors*: Each nominee must be elected by a majority of the votes cast, where the number of votes cast **FOR** a nominee exceeds the number of votes cast **AGAINST** a nominee.
All Other Proposals (other than the merger agreement and election of directors proposals): The affirmative vote of the holders of the greater of (i) a majority of the voting power of shares present and entitled to vote on that item of business or (ii) a majority of the voting power of the minimum number of shares entitled to vote that would constitute a quorum for the transaction of business at the annual meeting.

Q: How does the Company Board recommend that I vote?

A: **The Company Board recommends that G&K shareholders vote;**

FOR the proposal to approve the merger agreement;

FOR the advisory (non-binding) proposal to approve certain compensation that may be paid or become payable to the named executive officers of the Company in connection with the Merger;

FOR the proposal regarding adjournment of the annual meeting;

FOR the election of each of the Class III directors;

FOR the advisory (non-binding) proposal to approve executive compensation; and

FOR the proposal to ratify KPMG as independent registered public accounting firm.

For a discussion of the factors that the Company Board considered in determining to recommend the approval of the merger agreement, please see the section entitled *The Merger (Proposal 1) Reasons for Recommending the Approval of the Merger Agreement*. In addition, in considering the recommendation of the Company Board with respect to the merger agreement, you should be aware that some of our directors and executive officers have interests that may be different from, or in addition to, the interests of G&K shareholders generally. For a discussion of these interests, please see the section entitled *The Merger (Proposal 1) Interests of the Company s Directors and Executive Officers in the Merger.*

Q: How do G&K s directors and officers intend to vote?

A: We currently expect that the Company s directors and executive officers will vote their shares in favor of the proposal to approve the merger agreement and the other proposals to be considered at the annual meeting.

Q: When is the Merger expected to be completed?

A: As of the date of this proxy statement, we expect to consummate the Merger within the next three to five months. However, the completion of the Merger is subject to the satisfaction or waiver of the conditions to the completion of the Merger, which are described in this proxy statement and include various regulatory clearances and approvals. It is possible that factors outside the control of G&K or Cintas could delay the completion of the Merger, or prevent it from being completed at all. There may be a substantial amount of time between the annual meeting and the completion of the Merger.

Q: What happens if the Merger is not completed?

A: If the merger agreement is not approved by the Company s shareholders, or if the Merger is not completed for any other reason, the Company s shareholders will not receive any payment for their shares of common

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stock in connection with the Merger. Instead, the Company will remain a public company, and shares of G&K common stock will continue to be registered under the Exchange Act, as well as listed and traded on the NASDAQ Global Select Market. In the event that either G&K or Cintas terminates the merger agreement, then, in certain circumstances, G&K will pay Cintas a termination fee in an amount equal to $60 million. See the section entitled *The Merger Agreement Termination Fee.* In certain other circumstances, Cintas will be required to pay a reverse termination fee in an amount equal to $100 million following termination by either G&K or Cintas. See the section entitled *The Merger Agreement Reverse Termination Fee.*

Q: What will happen if shareholders do not approve the advisory (non-binding) proposal on certain compensation that may be paid or become payable to the Company s named executive officers in connection with the Merger?

A: The inclusion of this proposal is required by the Securities and Exchange Commission (SEC) rules; however, the approval of this proposal is not a condition to the completion of the Merger and the vote on this proposal is an advisory vote by shareholders and will not be binding on the Company or Cintas. If the merger agreement is approved by the Company s shareholders and the Merger is completed, the Merger-related compensation may be paid to the Company s named executive officers in accordance with the terms of their compensation agreements and arrangements even if shareholders fail to approve this proposal.

Q: What do I need to do now? How do I vote my shares of common stock?

A: We urge you to read this entire proxy statement carefully, including its annexes and the documents incorporated by reference in this proxy statement, and to consider how the Merger affects you. Your vote is important, regardless of the number of shares of common stock you own.

Voting in Person

Shareholders of record will be able to vote in person at the annual meeting. If you are not a shareholder of record but instead hold your shares of common stock in street name through a broker, bank or other nominee, you must provide a legal proxy executed in your favor from your broker, bank or other nominee in order to be able to vote in person at the annual meeting.

It is not necessary to attend the annual meeting in order to vote your shares. To ensure that your shares of common stock are voted at the annual meeting, we recommend that you provide voting instructions promptly by proxy, even if you plan to attend the annual meeting in person.

Attending the meeting in person does not itself constitute a vote on any proposal.

Shares of Common Stock Held by Record Holder

You can also ensure that your shares are voted at the annual meeting by submitting your proxy via:

mail, by completing, signing and dating the enclosed proxy card and returning it in the enclosed postage-paid envelope;

telephone, by using the toll-free number listed on each proxy card; or

the Internet, at the Internet address provided on each proxy card.

If you sign, date and return your proxy card without indicating how you wish to vote with respect to a proposal, your proxy will be voted **FOR** (1) the proposal to approve the merger agreement, (2) the advisory (non-binding) proposal to approve certain compensation that may be paid or become payable to the named executive officers of the Company in connection with the Merger, (3) the proposal to adjourn the annual meeting, if necessary or appropriate, including to solicit additional proxies if there are insufficient

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votes at the time of the annual meeting to approve the proposal to approve the merger agreement or in the absence of a quorum, (4) the proposal to elect three Class III directors named in the attached proxy statement to serve for terms of three years, (5) the proposal to ratify the appointment of KPMG LLP as our independent auditors for fiscal year 2017, and (6) the advisory (non-binding) proposal to approve the compensation of the Company s named executive officers.

Street Name

If your shares of common stock are held by a Nominee on your behalf in street name, your Nominee will send you instructions as to how to provide voting instructions for your shares. Many brokerage firms and banks have a process for their customers to provide voting instructions by telephone or via the Internet, in addition to providing voting instructions by a voting instruction form.

If you do not instruct your Nominee on how you wish to vote your shares, a broker non-vote will occur with respect to each of the proposals other than the auditor ratification proposal. As a result, (i) your shares will be counted for the purpose of establishing a quorum at the annual meeting, but (ii) your Nominee may not vote your shares on the proposal to approve the merger agreement, the advisory (non-binding) proposal to approve certain compensation that may be paid or become payable to the named executive officers of the Company in connection with the Merger, the adjournment proposal, the election of directors or the advisory (non-binding) proposal to approve executive compensation, but may vote your shares, in its discretion, on the auditor ratification proposal. A broker non-vote will have the effect of a vote **AGAINST** the proposal to approve the merger agreement, no effect in the election of directors proposal and will reduce the number of shares necessary to approve the advisory (non-binding) proposal to approve certain compensation that may be paid or become payable to the named executive officers of the Company in connection with the Merger, the adjournment proposal and the advisory (non-binding) proposal to approve executive compensation.

Q: Can I revoke my proxy?

A: Yes. You can revoke your proxy at any time before the vote is taken at the annual meeting. If you are a shareholder of record, you may revoke your proxy by notifying the Company s Secretary in writing to the Company in care of the Corporate Secretary at 5995 Opus Parkway, Suite 500, Minnetonka, Minnesota 55343, or by submitting a new proxy by telephone, the Internet or mail, in each case, in accordance with the instructions on the enclosed proxy card and dated after the date of the proxy being revoked. In addition, you may revoke your proxy by attending the annual meeting and voting in person; however, simply attending the annual meeting will not cause your proxy to be revoked. Please note that if you hold your shares in street name and you have instructed a broker, bank or other nominee to vote your shares, you should instead follow the instructions received from your broker, bank or other nominee to revoke your prior voting instructions. If you hold your shares in street name, you may also revoke a prior proxy by voting in person at the annual meeting if you obtain a proxy executed in your favor from your broker, bank or other nominee in order to be able to vote in person at the annual meeting.

Q: What happens if I do not vote or if I abstain from voting on the proposals?

A:

The requisite number of shares to approve the merger agreement is based on the total number of shares of common stock outstanding on the record date, not just the shares that are voted. If you do not vote or abstain from voting on the proposal to approve the merger agreement, it will have the same effect as a vote **AGAINST** the proposal to approve the merger agreement.

If a shareholder does not vote or abstains from voting for a particular director nominee, such abstention will not count as an affirmative vote **FOR** or **AGAINST** such nominee and, therefore, will have no effect on the proposal. All other proposals must be approved by the greater of (i) a majority of the voting power of shares present and entitled to vote on that item of business or (ii) a majority of the voting power of the

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minimum number of shares entitled to vote that would constitute a quorum. If you abstain from voting on any such proposal, your shares will be considered to be present and entitled to vote on that proposal and will have the same effect as a vote **AGAINST** that proposal. However, if you do not vote on any such proposal, your shares will not be considered present at the shareholders meeting and your failure to vote will reduce the number of shares needed to approve that proposal.

Q: Will my shares of common stock held in street name or another form of record ownership be combined for voting purposes with shares I hold of record?

A: No. Because any shares of common stock you may hold in street name will be deemed to be held by a different shareholder (that is, your bank, broker or other nominee) than any shares of common stock you hold of record, any shares of common stock held in street name will not be combined for voting purposes with shares of common stock you hold of record. Similarly, if you own shares of common stock in various registered forms, such as jointly with your spouse, as trustee of a trust or as custodian for a minor, you will receive, and will need to sign and return, a separate proxy card for those shares of common stock because they are held in a different form of record ownership. Shares of common stock held by a corporation or business entity must be voted by an authorized officer of the entity. Please indicate title or authority when completing and signing the proxy card. Shares of common stock held in an individual retirement account must be voted under the rules governing the account. This means that, to ensure all your shares are voted at the annual meeting, you should read carefully any proxy materials received from your bank, broker or other nominee and follow the instructions included therewith.

Q: What does it mean if I get more than one proxy card or voting instruction card?

A: If your shares of common stock are registered differently or are held in more than one account, you will receive more than one proxy or voting instruction card. Please complete and return all of the proxy cards and voting instruction cards you receive (or submit each of your proxies by telephone or the Internet, if available to you) to ensure that all of your shares of common stock are voted.

Q: What happens if I sell my shares of common stock before completion of the Merger?

A: In order to receive the merger consideration, you must hold your shares of common stock through completion of the Merger. Consequently, if you transfer your shares of common stock before completion of the Merger, you will have transferred your right to receive the merger consideration in the Merger.

The record date for shareholders entitled to vote at the annual meeting is earlier than the completion of the Merger. If you transfer your shares of common stock after the record date but before the completion of the Merger, you will have the right to vote at the annual meeting but not the right to receive the merger consideration.

Q: Should I send in my stock certificates or other evidence of ownership now?

A: No. If the Merger is completed and your shares of G&K common stock are held in certificated form, you will receive a letter of transmittal and related materials from the paying agent for the Merger with detailed written instructions for exchanging your shares of common stock evidenced by stock certificates for the merger consideration. If your shares of common stock are held in street name by your broker, bank or other nominee, you may receive instructions from your broker, bank or other nominee as to what action, if any, you need to take to effect the surrender of your street name shares in exchange for the merger consideration. If your shares are held in book entry form, you will not need to deliver to the paying agent an executed letter of transmittal or stock certificates in order to receive the merger consideration, but will have to comply with the terms and conditions imposed by the paying agent in order to effect an orderly exchange of such book entry shares in accordance with normal exchange procedures. **Do not send in your certificates now**.

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Q: What is householding and how does it affect me?

A: The SEC permits companies to send a single set of proxy materials to any household at which two or more shareholders reside, unless contrary instructions have been received, but only if the company provides advance notice and follows certain procedures (householding). In such cases, each shareholder continues to receive a separate notice of the meeting and proxy card. Certain brokerage firms may have instituted householding for beneficial owners of common stock held through brokerage firms. If your family has multiple accounts holding common stock, you may have already received householding notification from your broker. Please contact your broker directly if you have any questions or require additional copies of this proxy statement. The broker will arrange for delivery of a separate copy of this proxy statement promptly upon your written or oral request. You may decide at any time to revoke your decision to household, and thereby receive multiple copies.

Q: Where can I find more information about G&K?

A: You can find more information about us from various sources described in the section of this proxy statement entitled *Where You Can Find Additional Information*.

Q: Can I access these materials on the Internet?

A: Yes. These proxy materials are available at www.gkservices.com in PDF and HTML format.

Q: Who can help answer my other questions?

A: If you have more questions about the Merger, or require assistance in submitting your proxy or voting your shares or need additional copies of the proxy statement or the enclosed proxy card, please contact D.F. King & Co., Inc., which is acting as the proxy solicitation agent for the Company in connection with the Merger, or the Company.

D.F. King & Co., Inc.

48 Wall Street

New York, NY 10005

(888) 605-1956 (toll free)

(212) 269-5550 (call collect)

or

G&K Services, Inc.

c/o Corporate Secretary

5995 Opus Parkway, Suite 500

Minnetonka, Minnesota 55343 (952) 912-5500.

If your broker, bank or other nominee holds your shares, you should also call your broker, bank or other nominee for additional information.

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CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This proxy statement, and the documents incorporated by reference in this proxy statement, contains forward-looking statements within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act. The Private Securities Litigation Reform Act of 1995 provides a safe harbor from civil litigation for forward-looking statements. Forward-looking statements by their nature address matters that are, to different degrees, uncertain, such as statements about the potential timing or consummation of the proposed transaction or the anticipated benefits thereof, including, without limitation, future financial and operating results. Forward-looking statements may be identified by words such as estimates, anticipates, projects, plans, exp intends, believes, seeks, could, should, may and will or the negative versions thereof and similar expressio the context in which they are used. Such statements are based upon our current expectations and speak only as of the date made. These statements are subject to various risks, uncertainties and other factors that could cause actual results to differ from those set forth in or implied by this proxy statement and the documents incorporated by reference in this proxy statement. Factors that may cause such a difference include, but are not limited to, risks and uncertainties related to:

- the ability to obtain the requisite company vote and regulatory approvals, or the possibility that they may delay the Merger or that such regulatory approval may result in the imposition of conditions that could cause the parties to abandon the Merger;

- the risk that a condition to closing of the Merger may not be satisfied;

- the ability of the Company and Cintas to integrate their businesses successfully and to achieve anticipated cost savings and other synergies;

- the possibility that other anticipated benefits of the Merger will not be realized, including, without limitation, anticipated revenues, expenses, earnings and other financial results, and growth and expansion of the new combined company s operations;

- potential litigation relating to the Merger that could be instituted against the Company or Cintas or their respective directors;

- possible disruptions from the Merger that could harm the Company s or Cintas business, including current plans and operations;

- the ability of the Company or Cintas to retain, attract and hire key personnel;

- potential adverse reactions or changes to relationships with clients, employees, suppliers or other parties resulting from the announcement or completion of the Merger;

potential business uncertainty, including changes to existing business relationships, during the pendency of the Merger that could affect the Company s and/or Cintas financial performance;

certain restrictions during the pendency of the Merger that may impact the Company s and/or Cintas ability to pursue certain business opportunities or strategic transactions;

continued availability of capital and financing and rating agency actions;

legislative, regulatory and economic developments;

unpredictability and severity of catastrophic events, including, but not limited to, acts of terrorism or outbreak of war or hostilities, as well as management s response to any of the aforementioned factors.

and other risks detailed in our filings with the SEC, including the Company s Annual Report on Form 10-K for the fiscal year ended July 2, 2016, and other documents filed by G&K with the SEC after the date thereof. See the section entitled *Where You Can Find Additional Information.*

Many of the factors that will determine our future results are beyond our ability to control or predict. In light of the significant uncertainties inherent in the forward-looking statements contained herein, readers should not

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place undue reliance on forward-looking statements, which speak only as of the date hereof. We cannot guarantee any future results, levels of activity, performance or achievements. While the list of factors presented here is considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Consequences of material differences in results as compared with those anticipated in the forward-looking statements could include, among other things, business disruption, operational problems, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on the Company s or Cintas consolidated financial condition, results of operations, credit rating or liquidity. Neither the Company nor Cintas undertake any obligation to update any forward-looking statements to reflect events or circumstances arising after the date on which they are made, except as required by law.

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THE COMPANIES

G&K Services, Inc.

G&K is a service-focused market leader of branded uniform and facility services programs in the United States and Canada. Headquartered in Minnetonka, Minnesota, G&K has 8,000 employees serving approximately 170,000 customer locations from 165 facilities in North America. G&K is a publicly held company traded over the NASDAQ Global Select Market under the symbol GK and is a component of the Standard & Poor s SmallCap 600 Index.

G&K s principal executive offices are located at 5995 Opus Parkway, Suite 500, Minnetonka, Minnesota 55343, and its telephone number is (952) 912-5500. A detailed description of the Company s business is contained in the Company s Annual Report on Form 10-K for the fiscal year ended July 2, 2016, which is incorporated by reference into this proxy statement. See the section entitled *Where You Can Find Additional Information.*

Cintas Corporation

Cintas is a Washington corporation that helps more than 900,000 businesses of all types and sizes, primarily in North America, as well as Latin America, Europe and Asia, get Ready to open their doors with confidence every day by providing a wide range of products and services that enhance Cintas customers image and help keep their facilities and employees clean, safe and looking their best. With products and services including uniforms, floor care, restroom supplies, first aid and safety products, fire extinguishers and testing, and safety and compliance training, Cintas helps customers get Ready for the Workday . Headquartered in Cincinnati, Cintas is a publicly held company traded over the NASDAQ Global Select Market under the symbol CTAS and is a component of the Standard & Poor s 500 Index.

Cintas principal executive offices are located at 6800 Cintas Boulevard, P.O. Box 625737, Cincinnati, Ohio 45262-5737, and its telephone number is (513) 459-1200.

Bravo Merger Sub, Inc.

Merger Sub is a Minnesota corporation and a wholly owned subsidiary of Cintas that was formed solely for the purpose of entering into the merger agreement and consummating the transactions contemplated by the merger agreement.

Merger Sub s principal executive offices are located at 6800 Cintas Boulevard, P.O. Box 625737, Cincinnati, Ohio 45262-5737, and its telephone number is (513) 459-1200.

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THE ANNUAL MEETING

We are furnishing this proxy statement to the Company s shareholders as part of the solicitation of proxies by the Company Board for use at the annual meeting or any adjournment or postponement thereof. This proxy statement provides the Company s shareholders with the information they need to know to be able to vote or instruct their vote to be cast at the annual meeting or any adjournment or postponement thereof.

Date, Time and Place of the Annual Meeting

This proxy statement is being furnished to our shareholders as part of the solicitation of proxies by the Company Board for use at the annual meeting to be held at 5995 Opus Parkway, Minnetonka, Minnesota 55343, on [ ], at [ ], local time, or at any adjournment or postponement thereof.

Purposes of the Annual Meeting

At the annual meeting, G&K shareholders will be asked to consider and vote on the following proposals:

- to approve the merger agreement;
- to approve, on an advisory (non-binding) basis, certain compensation that may be paid or become payable to the Company s named executive officers in connection with the Merger, the value of which is disclosed in the table in the section of this proxy statement entitled *The Merger (Proposal 1) Interests of the Company s Directors and Executive Officers in the Merger* ;
- to approve the adjournment of the annual meeting, if necessary or appropriate, including to solicit additional proxies if there are insufficient votes at the time of the annual meeting to approve the proposal to approve the merger agreement or in the absence of a quorum;
- to elect the three Class III directors named in this proxy statement to serve for terms of three years;
- to ratify the appointment of KPMG LLP, independent registered public accounting firm, as our independent auditors for fiscal year 2017; and
- to approve, on an advisory (non-binding) basis, the compensation of the Company s named executive officers.

Our shareholders must approve the merger agreement, by the affirmative vote of the holders of a majority of the voting power of all shares entitled to vote, for the Merger to occur. If our shareholders fail to approve the merger agreement, the Merger will not occur. A copy of the merger agreement is attached to this proxy statement as **Annex A**, and the material provisions of the merger agreement are described in the section entitled *The Merger Agreement.*

The vote on executive compensation payable in connection with the Merger is a vote separate and apart from the vote to approve the merger agreement. Accordingly, a shareholder may vote to approve the executive compensation and vote not to approve the merger agreement and vice versa. Because the vote on executive compensation is advisory in nature only, it will not be binding on either the Company or Cintas. Accordingly, if the merger agreement is adopted by the Company s shareholders and the Merger is completed, the Merger-related compensation may be paid or become payable to the Company s named executive officers in accordance with the terms of their compensation agreements or arrangements even if the shareholders fail to approve the proposal.

G&K does not expect a vote to be taken on matters other than those specified above at the annual meeting or any adjournment or postponement thereof. If any other matters are properly presented at the annual meeting or any adjournment or postponement thereof for consideration, however, the holders of the proxies will have discretion to vote on these matters in accordance with their best judgment.

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This proxy statement and the enclosed form of proxy are first being mailed to our shareholders on or about [ ], 2016.

Record Date and Quorum

Only shareholders of record at the close of business on the record date will be entitled to vote at the annual meeting or any adjournment or postponement thereof. As of the close of business on [ ], 2016, the record date for the annual meeting, [ ] shares of common stock were outstanding.

A quorum, consisting of the holders of a majority of G&K common stock issued and outstanding and entitled to vote at the annual meeting, is required for the transaction of business at the annual meeting. Such quorum must be present, either in person or represented by proxy, for the transaction of business at the annual meeting, except as otherwise required by law, our Amended and Restated Articles of Incorporation or our Amended and Restated Bylaws.

All shares entitled to vote and represented by properly executed proxies received prior to the annual meeting, and not revoked, will be voted as instructed on those proxies. If no instructions are indicated, those shares will be voted as recommended by the Company Board. If any director nominee is unable to serve or for good cause will not serve, the proxies which would have otherwise been voted for that director nominee may be voted for a substitute director nominee selected by the Company Board.

Required Vote

Each share of common stock outstanding at the close of business on the record date is entitled to one vote on each of the proposals to be considered at the annual meeting.

The required vote for each of the proposals is as follows:

Approval of the Merger Agreement: The affirmative vote, in person or by proxy, of holders of a majority of the outstanding shares of the Company s common stock entitled to vote thereon is required to approve the merger agreement.

Advisory (Non-Binding) Vote on Merger-Related Compensation: The affirmative vote of the holders of the greater of (i) a majority of the voting power of shares present and entitled to vote on that item of business or (ii) a majority of the voting power of the minimum number of shares entitled to vote that would constitute a quorum for the transaction of business at the annual meeting is required to approve, on an advisory (non-binding) basis, the Merger-related compensation payments.

Adjournment of the Annual Meeting: The affirmative vote of the holders of the greater of (i) a majority of the voting power of shares present and entitled to vote on that item of business or (ii) a majority of the voting power of the minimum number of shares entitled to vote that would constitute a quorum for the transaction of business at the annual meeting is required to approve the adjournment of the annual meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the merger agreement.

Election of Directors: Each nominee must be elected by a majority of the votes cast by the holders of shares entitled to vote in the election at the meeting, where the number of votes cast **FOR** a nominee exceeds the number of votes cast **AGAINST** a nominee. In a contested election, the vote required for the election of directors is a plurality of votes cast. In the event an incumbent director does not receive a sufficient number of the votes cast for re-election, our Corporate Governance Guidelines require that the director promptly offer to tender his or her resignation to the Company Board. Our Corporate Governance Committee will make a recommendation to the Company Board on whether to accept or reject the offer. The Company Board, taking into account the recommendation of the Corporate Governance Committee, will decide whether to accept or reject the offer, and will publicly disclose its decision and the rationale behind it within 90 days after the date of the election.

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Appointment of the Company s Independent Public Accountant: The affirmative vote of the holders of the greater of (i) a majority of the voting power of shares present and entitled to vote on that item of business or (ii) a majority of the voting power of the minimum number of shares entitled to vote that would constitute a quorum for the transaction of business at the annual meeting is required for the appointment of KPMG LLP.

Advisory (Non-Binding) Vote on Executive Compensation: The affirmative vote of the holders of the greater of (i) a majority of the voting power of shares present and entitled to vote on that item of business or (ii) a majority of the voting power of the minimum number of shares entitled to vote that would constitute a quorum for the transaction of business at the annual meeting is required to approve, on an advisory (non-binding) basis, the compensation of the Company s named executive officers. The Compensation Committee of the Company Board, which is responsible for designing and administering our executive compensation program, values the opinions expressed by shareholders in their vote and will consider the outcome of the vote when making future compensation decisions for named executive officers

Other Proposals: The affirmative vote of the holders of the greater of (i) a majority of the voting power of shares present and entitled to vote on that item of business or (ii) a majority of the voting power of the minimum number of shares entitled to vote that would constitute a quorum for the transaction of business at the annual meeting is required for approval of any other proposal to be voted upon at the annual meeting.

As of the record date, there were [ ] shares of common stock outstanding and [ ] record holders.

Voting by the Company s Directors and Executive Officers

At the close of business on the record date, directors and executive officers of the Company were entitled to vote [ ] shares of common stock, or approximately [ ]% of the shares of common stock issued and outstanding on that date. We currently expect that the Company s directors and executive officers will vote their shares in favor of the proposal to approve the merger agreement and all other proposals to be considered at the annual meeting, although they have no obligation to do so.

Voting; Proxies; Revocation

Attendance

All holders of shares of common stock as of the close of business on [ ], 2016, the record date, including shareholders of record and beneficial owners of common stock registered in the street name of a broker, bank or other nominee, are invited to attend the annual meeting. If you are a shareholder of record, please be prepared to provide proper identification, such as a driver s license. If you hold your shares in street name, you will need to provide proof of ownership, such as a recent account statement or voting instruction form provided by your broker, bank or other nominee or other similar evidence of ownership, along with proper identification.

Voting in Person

Shareholders of record will be able to vote in person at the annual meeting. If you are not a shareholder of record, but instead hold your shares of common stock in street name through a broker, bank or other nominee, you must provide a legal proxy executed in your favor from your broker, bank or other nominee in order to be able to vote in person at the annual meeting. Attending the meeting in person does not itself constitute a vote on any proposal.

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Providing Voting Instructions by Proxy

To ensure that your shares of common stock are voted at the annual meeting, we recommend that you provide voting instructions promptly by proxy, even if you plan to attend the annual meeting in person.

Shares of Common Stock Held by Record Holder

If you are a shareholder of record, you may provide voting instructions by proxy using one of the methods described below.

Submit a Proxy by Telephone or via the Internet. This proxy statement is accompanied by a proxy card with instructions for submitting voting instructions. You may vote by telephone by calling the toll-free number or via the Internet by accessing the Internet address specified on the enclosed proxy card. Your shares of common stock will be voted as you direct in the same manner as if you had completed, signed, dated and returned your proxy card, as described below.

Submit a Proxy Card. If you complete, sign, date and return the enclosed proxy card by mail so that it is received in time for the annual meeting, your shares of common stock will be voted in the manner directed by you on your proxy card.

If you sign, date and return your proxy card without indicating how you wish to vote, your proxy will be voted in favor of each of (1) the proposal to approve the merger agreement, (2) the advisory (non-binding) proposal to approve certain compensation that may be paid or become payable to the named executive officers of the Company in connection with the Merger, (3) the proposal to adjourn the annual meeting, if necessary or appropriate, including to solicit additional proxies if there are insufficient votes at the time of the annual meeting to approve the proposal to approve the merger agreement or in the absence of a quorum, (4) the proposal to elect three Class III directors named in the attached proxy statement to serve for terms of three years, (5) the proposal to ratify the appointment of KPMG LLP as our independent auditors for fiscal year 2017, and (6) the advisory (non-binding) proposal to approve the compensation of the Company s named executive officers. **If you fail to return your proxy card or vote in person, the effect will be that your shares of common stock will not be considered present at the annual meeting for purposes of determining whether a quorum is present at the annual meeting, (i) will have the same effect as a vote AGAINST the proposal to approve the merger agreement, (ii) assuming a quorum is present, will reduce the number of shares required to approve (A) the advisory (non-binding) proposal to approve certain compensation that may be paid or become payable to the named executive officers of the Company in connection with the Merger, (B) the vote regarding the adjournment of the annual meeting, if necessary or appropriate, including to solicit additional proxies if there are insufficient votes at the time of the annual meeting to approve the proposal to approve the merger agreement or in the absence of a quorum, (C) the proposal to ratify the appointment of KPMG LLP as our independent auditors for fiscal year 2017, or (D) the advisory (non-binding) proposal to approve the compensation of the Company s named executive officers, and (iii) will not count as a vote FOR or AGAINST the proposal to elect the three Class III director nominees and, therefore, will have no effect on that proposal.**

Shares of Common Stock Held in Street Name

If you hold your shares in street name through a Nominee, your Nominee will send you instructions as to how to provide voting instructions for your shares. Many brokerage firms and banks have a process for their customers to provide voting instructions by telephone or via the Internet, in addition to providing voting instructions by a voting instruction form.

If you do not instruct your Nominee on how you wish to vote your shares, a broker non-vote will occur with respect to each of the proposals other than the auditor ratification proposal. As a result, (i) your shares will be

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counted for the purpose of establishing a quorum at the annual meeting, but (ii) your Nominee may not vote your shares on the proposal to approve the merger agreement, the advisory (non-binding) proposal to approve certain compensation that may be paid or become payable to the named executive officers of the Company in connection with the Merger, the adjournment proposal, the election of directors or the advisory (non-binding) proposal to approve executive compensation, but may vote your shares, in its discretion, on the auditor ratification proposal. A broker non-vote will have the effect of a vote **AGAINST** the proposal to approve the merger agreement, no effect in the election of directors proposal and will reduce the number of shares necessary to approve the advisory (non-binding) proposal to approve certain compensation that may be paid or become payable to the named executive officers of the Company in connection with the Merger, the adjournment proposal and the advisory (non-binding) proposal to approve executive compensation.

Revocation of Proxies

Any person giving a proxy pursuant to this solicitation has the power to revoke and change it at any time before it is voted. If you are a shareholder of record, you may revoke your proxy at any time before the vote is taken at the annual meeting by:

- submitting a new proxy with a later date, by using the telephone or Internet proxy submission procedures described above, or by completing, signing, dating and returning a new proxy card by mail to the Company;
- attending the annual meeting and voting in person; however, simply attending the annual meeting will not cause your proxy to be revoked; or
- delivering a written notice of revocation by mail to the Company in care of the Corporate Secretary at 5995 Opus Parkway, Suite 500, Minnetonka, Minnesota 55343.

Please note, however, that only your last-dated proxy will count. Attending the annual meeting without taking one of the actions described above will not in itself revoke your proxy. Please note that if you want to revoke your proxy by mailing a new proxy card to the Company or by sending a written notice of revocation to the Company, you should ensure that you send your new proxy card or written notice of revocation in sufficient time for it to be received by the Company before the annual meeting.

Please note that if you hold your shares in street name and you have instructed a broker, bank or other nominee to vote your shares, you should instead follow the instructions received from your broker, bank or other nominee to revoke your prior voting instructions. If you hold your shares in street name, you may also revoke a prior proxy by voting in person at the annual meeting if you obtain a proxy executed in your favor from your broker, bank or other nominee in order to be able to vote in person at the annual meeting.

Abstentions

An abstention occurs when a shareholder attends a meeting, either in person or is represented by proxy, but abstains from voting. Abstentions will be included in the calculation of the number of shares of common stock present or represented at the annual meeting for purposes of determining whether a quorum has been achieved. Abstaining from voting will have the same effect as a vote **AGAINST** the proposal to approve the merger agreement. If a shareholder does not vote or abstains from voting for a particular director nominee, such abstention will not count as an

affirmative vote **FOR** or **AGAINST** such nominee and, therefore, will have no effect on the proposal. The requisite number of shares to approve the other proposals is based on the total number of shares represented in person or represented by proxy with respect to such proposals; if you abstain from voting with respect to such proposals, such abstention will have the same effect as a vote **AGAINST** such proposals.

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Solicitation of Proxies

The Company Board is soliciting your proxy, and the Company will bear the cost of this solicitation of proxies. This includes the charges and expenses of brokerage firms and others for forwarding solicitation material to beneficial owners of G&K s common stock. The Company has retained D.F. King & Co., Inc., a proxy solicitation firm, to assist the Company Board in the solicitation of proxies for the annual meeting, and we expect to pay D.F. King & Co., Inc. approximately $12,500, plus reimbursement of out-of-pocket expenses. Proxies may be solicited by mail, personal interview, e-mail, telephone, or via the Internet by D.F. King & Co., Inc. or, without additional compensation, by certain of the Company s directors, officers and employees.

Other Information

You should not return your stock certificate or send documents representing common stock with the proxy card. If the Merger is completed, the paying agent for the Merger will send you a letter of transmittal and related materials and instructions for exchanging your certificates representing shares of common stock for the merger consideration. No holder of non-certificated shares represented by book-entry, which we refer to as book-entry shares in this proxy statement, will be required to deliver a certificate or, in the case of book-entry shares held through the Depositary Trust Company, an executed letter of transmittal, to the paying agent to receive the merger consideration.

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THE MERGER (PROPOSAL 1)

*The description of the Merger in this section and elsewhere in this proxy statement is qualified in its entirety by reference to the complete text of the merger agreement, a copy of which is attached as **Annex A** and is incorporated by reference into this proxy statement. This summary does not purport to be complete and may not contain all of the information about the Merger that is important to you. You are encouraged to read the merger agreement carefully and in its entirety.*

Certain Effects of the Merger

Pursuant to the terms of the merger agreement, Merger Sub will be merged with and into the Company, with the Company surviving the Merger.

Upon the terms and subject to the conditions of the merger agreement, at the effective time, each share of G&K common stock issued and outstanding immediately prior to the effective time (other than the excluded shares) will be converted into the right to receive the merger consideration.

G&K common stock is currently registered under the Exchange Act and is listed on the NASDAQ Global Select Market under the symbol GK.

Per Share Merger Consideration

The merger consideration will be $97.50 per share in cash, without interest, and subject to any applicable withholding taxes.

Background of the Merger

In addition to its regularly scheduled meetings, the Company Board and its senior management met from time to time, including formally on an annual basis, to, among other things, evaluate G&K s business and long-term strategic goals and plans, and to review, consider and assess, in the context of G&K s operations, financial performance and industry conditions, potential opportunities for business combinations and mergers, joint ventures and other collaborations, acquisitions, a sale of the company, alternatives for returning capital to G&K s shareholders and other financial and strategic alternatives. Stinson Leonard Street LLP (Stinson), as longstanding legal counsel to G&K, and Merrill Lynch, Pierce, Fenner & Smith Incorporated (BofA Merrill Lynch), the Company s financial advisor, participated in certain of these discussions and assisted the Company Board and its senior management with such reviews. Over time, as part of this routine process, the financial and strategic alternatives reviewed by the Company Board have included G&K s continued execution of its strategic plan as an independent, standalone company, special dividends, share buybacks, acquisitions, a strategic merger, a leveraged buy-out and a sale of the Company.

Consistent with these efforts, Douglas A. Milroy, G&K s Chairman and Chief Executive Officer, periodically throughout the last several years met with representatives of industry participants other then Cintas, including Company A and Company B, to explore potential strategic opportunities. None of these discussions led to anything actionable by G&K.

On December 2, 2015, Scott D. Farmer, Cintas Chief Executive Officer, contacted Mr. Milroy to request a meeting to discuss the potential combination of G&K and Cintas. Mr. Milroy advised Mr. Ernest J. Mrozek, G&K s lead independent director, Jeffrey L. Cotter, G&K s Vice President, General Counsel, and Corporate Secretary, Tracy C. Jokinen, G&K s Chief Financial Officer, and representatives of BofA Merrill Lynch on December 2, 2015 of Mr.

Farmer s call, and Mr. Milroy scheduled a meeting of the Company Board on December 6, 2015.

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A telephonic meeting of the Company Board was held on December 6, 2015, which was also attended by members of G&K s senior management and representatives of BofA Merrill Lynch. Mr. Milroy updated the Company Board on Mr. Farmer s request for a meeting, and indicated that, based on Mr. Farmer s comments, he believed that Mr. Farmer might propose a strategic transaction between G&K and Cintas. Mr. Milroy also updated the Company Board about his previously scheduled meeting with the Chief Executive Officer of Company A to be held the following day on December 7, 2015. The independent directors also met in executive session with representatives of BofA Merrill Lynch without management present. At the conclusion of the meeting, the Company Board directed Mr. Milroy to meet with Mr. Farmer.

On December 7, 2015, Mr. Milroy met with the Chief Executive Officer of Company A to discuss, among other things, a potential strategic transaction between G&K and Company A. Mr. Milroy s meeting with the Chief Executive Officer of Company A was scheduled prior to Cintas December 2, 2015 call to Mr. Milroy. The Chief Executive Officer of Company A indicated that Company A was not interested in exploring a strategic transaction with G&K.

On December 8, 2015, Mr. Milroy contacted Mr. Farmer to make arrangements for the meeting requested by Mr. Farmer. Messrs. Milroy and Farmer agreed to meet on January 12, 2016 in the Minneapolis area.

Also in December 2015, the Company Board formed a working group (the working group) consisting of Mr. Milroy, Ms. Jokinen, Mr. Cotter, Mr. Mrozek and Wayne M. Fortun, another independent member of the Company Board with experience in negotiated transactions, together with representatives of BofA Merrill Lynch in an advisory capacity. The purpose of the working group was to facilitate board level input and oversight for any negotiations that may take place with Cintas. On January 6, 2016, the working group met in person, with representatives of BofA Merrill Lynch, to discuss and prepare for Mr. Milroy s January 12, 2016 meeting with Mr. Farmer.

On January 12, 2016, Mr. Farmer met with Mr. Milroy as scheduled. At the meeting, Mr. Farmer proposed in writing that Cintas acquire all of the outstanding common shares of G&K for $76.00 per share in cash. Mr. Milroy said he would discuss Cintas proposal with the Company Board.

On January 17, 2016, a telephonic meeting of the Company Board was held, which was attended by members of G&K senior management and representatives of BofA Merrill Lynch and Stinson. Mr. Milroy updated the Company Board on his meeting with Mr. Farmer and the $76.00 per share proposal. Representatives of Stinson reviewed with the Company Board its fiduciary duties in connection with an evaluation of an unsolicited offer to acquire the Company, and, if at a later date, the Company Board decided to pursue a sale of the Company, its fiduciary duties in connection with such a sale. Representatives of BofA Merrill Lynch also discussed and reviewed with the Company Board the financial aspects of the proposal, including the perceived financial ability of Cintas to improve on the proposal, obtain financing and consummate the transaction. Following deliberation, the Company Board unanimously determined to reject the proposal because it was inadequate and instructed Mr. Milroy and the working group to respond to Cintas accordingly.

On January 18, 2016, the working group met telephonically, with representatives of BofA Merrill Lynch, to prepare a response to the Cintas proposal. On January 19, 2016, Mr. Milroy contacted Mr. Farmer to convey the Company Board s decision to reject the proposal.

On February 3 and February 4, 2016, the Company Board held at a regularly scheduled board meeting, which was attended by members of the Company s senior management. At the meeting, Ms. Jokinen presented the Company s long-term business plan, discussed risks and opportunities associated with the Company s operations and the Company s second quarter results. Representatives of BofA Merrill Lynch and Stinson also attended a portion of the meeting. As part of the Company Board s regular annual review of strategic alternatives, at the request of the Company

Board, representatives of BofA Merrill Lynch discussed, among other things, potential strategic transactions with various third parties.

On March 21, 2016, in accordance with the Company Board s continuing efforts to explore financial and strategic alternatives, Mr. Milroy met with the Chief Executive Officer of Company B. Mr. Milroy and the Chief

Executive Officer of Company B discussed, among other things, a strategic transaction between G&K and Company B. The Chief Executive Officer of Company B indicated that he would relay his conversation with Mr. Milroy to certain members of Company B s board of directors.

On April 5, 2016, Mr. Milroy again met with the Chief Executive Officer of Company A. During this meeting, Mr. Milroy and the Chief Executive Officer of Company A discussed a potential strategic transaction between G&K and Company A. In response, the Chief Executive Officer of Company A confirmed that Company A was not interested in pursuing a strategic transaction with G&K.

On April 15, 2016, Mr. Milroy called the Chief Executive Officer of Company B to follow-up on their earlier discussions. In response to Mr. Milroy s call, the Chief Executive Officer of Company B indicated that Company B was not interested in pursuing a strategic transaction with G&K at this time.

On May 5, 2016, Mr. Milroy and Mr. Farmer had a telephone call, which Mr. Farmer initiated. During the call, Mr. Farmer requested a meeting with G&K with himself and J. Michael Hansen, Vice President and Chief Financial Officer of Cintas. Mr. Farmer indicated that he and Mr. Hansen had, since the parties last spoke, performed additional analysis and modeling of a potential strategic transaction between the two companies and that he would like to discuss their analysis with Mr. Milroy. Mr. Milroy preliminarily agreed to a meeting between the representatives of the two companies on May 12, 2016, subject to Mr. Mrozek s concurrence, which was subsequently obtained.

On May 12, 2016, Mr. Milroy met with Messrs. Farmer and Hansen. At the meeting, Mr. Farmer presented a proposal to acquire all of the outstanding common shares of G&K for $86.00 per share in cash and confirmed the offer in writing. The written proposal indicated that the $86.00 per share price represented a 49% premium to G&K s 52-week low share price on January 19, 2016. The working group, with representatives of BofA Merrill Lynch, convened a telephonic meeting later that same day to discuss Cintas revised proposal, which the working group agreed should be presented to the Company Board at its subsequently scheduled meeting on May 21, 2016.

Pursuant to a letter agreement, dated May 12, 2016, G&K formally retained BofA Merrill Lynch as its financial advisor in connection with a potential transaction. In connection with the Company s engagement of BofA Merrill Lynch as the Company s financial advisor, BofA Merrill Lynch provided the Company with information regarding certain relationships BofA Merrill Lynch and its affiliates had with Cintas, including that, during the preceding two-year period, BofA Merrill Lynch and its affiliates had provided investment and corporate banking services to Cintas and earned revenues for such services. The amount of such revenues during such period was less than $200,000.

On May 21, 2016, a telephonic meeting of the Company Board was held, which was attended by members of G&K senior management and representatives of BofA Merrill Lynch and Stinson. Mr. Milroy updated the Company Board on the May 12th proposal from Cintas, and his recent meetings with the respective Chief Executive Officers of Company A and Company B. At the meeting, representatives of BofA Merrill Lynch presented various preliminary analyses with respect to a proposed transaction between G&K and Cintas. Ms. Jokinen also provided an update on key internal and external trends affecting the Company s business and the associated opportunities and risks with the Company s long-term business plan. Following discussion, the Company Board determined that Cintas $86.00 per share proposal was inadequate, that the Company Board would not make a counter offer to Cintas at a specific price, and that Cintas would have to further increase its proposed price if the Company Board were to consider engaging in discussions regarding a possible transaction with Cintas.

On May 24, 2016, Mr. Milroy had a discussion with Mr. Farmer during which he conveyed the Company Board s views concerning Cintas $86.00 per share offer. Mr. Milroy emphasized the Company Board s view that the proposal

was inadequate given G&K s value as a standalone entity, the potential synergies from a combination and the lack of comparable opportunities for Cintas. Mr. Milroy also emphasized that the Cintas offer did not adequately reflect prevailing premiums and the accretive nature for Cintas of an acquisition of G&K.

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On June 3, 2016, Mr. Farmer called Mr. Milroy and requested a meeting with representatives of G&K to discuss potential synergies in a proposed transaction and other matters in order to assist Cintas in determining whether or not it was able to make an improved offer.

On June 6, 2016, the working group, with representatives of BofA Merrill Lynch, met to consider Mr. Farmer s request for a meeting and to develop a recommendation for the Company Board. The working group recommended that Mr. Milroy proceed with the meeting subject to obtaining a non-disclosure agreement and standstill prior to any such meeting.

On June 9, 2016, the Company Board held a telephonic meeting to discuss Mr. Farmer s request for a meeting, which was attended by members of G&K senior management and representatives of BofA Merrill Lynch and Stinson. Mr. Milroy relayed the recommendation of the working group to proceed with a meeting, subject to obtaining a non-disclosure agreement and standstill from Cintas prior to engaging in any such meeting. Following discussion, the Company Board agreed with the working group s recommendation and directed Mr. Milroy to proceed on that basis.

On June 14, 2016, Mr. Farmer and Mr. Milroy had a telephone call during which they agreed to meet on June 21, 2016 in the Minneapolis area.

That same day, Mr. Cotter provided Mr. Thomas F. Frooman, Senior Vice President, Secretary and General Counsel of Cintas, a draft mutual confidentiality agreement containing a standstill provision. On June 20, 2016, G&K and Cintas entered into the mutual confidentiality agreement containing a standstill provision.

On June 21, 2016, Mr. Milroy and Ms. Jokinen met with Mr. Farmer and Mr. Hansen to discuss their respective views about synergies that could potentially result from the proposed transaction. At this meeting, Mr. Milroy and Ms. Jokinen discussed G&K s view as to its potential long-term standalone value, and they emphasized the Company Board s view that Cintas proposal was inadequate given this view. Mr. Milroy and Ms. Jokinen also commented on the lack of comparable opportunities for Cintas, and the fact that Cintas proposal did not reflect prevailing premiums or the accretive nature for Cintas of an acquisition of G&K.

On June 22 and 23, 2016, the Company Board held a regularly scheduled meeting in person in Minneapolis, Minnesota. Members of G&K senior management attended the meeting, and representatives from BofA Merrill Lynch and Stinson attended portions of the meeting. Mr. Milroy discussed the June 21, 2016 meeting with Messrs. Farmer and Hansen. Mr. Milroy indicated Mr. Farmer had stated that he would likely provide a third revised offer but not a fourth. A representative from Stinson gave a presentation to the Company Board on their fiduciary duties as directors. At the request of the Company Board, Mr. Cotter also provided the Company Board with a summary of change in control provisions under employment arrangements with, and policies relating to, the Company s executive officers that would be triggered if a change in control of G&K occurred.

At the Company Board meeting on June 23, 2016, members of senior management summarized internal and external opportunities and risks for G&K, various growth initiatives and related results and the recommended fiscal 2017 financial plan and the achievability thereof. Representatives of BofA Merrill Lynch led a discussion regarding market and general economic conditions and whether the timing was favorable for a sale transaction. BofA Merrill Lynch representatives reviewed Cintas most recent proposal and presented various preliminary financial analyses with respect to a proposed transaction between G&K and Cintas. The Company Board, in consultation with its advisors, discussed its view that Cintas was the most logical buyer of G&K because of, among other things, Cintas existing operations, industry expertise, complementary businesses and geographic footprint, as well as the projected cost synergies that would result from the combination, and Cintas strong balance sheet and financial position. The Company Board also discussed other alternatives available to G&K, including continuing to operate as a standalone

business and the fact that discussions with Company A and Company B indicated that they were unlikely to enter into a strategic transaction with G&K. The Company Board also discussed the benefits and risks of contacting other potential acquirers in the event the Company

Board determined to move forward with a potential sale transaction, and noted that any definitive transaction agreement would need to be structured to allow G&K to terminate the transaction in the event G&K received a superior alternative proposal.

On June 29, 2016, Mr. Farmer contacted Mr. Milroy and presented a proposal whereby Cintas would acquire all of the outstanding common shares of G&K for $94.00 per share in cash.

On June 30, 2016, the Company Board met telephonically, which meeting was attended by members of G&K senior management and representatives of BofA Merrill Lynch and Stinson, to discuss Cintas most recent proposal. Representatives of BofA Merrill Lynch presented a preliminary financial analysis of the proposal. After deliberations, the Company Board determined that Cintas $94.00 per share offer was inadequate and instructed Mr. Milroy to advise Mr. Farmer that, as a condition of G&K continuing to evaluate a potential transaction with Cintas, Cintas must confirm in writing that (1) the negotiations would be held in strict confidence, consistent with the terms of the parties confidentiality agreement, (2) only limited confirmatory due diligence would be required, (3) any transaction agreement must provide for certainty of closing the transaction, (4) a definitive agreement must be reached before the end of July 2016 and (5) the price must be greater than $100.00 per share.

On July 2, 2016, Mr. Milroy had a telephone call with Mr. Farmer during which he conveyed the Company Board s views concerning Cintas $94.00 per share proposal and requirements to engage in further discussions with Cintas.

On July 6, 2016, Cintas provided a written proposal reaffirming its interest in acquiring all of the outstanding common shares of G&K for $94.00 per share in cash. The proposal also confirmed G&K s requirements with respect to confidentiality and timing, however it included an extensive due diligence request list and did not adequately address G&K s requirement of certainty of closing the transaction. The working group and representatives of BofA Merrill Lynch and Stinson met telephonically to discuss the written proposal on the same day and further conferred about the proposal on July 7, 2016.

On July 7, 2016, the Company Board met telephonically, which meeting was attended by members of G&K senior management and representatives of BofA Merrill Lynch and Stinson. Mr. Milroy reviewed his recent conversations with Mr. Farmer and the working group s views on Cintas $94.00 per share offer. Specifically, the working group recommended that Mr. Milroy advise Mr. Farmer that the Company Board was not prepared to further evaluate the Cintas proposal and permit due diligence unless Cintas (1) agreed to limit due diligence to only confirmatory matters, (2) agreed to transaction terms with respect to regulatory matters that provided for certainty and timeliness of closing the transaction and (3) increased its proposed price to an amount in excess of $100.00 per share. The Company Board agreed with this recommendation. Also at this meeting, the Company Board considered the advantages and disadvantages of a pre-signing market check, noting that any definitive transaction agreement would need to be structured to allow G&K to terminate the transaction in the event G&K received a superior proposal. The Company Board also noted, based in part on input from BofA Merrill Lynch, that Cintas was the most logical buyer of G&K and that other industry participants were unlikely to provide an offer that would exceed the value of the Cintas proposal because of, among other things, other industry participants capital structure and current and historical leverage. Following these discussions, the Company Board determined that Cintas $94.00 per share offer was inadequate and directed the working group to further consider conducting a pre-signing market check. Following the meeting, the working group, with representatives of BofA Merrill Lynch, continued to discuss whether to conduct a pre-signing market check, but no decision was then made with respect to whether to conduct a market check.

On July 8, 2016, Mr. Milroy advised Mr. Farmer that the Company Board had determined that Cintas $94.00 per share was inadequate. Later that day, Mr. Farmer provided Mr. Milroy a written proposal to acquire all of the outstanding common shares of G&K for $95.00 per share in cash. The proposal included a shortened due diligence request list and

indicated that, subject to Cintas completing its regulatory review of the proposed transaction, Cintas would be in a position to agree to transaction terms with respect to regulatory matters that would provide for certainty and timeliness of closing the transaction.

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From July 10, 2016 through July 21, 2016, G&K and Cintas held discussions with each other and their respective advisors and exchanged information regarding their respective companies as part of a due diligence review of the proposed transaction, including with respect to certain regulatory matters.

On July 22, 2016, the working group with representatives of BofA Merrill Lynch, met telephonically to discuss the next steps in further negotiations with Cintas, including strategies to increase the purchase price. During this meeting, the working group discussed the possibility of conducting a pre-signing market check and concluded not to do so based on (i) its belief that Cintas would be most likely to offer the best combination of value and closing certainty to G&K s shareholders, (ii) its belief that the risks of a pre-signing market check, including the possibility of leaks, transaction delays and an adverse reaction by Cintas, outweighed any potential benefits and (iii) the fact that the merger agreement would be structured to allow G&K to terminate the transaction in the event G&K received a superior alternative proposal.

On July 25, 2016, Messrs. Milroy and Farmer spoke by telephone, and Mr. Milroy stated that he did not believe the Company Board would view Cintas $95.00 per share offer as being adequate. Mr. Farmer stated that he expected a counterproposal on price from G&K and that Cintas was unwilling to make an offer that would meet or exceed the $100.00 per share threshold requested by the Company Board. Later that day, Mr. Farmer delivered to Mr. Milroy a written confirmation of Cintas proposal to acquire all of the outstanding common shares of G&K for $95.00 per share in cash, in which Cintas expressed its commitment to take certain actions with respect to regulatory matters if necessary to provide for certainty and timeliness of closing the transaction, in accordance with ongoing discussions among the parties and their respective advisors.

On July 26, 2016, the working group, with representatives of BofA Merrill Lynch, representatives of Weil, Gotshal & Manges LLP (Weil), legal counsel for G&K, and Stinson, met telephonically to evaluate Cintas most recent proposal provided by Cintas.

From July 26, 2016 through July 28, 2016, Messrs. Milroy and Farmer communicated several times with respect to the proposed transaction regarding, among other things, the proposed purchase price, terms with respect to regulatory matters related to certainty and timeliness of closing the transaction and the amount and terms of a termination fee by each party in certain circumstances. At the conclusion of these discussions, Messrs. Milroy and Farmer agreed to take a transaction at a proposed price of $97.50 per share in cash to their respective boards of directors.

On July 28, 2016, the Company Board met telephonically, which meeting was attended by members of G&K senior management and representatives of BofA Merrill Lynch, Weil and Stinson, to discuss the status of the negotiations with Cintas and to obtain the Company Board s input on further negotiations. After updating the Company Board on recent negotiations, Mr. Milroy advised the Company Board that he and Mr. Farmer discussed a potential transaction at a proposed price of $97.50 per share in cash. After discussion, the Company Board agreed to continue discussions with Cintas for a proposed transaction at $97.50 per share in cash because, in the Company Board s view, the offer represented a full price for the potential long-term standalone value of the Company, the potential synergies from a combination and the lack of comparable opportunities for Cintas. The Company Board also considered the uncertainty of being able to achieve comparable or greater value through other strategic means, and its belief, based, in part, on input from its advisors, that after four increases Cintas would not increase the proposed price above this amount.

From July 30, 2016 to August 3, 2016, G&K, Cintas and their respective legal advisors discussed and negotiated certain transaction terms to be included in the definitive merger agreement, including terms related to regulatory approvals and certainty and timeliness of closing the transaction and the payment of a termination fee by each party in certain circumstances.

On August 2, 2016, the Company Board met telephonically, which meeting was attended by members of G&K senior management and representatives of BofA Merrill Lynch, Weil and Stinson to update the Company

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Board on the status of the negotiations with Cintas and to obtain board input on further negotiations. After discussion, the board members agreed to continue discussions with Cintas for a proposed transaction at $97.50 per share in cash.

On August 3, 2016, Mr. Farmer delivered to Mr. Milroy a written confirmation of Cintas proposal to acquire all of the outstanding common shares of G&K for $97.50 per share in cash, in which Cintas expressed its commitment to take certain actions with respect to regulatory approvals if necessary to provide for certainty and timeliness of closing the transaction and to pay a termination fee in certain circumstances if regulatory approval is not obtained. Also on August 3, 2016, Cintas delivered a draft of a proposed merger agreement to G&K.

On August 4, 2016, G&K granted representatives from Cintas and Jones Day and Keating Muething & Klekamp, legal counsel to Cintas, access to an electronic data room that contained due diligence information requested by Cintas. From August 4 through August 15, 2016, G&K, Cintas and their respective legal advisors discussed and negotiated the terms of the merger agreement, and Cintas and its advisors continued its due diligence review of G&K. In these discussions, the parties negotiated certain transaction terms, including terms related to regulatory approvals and certainty and timeliness of closing the transaction, the payment of a termination fee by each party in certain circumstances, the ability of G&K to continue to pay its regular quarterly dividend during the period prior to the closing of the transaction, and the terms of severance and other benefits for G&K employees.

On August 10, 2016, the Company Board met telephonically, which meeting was attended by members of G&K senior management and representatives of BofA Merrill Lynch, Weil and Stinson. Mr. Cotter advised the Company Board of the status of negotiations and due diligence to date. Representatives of Weil and Stinson then advised the Company Board with respect to their fiduciary duties, the proposed terms of the merger agreement, the proposed terms of severance and other benefits for G&K officers and other employees and a proposed by-law to designate the courts of the state of Minnesota as the exclusive forum for litigation concerning the internal affairs of G&K. Representatives of BofA Merrill Lynch gave a preliminary financial presentation regarding the proposed transaction.

In the afternoon of August 15, 2016, the Company Board met in person and telephonically, together with members of G&K senior management and representatives of BofA Merrill Lynch, Weil and Stinson to consider a proposed merger transaction with Cintas at $97.50 per share. Representatives of Weil and Stinson reviewed the directors fiduciary duties and provided directors with an updated summary of the key terms of the merger agreement and the proposed exclusive forum by-law. Also at this meeting, representatives of BofA Merrill Lynch reviewed with the Company Board its financial analysis of the $97.50 per share in cash merger consideration. After discussion among the Company Board and its advisors, representatives of BofA Merrill Lynch delivered to the Company Board an oral opinion, which was confirmed by delivery of a written opinion dated August 15, 2016, to the effect that, as of that date and based on and subject to various assumptions and limitations described in its opinion, the merger consideration to be received by holders of G&K common stock (other than the excluded shares), was fair, from a financial point of view, to such holders. Following discussion among the directors, after careful consideration, the Company Board unanimously (other than Thomas Greco, who had to leave the meeting prior to the vote as a result of prior business commitments but who subsequently expressed his approval) approved the merger agreement and the Merger, the exclusive forum by-law and related matters.

Following the Company Board meeting, during the evening of August 15, 2016, G&K and Cintas finalized and executed the merger agreement.

On August 16, 2016, the parties issued press releases announcing execution of the merger agreement.

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Reasons for Recommending the Approval of the Merger Agreement

On August 15, 2016, the Company Board unanimously (other than Thomas Greco, who had to leave the meeting prior to the vote as a result of prior business commitments but who subsequently expressed his approval) approved the execution, delivery and performance of the merger agreement in accordance with the MBCA (including for purposes of Section 302A.613, Subd. 1 thereof).

In evaluating the merger agreement and the transactions contemplated thereby, including the Merger, the Company Board consulted with and received the advice of, the Company s senior management team and its legal and financial advisors. In reaching its decision, the Company Board considered and evaluated a variety of factors, including, but not limited to, the following factors (listed in no particular order) that the Company Board viewed as generally supporting its decision to approve and enter into the merger agreement and its recommendation that the Company s shareholders vote FOR the merger proposal.

Merger Consideration; Negotiations. The Company Board believed, based in part on input from its advisors and Cintas statements and positions taken during the nearly eight-month period in which G&K and Cintas engaged in arm s-length negotiations, that, after four increases, the $97.50 per share price reflected in the Merger Agreement was the maximum amount that Cintas was willing to pay to acquire the Company. In evaluating the per share merger consideration, the Company Board considered a number of factors, including:

- current and historical market prices of the Company s common stock;
- market performance of the Company s common stock relative to those of other participants in the industry;
- general market indices and analyst expectations;
- that the merger consideration provides an approximately 20% premium to the stock price on August 12, 2016, a 22.7% premium to the 30-trading day volume weighted average price through August 12, 2016, a 29.2% premium to the 90-trading day volume weighted average price through August 12, 2016, a 40.3% premium to the one-year volume weighted average price through August 12, 2016, a 43.7% premium to the two-year volume weighted average price through August 12, 2016, a 50.3% premium to the three-year volume weighted average price through August 12, 2016, a 20.1% premium to the 52-week high for the period ending August 12, 2016, and a 68.7% premium to the 52-week low for the period ending August 12, 2016; and
- the Company Board s view of G&K s potential long-term value as a standalone entity and the risks and uncertainties associated with achieving such value;

Best Alternative for Maximizing Shareholder Value. The Company Board believed that the merger consideration was more favorable to the Company s shareholders than the potential value that could reasonably be expected to result from other alternatives reasonably available to the Company, including the continued operation of the Company on a standalone basis or engaging in other potential strategic transactions. In reaching this conclusion, the Company Board considered:

- the Company s business, assets and prospects, its competitive position and historical and projected financial performance, and the current and expected future economic trends in the industry in which the Company operates; and

- the strategic and financial alternatives reasonably available to the Company as a standalone company, including executing on the Company s standalone plan and the lack of prospects for strategic transactions of meaningful scale available to the Company, and the risks and uncertainties associated with those alternatives, none of which would be likely to result in value to shareholders that would exceed, on a present-value basis, the value of the merger consideration.

Other Potentially Interested Parties. The Company Board considered its view that other potential buyers were unlikely to provide an offer that would exceed the value of the merger consideration

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because of, among other things, their capital structure and current and historical leverage, but that if there were another buyer capable of, and willing to, make such an offer to acquire the Company, such offer would not be precluded by the terms of the merger agreement.

Strength and Complementary Nature of the Cintas Business. The Company Board believed that Cintas was most logical acquiror of the Company based on:

Cintas existing operations, industry expertise, complementary businesses and geographic footprint, as well as the projected cost synergies that would result from the combination;

Cintas strong balance sheet and financial position; and

the fact that Cintas was the potential transaction partner that was most likely to offer the best combination of value and closing certainty to the Company s shareholders.

Cash Consideration; Certainty of Value. The Company Board considered the fact that the merger consideration is a fixed cash amount that would provide shareholders with certainty of value and liquidity for their shares immediately upon the closing of the Merger. The Company Board considered the contrast between that certainty and the risks and uncertainties inherent in the business, including the internal and external risks associated with the Company s standalone strategy.

Opinion of the Company s Financial Advisor. The Company Board considered the opinion of BofA Merrill Lynch, dated August 15, 2016, to the Company Board as to the fairness, from a financial point of view and as of the date of the opinion, of the merger consideration to be received by holders of G&K common stock (other than excluded shares), as more fully described below in the section entitled *Opinion of BofA Merrill Lynch*, beginning on page 40.

High Probability of Completion. The Company Board believed that the highly competitive nature of the industry, the complementary nature of the businesses of Cintas and the Company, and the efforts required under the merger agreement to obtain regulatory approvals, among other things, all increase the likelihood that the Merger can be completed in a reasonable time frame and reduce the potential disruption in operations.

No Financing Condition. The Company Board considered the fact that the Merger is not subject to a financing condition, which further supports the likelihood that the Merger can be completed in a reasonable timeframe.

The Merger Agreement. The Company Board considered the general terms and conditions of the merger agreement, including the following specific terms:

the fact that, under certain circumstances, the Company s ability to terminate the merger agreement and/or change its recommendation in connection with a superior proposal could also result in a payment by the Company of a $60 million termination fee to Cintas (as described under *The Merger Agreement Change in Board Recommendation* and *Acquisition Proposals; No Solicitation* beginning on pages 67 and 65, respectively);

the Company Board s belief, after consulting with the Company s outside advisors, that the Company s obligation to pay Cintas a termination fee of $60 million if the merger agreement is terminated under certain specific circumstances, is reasonable and consistent with fees in comparable transactions and not preclusive of other competing proposals;

the fact that the Company and Cintas are required to use reasonable best efforts to obtain the required regulatory approvals;

the commitment by Cintas to make certain divestitures of products, services and related assets representing up to $300 million in revenue, if necessary, to complete the Merger;

the requirement that Cintas pay to the Company a $100 million termination fee in the event (i) the merger agreement is terminated by either Cintas or the Company following a court or government

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order relating to the HSR Act or another antitrust law or regulation that enjoins or otherwise prohibits the completion of the Merger or (ii) if the Merger is not completed by the End Date (as defined in the merger agreement), provided all of the conditions to closing are satisfied or are then capable of being satisfied, other than the conditions relating to regulatory approvals; and

the conditions to closing, which are customary in number and scope, and which, in the case of the condition related to the accuracy of the Company s representations and warranties at closing, are generally subject to a Material Adverse Effect qualification.

Transaction Structure. The Company Board considered that the structure of the transaction as a merger would result in detailed public disclosure and that the completion of the Merger requires the affirmative vote of the holders of at least a majority of the outstanding shares of the Company s common stock.

In the course of its deliberations, the Company Board also considered certain risks and other potentially negative factors concerning the transactions contemplated by the merger agreement, including:

that, following the Merger, the Company will no longer exist as a standalone public company, but will be a wholly owned subsidiary of Cintas;

that the Company s shareholders will have no ongoing equity participation in the Company following the Merger and will not participate in further value increases, if any;

the risks and costs to the Company related to the uncertainty of the completion of the Merger, including adverse impacts on employees and customers;

the fact that the Merger may not be completed in a timely manner or at all, as a result of a failure to satisfy certain conditions, including approval by the Company s shareholders and receipt of all regulatory clearances, including under the HSR Act and under the Competition Act (Canada);

the uncertainty about the long-term effect of the Merger on the Company s employees, including potential job losses, potential and existing customers and suppliers and other parties;

that the merger agreement precludes the Company from actively soliciting competing proposals;

the merger agreement s restrictions on the conduct of the Company s business before completion of the Merger, generally requiring the Company to operate only in the ordinary course subject to certain specific limitations;

the fact that the Company s officers and employees may receive certain benefits that are different from, and in addition to, those of the Company s shareholders (see *Interests of the Company s Directors and Executive Officers in the Merger* beginning on page 46);

the costs and potential business disruptions involved in connection with entering into and completing the Merger, including in connection with any potential litigation;

the possibility that the Company may be required under the terms of the Merger Agreement to pay a $60 million termination fee; and

that the receipt of cash by shareholders in exchange for their shares of the Company s common stock pursuant to the Merger will be a taxable transaction to the Company s shareholders for U.S. federal income tax purposes.

The foregoing discussion of the information and factors considered by the Company Board includes the material factors considered by the Company Board but does not necessarily include all of the factors considered by the Company Board. In view of the complexity and variety of factors considered in connection with its evaluation of the merger agreement and the Merger, the Company Board did not find it practicable to, and did not, quantify or otherwise assign relative weights to the specific factors considered in reaching its determination and recommendation. In addition, individual directors may have given different weights to different factors.

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Certain G&K Unaudited Prospective Financial Information

In connection with the Merger, G&K s management prepared financial projections of revenue (i.e., total sales), EBITDA, operating income, adjusted net income and adjusted earnings per share for fiscal years 2016 through 2021 (the G&K Projections), all of which were prepared by G&K s management as of January 15, 2016 with the fiscal year ended July 2, 2016 being recalculated by G&K s management as of August 5, 2016 based on G&K s fiscal year end results for the year ended July 2, 2016. The G&K Projections were prepared for internal use and provided to the Company Board, for the purposes of considering, analyzing and evaluating G&K s strategic and financial alternatives, including the Merger. The G&K Projections were also provided to BofA Merrill Lynch in connection with rendering its fairness opinion to the Company Board and in performing the related analyses. The G&K Projections were not provided to Cintas or Cintas financial advisor prior to the signing of the merger agreement. G&K is including in this proxy statement a summary of certain limited unaudited prospective financial information for G&K on a standalone basis, without giving effect to the Merger, to give G&K shareholders access to certain nonpublic information provided to the Company Board and BofA Merrill Lynch for purposes of evaluating the Merger. The inclusion of the G&K Projections should not be regarded as an indication that the Company Board, G&K, BofA Merrill Lynch or any other recipient of this information considered, or now considers, it to be an assurance of the achievement of future results or an accurate prediction of future results of G&K, and they should not be relied on as such.

The G&K Projections and the underlying assumptions upon which the G&K Projections were based are subjective in many respects, and subject to multiple interpretations and frequent revisions attributable to the cyclicality of G&K s industry and based on actual experience and business developments. The G&K Projections reflect numerous assumptions with respect to G&K s performance, industry performance, general business, economic, regulatory, market and financial conditions and other matters, many of which are difficult to predict, subject to significant economic and competitive uncertainties and beyond G&K s control. Multiple factors, including those described in the section entitled *Cautionary Statement Concerning Forward-Looking Statements*, could cause the G&K Projections or the underlying assumptions to be inaccurate. As a result, there can be no assurance that the G&K Projections will be realized or that actual results will not be significantly different than projected. Because the G&K Projections cover multiple years, such information by its nature becomes less predictive with each successive year. The G&K Projections do not take into account any circumstances or events occurring after the date on which they were prepared. Economic and business environments can and do change quickly, which adds an additional significant level of uncertainty as to whether the results portrayed in the G&K Projections will be achieved. As a result, the inclusion of the G&K Projections in this proxy statement does not constitute an admission or representation by G&K or any other person that the information is material. The summary of the G&K Projections is not provided to influence G&K shareholders decisions regarding whether to vote for the Merger proposal or any other proposal.

The G&K Projections were not prepared with a view toward public disclosure or toward compliance with United States generally accepted accounting principles (GAAP), published guidelines of the SEC or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. Neither KPMG LLP (KPMG), G&K s independent registered public accounting firm, nor any other accounting firm, has examined, compiled or performed any procedures with respect to the G&K Projections, and accordingly, KPMG does not express an opinion or any other form of assurance with respect thereto. The KPMG report incorporated by reference in this proxy statement relates to G&K s historical financial information. It does not extend to the prospective financial information contained herein and should not be read to do so.

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The following is a summary of the G&K Projections:

Summary of the G&K Projections

(dollars in millions, except per share data)

	Projected Fiscal Year					
	2016[1]	**2017**	**2018**	**2019**	**2020**	**2021**
Total Sales	$ 960	$ 1,001	$ 1,065	$ 1,133	$ 1,210	$ 1,293
EBITDA[2]	$ 155	$ 169	$ 194	$ 218	$ 239	$ 260
Operating Income	$ 123	$ 130	$ 149	$ 169	$ 187	$ 211
Adjusted Net Income[3]	$ 70	$ 74	$ 86	$ 98	$ 109	$ 124
Adjusted Earnings Per Share[3]	$ 3.49	$ 3.78	$ 4.44	$ 5.15	$ 5.84	$ 6.71
Unlevered Free Cash Flow[4]	$ 64	$ 66	$ 69	$ 97	$ 109	$ 122

(1) Projected figures for fiscal year 2016 are normalized for a 52-week year.
(2) EBITDA is defined as earnings before interest, income taxes and depreciation and amortization.
(3) Adjusted Net Income and Adjusted Earnings Per Share exclude income allocable to participating securities at an assumed allocation rate of 1.5% of net income from continued operations.
(4) Unlevered Free Cash Flow is defined as earnings before interest and taxes, less taxes, plus depreciation and amortization, less capital expenditures, plus (less) changes in net working capital.

The G&K Projections do not take into account the possible financial and other effects on G&K of the Merger and do not attempt to predict or suggest future results of the combined company. The G&K Projections do not give effect to the Merger, including the impact of negotiating or executing the merger agreement, the expenses that may be incurred in connection with consummating the Merger, the potential synergies that may be achieved by the combined company as a result of the Merger, the effect on G&K of any business or strategic decision or action that has been or will be taken as a result of the merger agreement having been executed, or the effect of any business or strategic decisions or actions that would likely have been taken if the merger agreement had not been executed, but that were instead altered, accelerated, postponed or not taken in anticipation of the Merger. Further, the G&K Projections do not take into account the effect on G&K of any possible failure of the Merger to occur.

For the foregoing reasons, and considering that the annual meeting will be held several months after the G&K Projections were prepared, as well as the uncertainties inherent in any forecasting information, readers of this proxy statement are cautioned not to place unwarranted reliance on the G&K Projections set forth above. No one has made or makes any representation to any shareholder regarding the information included in the G&K Projections. G&K urges all G&K shareholders to review its most recent SEC filings for a description of its reported financial results. See the section entitled *Where You Can Find Additional Information*.

In addition, the G&K Projections have not been updated or revised to reflect information or results after the date the G&K Projections were prepared, and except as required by applicable securities laws, G&K does not intend to update or otherwise revise the G&K Projections or the specific portions presented to reflect circumstances existing after the date when made or to reflect the occurrence of future events, even in the event that any or all of the assumptions are shown to be in error.

Non-GAAP Financial Measures

The G&K Projections contain certain non-GAAP financial measures, including EBITDA and Adjusted Net Income, which G&K believes are more meaningful in understanding its past financial performance and future results. The non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read in conjunction with G&K s consolidated financial statements prepared in accordance with GAAP and the reconciliation to GAAP measures presented herein. G&K management regularly uses supplemental non-GAAP financial measures internally to understand and manage the business and forecast future periods.

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Reconciliation of Adjusted Net Income and EBITDA to Net Income

Set forth below is a reconciliation of Adjusted Net Income and EBITDA to Net Income, the most comparable GAAP financial measure, based on financial information available to, or projected by, G&K. (Certain totals may not add due to rounding).

		Projected Fiscal Years				
(dollars in millions)	**2016(1)**	**2017**	**2018**	**2019**	**2020**	**2021**
Net Income	71	75	87	99	111	126
Plus/(minus)						
Income allocable to participating securities	(1)	(1)	(1)	(1)	(2)	(2)
Adjusted Net Income	70	74	86	98	109	124
Plus/(minus)						
Income allocable to participating securities	1	1	1	1	2	2
Income taxes	42	46	53	61	68	77
Interest expenses	7	9	9	9	9	8
Depreciation expense	34	39	44	48	51	49
Amortization of intangibles	1	1	1	1	1	
EBITDA	155	169	194	218	239	260

(1) Projected figures for fiscal year 2016 are normalized for a 52-week year.

Opinion of BofA Merrill Lynch

G&K has retained BofA Merrill Lynch to act as G&K s financial advisor in connection with the Merger. BofA Merrill Lynch is an internationally recognized investment banking firm which is regularly engaged in the valuation of businesses and securities in connection with mergers and acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements and valuations for corporate and other purposes. G&K selected BofA Merrill Lynch to act as G&K s financial advisor in connection with the Merger on the basis of BofA Merrill Lynch s experience in transactions similar to the Merger, its reputation in the investment community and its familiarity with G&K and its business.

On August 15, 2016, at a meeting of the Company Board held to evaluate the Merger, BofA Merrill Lynch delivered to the Company Board an oral opinion, which was confirmed by delivery of a written opinion dated August 15, 2016, to the effect that, as of the date of the opinion and based on and subject to various assumptions and limitations described in its opinion, the merger consideration to be received by holders of G&K common stock (other than excluded shares) was fair, from a financial point of view, to such holders.

The full text of BofA Merrill Lynch s written opinion to the Company Board, which describes, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken, is attached as Annex B to this proxy statement and is incorporated by reference herein in its entirety. The following summary of BofA Merrill Lynch s opinion is qualified in its entirety by reference to the full text of the opinion. BofA Merrill Lynch delivered its opinion to the Company Board for the benefit and use

of the Company Board (in its capacity as such) in connection with and for purposes of its evaluation of the merger consideration from a financial point of view. BofA Merrill Lynch s opinion does not address any other aspect of the Merger and no opinion or view was expressed as to the relative merits of the Merger in comparison to other strategies or transactions that might be available to G&K or in which G&K might engage or as to the underlying business decision of G&K to proceed with or effect the Merger. BofA Merrill Lynch s opinion does not address any other aspect of the Merger and does not constitute a recommendation to any shareholder as to how to vote or act in connection with the proposed Merger or any related matter.

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In connection with rendering its opinion, BofA Merrill Lynch:

(i) reviewed certain publicly available business and financial information relating to G&K;

(ii) reviewed certain internal financial and operating information with respect to the business, operations and prospects of G&K furnished to or discussed with BofA Merrill Lynch by the management of G&K, including certain financial forecasts relating to G&K prepared by the management of G&K, referred to herein as G&K Projections;

(iii) discussed the past and current business, operations, financial condition and prospects of G&K with members of senior management of G&K;

(iv) reviewed the trading history for G&K common stock and a comparison of that trading history with the trading histories of other companies BofA Merrill Lynch deemed relevant;

(v) compared certain financial and stock market information of G&K with similar information of other companies BofA Merrill Lynch deemed relevant;

(vi) compared certain financial terms of the Merger to financial terms, to the extent publicly available, of other transactions BofA Merrill Lynch deemed relevant;

(vii) reviewed a draft, dated August 14, 2016, of the merger agreement (the Draft Agreement); and

(viii) performed such other analyses and studies and considered such other information and factors as BofA Merrill Lynch deemed appropriate.

In arriving at its opinion, BofA Merrill Lynch assumed and relied upon, without independent verification, the accuracy and completeness of the financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with BofA Merrill Lynch and relied upon the assurances of the management of G&K that they were not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect. With respect to the G&K Projections, BofA Merrill Lynch was advised by G&K, and assumed, that the G&K Projections were reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of G&K as to the future financial performance of G&K. BofA Merrill Lynch did not make or was not provided with any independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of G&K, nor did it make any physical inspection of the properties or assets of G&K. BofA Merrill Lynch did not evaluate the solvency or fair value of G&K or Cintas under any state, federal or other laws relating to bankruptcy, insolvency or similar matters. BofA Merrill Lynch assumed, at the direction of G&K, that the Merger would be consummated in accordance with its terms, without waiver, modification or amendment of any material term, condition or agreement and that, in the course of obtaining the necessary governmental, regulatory and other approvals, consents, releases and waivers for the Merger, no delay, limitation,

restriction or condition, including any divestiture requirements or amendments or modifications, would be imposed that would have an adverse effect on G&K. BofA Merrill Lynch has also assumed, at the direction of G&K, that the final executed merger agreement would not differ in any material respect from the Draft Agreement reviewed by BofA Merrill Lynch.

BofA Merrill Lynch expressed no view or opinion as to any terms or other aspects of the Merger (other than the merger consideration to the extent expressly specified in its opinion), including, without limitation, the form or structure of the Merger. BofA Merrill Lynch was not requested to, and it did not, solicit indications of interest or proposals from third parties regarding a possible acquisition of all or any part of G&K or any alternative transaction. BofA Merrill Lynch s opinion was limited to the fairness, from a financial point of view, of the holders of G&K common stock and no opinion or view was expressed with respect to any consideration received in connection with the Merger by the holders of any other class of securities, creditors or other constituencies of any party. In addition, no opinion or view was expressed with respect to the fairness (financial or otherwise) of the amount, nature or any other aspect of any compensation to any of the officers, directors or employees of any party to the Merger, or class of such persons, relative to the merger consideration. Furthermore, no opinion or view was expressed as to the relative merits of the Merger in comparison to other strategies or transactions that

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might be available to G&K or in which G&K might engage or as to the underlying business decision of G&K to proceed with or effect the Merger. In addition, BofA Merrill Lynch expressed no opinion or recommendation as to how any shareholder should vote or act in connection with the Merger or any related matter. Except as described above, G&K imposed no other limitations on the investigations made or procedures followed by BofA Merrill Lynch in rendering its opinion.

BofA Merrill Lynch s opinion was necessarily based on financial, economic, monetary, market and other conditions and circumstances as in effect on, and the information made available to BofA Merrill Lynch as of, the date of its opinion. It should be understood that subsequent developments may affect its opinion, and BofA Merrill Lynch does not have any obligation to update, revise or reaffirm its opinion. The issuance of BofA Merrill Lynch s opinion was approved by a fairness opinion review committee of BofA Merrill Lynch.

The following represents a brief summary of the material financial analyses presented by BofA Merrill Lynch to the Company Board in connection with its opinion. **The financial analyses summarized below include information presented in tabular format set forth below. In order to fully understand the financial analyses performed by BofA Merrill Lynch, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses performed by BofA Merrill Lynch. Considering the data set forth in the tables below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the financial analyses performed by BofA Merrill Lynch.**

G&K Financial Analyses.

Selected Publicly Traded Companies Analysis. BofA Merrill Lynch reviewed publicly available financial and stock market information for G&K and the following two selected publicly traded companies in the uniform rental and services industry:

Cintas

UniFirst Corporation

BofA Merrill Lynch reviewed, among other things, per share equity values, based on closing stock prices on August 12, 2016, of the selected publicly traded companies as a multiple of calendar year 2016 and 2017 estimated earnings per share, commonly referred to as EPS, with such calendar adjusted to G&K s fiscal year ending July 2, 2016 and July 1, 2017. The range of multiples for the selected publicly traded companies was 21.1x - 26.1x for 2016 EPS and 20.5x - 24.0x for 2017 EPS. BofA Merrill Lynch then applied the resulting 2016 EPS multiples of 21.0x to 26.0x derived from the selected publicly traded companies to G&K s fiscal year 2016 estimated earnings per share, as adjusted in the G&K Projections by normalizing the projected figures for G&K s fiscal year 2016 for a 52-week year (the adjusted earnings per share), and the resulting 2017 EPS multiples of 20.0x to 24.0x derived from the selected publicly traded companies to G&K s fiscal year 2017 adjusted earnings per share. Estimated financial data of the selected publicly traded companies were based on publicly available research analysts estimates, and estimated financial data of G&K were based on the G&K Projections. This analysis indicated the following approximate implied per share equity value reference ranges (rounded to the nearest $0.05) for G&K, as compared to the merger consideration:

Implied Per Share Equity Value Reference Ranges for G&K		
2016E EPS	2017E EPS	Merger Consideration
$73.30 - $90.75	$75.65 - $90.80	$97.50

No selected company used in this analysis is identical or directly comparable to G&K. Accordingly, an evaluation of the results of this analysis is not entirely predictive. Rather, this analysis involves complex considerations and judgments concerning differences in financial and operating characteristics and other factors that could affect the public trading or other values of the companies to which G&K was compared.

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Selected Precedent Transactions Analysis. BofA Merrill Lynch reviewed, to the extent publicly available, financial information relating to the following seven selected transactions involving companies in the uniform rental and services industry:

Acquiror	Target	Announcement Date	Transaction Value (in millions)
Clothesline Holdings, Inc.	Angelica Corporation	5/23/2008	$297
Eurazeo / Intermediate Capital Group PLC	Elis SA	8/8/2007	$3,150
Goldman Sachs Capital Partners, LP, CCMP Capital Advisors, LLC, Thomas H. Lee Partners, L.P., J.P. Morgan Partners, LLC, Warburg Pincus LLC	ARAMARK Corporation	8/8/2006	$7,720
Cintas	Omni Services, Inc.	3/18/2002	$660
Cintas	Unitog Company	1/11/1999	$460
Tartan Textile Services, Inc.	G&K Services, Inc. (Selected Assets)	4/27/1998	$81
G&K Services, Inc.	National Services Industries, Inc. (Selected Assets)	6/27/1997	$287

BofA Merrill Lynch reviewed transaction values, either based on public filings or calculated as the enterprise value, calculated as equity values based on the consideration payable to the shareholders in the selected transaction, plus debt, plus preferred equity and minority interests, less cash, implied for the target company, as a multiple of the target company s last twelve months (LTM) estimated earnings before interest, taxes, depreciation and amortization, commonly referred to as EBITDA. Financial data of the selected acquisition precedent transactions was based on publicly available information at the time of announcement of each relevant transaction. For the transactions in which G&K was a party, the EBITDA multiples were provided by G&K management. Based on such LTM EBITDA, the range of EBITDA multiples for the selected transactions was 7.3x - 12.2x and the mean and median EBITDA multiples for the selected transactions were 9.6x and 9.3x, respectively. BofA Merrill Lynch then applied LTM EBITDA multiples of 7.5x - 12.0x derived from the selected acquisition precedent transactions to G&K s EBITDA for fiscal year 2016, as disclosed in the G&K Projections, which was normalized for a 52-week year, to derive a range of implied enterprise values for G&K. BofA Merrill Lynch deducted from these ranges of implied enterprise values G&K s estimate of the net debt of G&K as of July 2, 2016 of $207 million and divided the resulting ranges of implied equity values by a number of fully diluted shares, based on 19,681,478 common shares and 716,521 stock options with an average strike price of $42.93 as of August 12, 2016 (calculated on a treasury stock method basis taking into account outstanding in-the-money options and restricted stock, based on information provided by G&K), to derive the following approximate implied per share equity value reference ranges (rounded to the nearest $0.05) for G&K, as compared to the merger consideration:

Implied Per Share Equity Value Reference Ranges for G&K	
LTM EBITDA	Merger Consideration

$48.00 - $82.40	$97.50

No selected company, business or transaction used in this analysis is identical or directly comparable to G&K or the Merger. Accordingly, an evaluation of the results of this analysis is not entirely predictive. Rather, this analysis involves complex considerations and judgments concerning differences in financial and operating characteristics and other factors that could affect the acquisition or other values of the companies, business segments or transactions to which G&K and the Merger were compared.

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Discounted Cash Flow Analysis. BofA Merrill Lynch performed a discounted cash flow analysis of G&K to calculate the estimated present value of the standalone unlevered, after-tax free cash flows that G&K was forecasted to generate during G&K s fiscal year 2017 through fiscal year 2021 based on the G&K Projections. Unlevered, after-tax free cash flows were calculated as earnings before interest and taxes (EBIT), less taxes, plus depreciation and amortization, less capital expenditures, plus (less) changes in net working capital. BofA Merrill Lynch calculated a range of terminal values for G&K by applying an assumed perpetuity growth rate range, based on guidance provided by G&K management, of 2.50% - 3.50% to G&K s estimated terminal year unlevered, after-tax free cash flow. The cash flows from fiscal year 2017 through fiscal year 2021 and the range of terminal values were then discounted using a mid-year convention to present value as of June 30, 2016 using discount rates ranging from 8.00% - 10.00%, which were based on an estimate of G&K s weighted average cost of capital and chosen by BofA Merrill Lynch upon an analysis of the capital structure and costs of equity and debt of the Company, to derive a range of implied enterprise values for G&K. BofA Merrill Lynch deducted from these ranges of implied enterprise values G&K s estimate of the net debt of G&K as of July 2, 2016 of $207 million and divided the resulting ranges of implied equity values by a number of fully diluted shares, based on 19,681,478 common shares and 716,521 stock options with an average strike price of $42.93 as of August 12, 2016 (calculated on a treasury stock method basis taking into account outstanding in-the-money options and restricted stock, based on information provided by G&K), to derive the following approximate implied per share equity value reference ranges (rounded to the nearest $0.05) for G&K as compared to the merger consideration:

Implied Per Share Equity Value Reference Range for G&K	Merger Consideration
$61.45 - $106.00	$97.50

Present Value of Projected Future Stock Price. BofA Merrill Lynch performed an illustrative analysis of the implied present value of the future price per share of G&K s common stock, which is designed to provide insight into an illustrative potential future price of G&K s common equity as a function of (1) G&K s future earnings and an assumed stock price to next fiscal year (NFY) earnings multiple and (2) G&K s future dividends to G&K s common shareholders. BofA Merrill Lynch calculated the implied values per share of G&K s common stock in one year, two years, three years and four years from August 12, 2016 by first applying to G&K s projected earnings per share based on G&K Projections for each of the fiscal years 2017, 2018, 2019 and 2020 respectively, the following NFY earnings per share multiples: (i) 20.8x, based on Wall Street estimates of G&K s 2017 earnings per share and its common stock price as of August 12, 2016; (ii) 19.0x, estimated by applying an approximately 8.6% discount to the NFY earnings per share multiple of 20.8x described above (the 8.6% discount represents the percentage amount that the two year average stock price to next twelve months (NTM) earnings per share multiple as of August 12, 2016, falls below the NTM earnings per share multiple of 20.5x, which is based on Wall Street estimates of G&K s NTM earnings per share and its common stock price as of August 12, 2016); and (iii) 17.2x, estimated by applying an approximately 17.2% discount to the NFY earnings per share multiple of 20.8x described above (the 17.2% discount represents the percentage amount that the five year average stock price to NTM earnings per share multiple as of August 12, 2016, falls below the NTM earnings per share multiple of 20.5x). BofA Merrill Lynch then discounted to August 12, 2016 the resulting implied values per share of G&K s common stock in one year, two years, three years and four years from August 12, 2016 by assuming a cost of equity for G&K of 9.5%. BofA Merrill Lynch then added to the resulting implied present values per share, cumulative future dividends per share of $1.60, $3.36, $5.42 and $7.80 respectively based on G&K Projections of future dividends per common share of $1.60 in 2017, $1.75 in 2018, $2.06 in 2019, and $2.38 in 2020, discounted to August 12, 2016 using a mid-year convention. This analysis indicated the following approximate implied per share equity value reference ranges (rounded to the nearest $0.05) for G&K, as compared to the current fiscal 2017 price to earnings multiple and the per share merger consideration:

Implied Per Share Equity Value Reference Ranges for G&K

Current 2017 P/E Multiple	Adjusted NTM 5-Year P/E Multiple	Merger Consideration
$86.00 - $103.65	$71.45 - $86.90	$97.50

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Other Factors.

In rendering its opinion, BofA Merrill Lynch also reviewed and considered other factors, including:

- historical trading prices of G&K common stock during the five-year period ended August 12, 2016;
- the present value of targets for G&K s common stock published by five equity analysts during the period from April 26, 2016 to June 6, 2016, and ranging from a low of $58.00 per share to a high of $83.00 per share, with a mean of $74.60 and a median of $78.00 per share; and
- the implied premiums of the merger consideration of $97.50 to G&K s common stock price as of August 12, 2016 and its historical stock prices, including the 20.4% premium to the stock price on August 12, 2016, the 22.7% premium to the 30-trading day volume weighted average price through August 12, 2016, the 29.2% premium to the 90-trading day volume weighted average price through August 12, 2016, the 40.3% premium to the one-year volume weighted average price through August 12, 2016, the 43.7% premium to the two-year volume weighted average price through August 12, 2016, the 50.3% premium to the three-year volume weighted average price through August 12, 2016, the 20.1% premium to the 52-week high for the period ending August 12, 2016, and the 68.7% premium to the 52-week low for the period ending August 12, 2016 as compared to the premiums paid to the unaffected stock price and 52-week high in U.S. all cash transactions between $500 to $3,500 million from 2000 to 2016.

Miscellaneous

As noted above, the discussion set forth above is a summary of the material financial analyses presented by BofA Merrill Lynch to the Company Board in connection with its opinion and is not a comprehensive description of all analyses undertaken by BofA Merrill Lynch in connection with its opinion. The preparation of a financial opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a financial opinion is not readily susceptible to partial analysis or summary description. BofA Merrill Lynch believes that its analyses summarized above must be considered as a whole. BofA Merrill Lynch further believes that selecting portions of its analyses and the factors considered or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying BofA Merrill Lynch s analyses and opinion. The fact that any specific analysis has been referred to in the summary above is not meant to indicate that such analysis was given greater weight than any other analysis referred to in the summary.

In performing its analyses, BofA Merrill Lynch considered industry performance, general business and economic conditions and other matters, many of which are beyond the control of G&K and Cintas. The estimates of the future performance of G&K and Cintas in or underlying BofA Merrill Lynch s analyses are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than those such estimates or estimates suggested by BofA Merrill Lynch s analyses. These analyses were prepared solely as part of BofA Merrill Lynch s analysis of the fairness, from a financial point of view, of the merger consideration and were provided to the Company Board in connection with the delivery of BofA Merrill Lynch s opinion. The analyses do not purport to be appraisals or to reflect the prices at which a company might actually be sold or the prices at which any securities have traded or may trade at any time in the future. Accordingly, the estimates used in, and the ranges of valuations resulting

from, any particular analysis described above are inherently subject to substantial uncertainty and should not be taken to be BofA Merrill Lynch s view of the actual value of G&K.

The type and amount of consideration payable in the Merger was determined through negotiations between G&K and Cintas, rather than by any financial advisor, and was approved by the Company Board. The decision to enter into the merger agreement was solely that of the Company Board. As described above, BofA Merrill Lynch s opinion and analyses were only one of many factors considered by the Company Board in its evaluation of the proposed Merger and should not be viewed as determinative of the views of the Company Board or management with respect to the Merger or the merger consideration.

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G&K has agreed to pay BofA Merrill Lynch for its services in connection with the Merger an aggregate fee currently estimated to be approximately $25 million, $1 million of which was payable in connection with its opinion and the remaining portion of which is contingent upon the completion of the Merger. G&K also has agreed to reimburse BofA Merrill Lynch for its expenses incurred in connection with BofA Merrill Lynch s engagement and to indemnify BofA Merrill Lynch, any controlling person of BofA Merrill Lynch and each of their respective directors, officers, employees, agents and affiliates against specified liabilities, including liabilities under the federal securities laws.

BofA Merrill Lynch and its affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In the ordinary course of their businesses, BofA Merrill Lynch and its affiliates invest on a principal basis or on behalf of customers or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in the equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of G&K, Cintas and certain of their respective affiliates.

BofA Merrill Lynch and its affiliates in the past have provided, currently are providing, and in the future may provide investment banking, commercial banking and other financial services to G&K and have received or in the future may receive compensation for the rendering of these services, including acting as joint bookrunner and co-lead arranger for, and as a lender (including a letter of credit lender) to, G&K under its revolving credit facility and providing G&K certain treasury and trade management services and products. From August 1, 2014 through July 31, 2016, BofA Merrill Lynch and its affiliates derived aggregate revenues from G&K and its affiliates of approximately $2 million for investment and corporate banking services.

Interests of the Company s Directors and Executive Officers in the Merger

Members of our board of directors and our executive officers have various interests in the Merger described in this section that may be in addition to, or different from, the interests of G&K Services, Inc. shareholders generally. You should keep this in mind when considering the recommendation of the Company Board for the approval of the merger agreement. The members of the Company Board were aware of these interests and considered them at the time they approved the merger agreement and in making their recommendation that G&K Services, Inc. shareholders approve the merger agreement. These interests are described below.

Treatment of Outstanding Equity Awards

The Company sponsors the G&K Services, Inc. Restated Equity Incentive Plan (2013) (the Stock Plan). Outstanding awards under the Stock Plan include stock options, restricted stock, and restricted stock units.

As further described under *The Merger Agreement Treatment of Company Equity Awards; Stock Purchase Program*, on page 59, under the merger agreement, for each award granted to non-employee directors and executive officers under the Stock Plan that is outstanding immediately prior to the effective time of the Merger, the vesting will accelerate in full and all restrictions will lapse at which point such awards will be cancelled and terminated in consideration for the right to receive a cash payment. For options, such cash payment will generally be equal to the product of the number of shares subject to the award, and the excess, if any, of the merger consideration over the exercise price of such option. For all other awards, such cash payment will generally be equal to the product of the number of shares subject to the award, assuming target level of performance for any performance-based vesting awards, multiplied by the merger consideration.

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Summary Tables

The following table sets forth the pre-tax cash proceeds that each of our executive officers and non-employee directors would receive at or promptly after the effective time of the Merger in respect of outstanding Stock Options, whether or not vested, held by such executive officers and non-employee directors as of September 2, 2016, based on the $97.50 per share merger consideration. The table includes payments in respect of Stock Option Awards that may vest prior to the completion of the Merger in accordance with their terms.

Stock Option Awards

Name	Vested Stock Options (#)	Value of Vested Stock Options	Unvested Stock Options (#)	Value of Unvested Stock Options	Total Value
Executive Officers					
Douglas A. Milroy	288,594	$ 17,762,038	75,351	$ 2,229,146	$ 19,991,184
Tracy C. Jokinen	8,482	$ 288,488	10,911	$ 319,983	$ 608,471
Jeffrey L. Cotter	28,837	$ 1,681,438	7,208	$ 228,434	$ 1,909,872
Ian G. Davis	17,626	$ 839,563	12,331	$ 353,652	$ 1,193,215
Kevin A. Fancey	17,278	$ 705,645	12,392	$ 391,823	$ 1,097,468
Non-Employee Directors					
John S. Bronson	0	$ 0	0	$ 0	$ 0
Lynn Crump-Caine	7,800	$ 641,778	0	$ 0	$ 641,778
Wayne M. Fortun	7,200	$ 588,648	0	$ 0	$ 588,648
Thomas R. Greco	2,000	$ 91,440	1,000	$ 45,720	$ 137,160
Ernest J. Mrozek	9,600	$ 758,112	0	$ 0	$ 758,112
M. Lenny Pippin	14,400	$ 1,181,664	0	$ 0	$ 1,181,664
Alice M. Richter	7,200	$ 588,648	0	$ 0	$ 588,648
Lee J. Schram	1,000	$ 34,470	2,000	$ 68,940	$ 103,410

The following table sets forth the pre-tax cash proceeds that each of our executive officers and non-employee directors would receive promptly after the effective time of the Merger in respect of unvested Restricted Stock and Restricted Stock Units held as of September 2, 2016, including in respect of awards that may vest prior to the completion of the Merger in accordance with their terms.

Restricted Stock and Restricted Stock Units

Name	Restricted Share Awards (#)	Value of Restricted Share Awards	RSU Awards (#)	Value of RSU Awards	Total Value
Executive Officers					
Douglas A. Milroy	109,160	$ 10,643,100	0	$ 0	$ 10,643,100
Tracy C. Jokinen	19,574	$ 1,908,465	0	$ 0	$ 1,908,465
Jeffrey L. Cotter	8,656	$ 843,960	0	$ 0	$ 843,960

Ian G. Davis	11,534	$ 1,124,565	0	$ 0	$ 1,124,565
Kevin A. Fancey	3,196	$ 311,610	7,146	$ 696,735	$ 1,008,345
Non-Employee Directors					
John S. Bronson	3,188	$ 310,830	0	$ 0	$ 310,830
Lynn Crump-Caine	3,188	$ 310,830	0	$ 0	$ 310,830
Wayne M. Fortun	3,188	$ 310,830	0	$ 0	$ 310,830
Thomas R. Greco	2,708	$ 264,030	0	$ 0	$ 264,030
Ernest J. Mrozek	3,188	$ 310,830	0	$ 0	$ 310,830
M. Lenny Pippin	3,740	$ 364,650	0	$ 0	$ 364,650
Alice M. Richter	3,188	$ 310,830	0	$ 0	$ 310,830
Lee J. Schram	2,708	$ 264,030	0	$ 0	$ 264,030

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Change of Control Severance Benefits for Executive Officers

Severance Policy

The Company maintains the G&K Services, Inc. Executive Severance and Change in Control Policy (the Severance Policy), pursuant to which participants, including the Company s executive officers (other than Mr. Milroy, whose arrangement is described below), are entitled to the following payments and benefits upon such an officer s (i) termination of employment by the Company without cause (as defined in the Severance Policy) or (ii) resignation by the executive officer for good reason (as defined in the Severance Policy), in either case within one year following a change of control:

- a lump sum severance payment equal to the sum of 17 months of the officer s base salary;
- Company payment of the employer portion of monthly health insurance premiums up to 17 months; and
- up to $12,000 in expenses for an outplacement organization selected by the officer that are incurred during the 1 year period commencing as of the officer s date of termination without cause or resignation for good reason.

The Merger will constitute a change of control for purposes of the Severance Policy.

Under the terms of the Severance Policy, the Company, if terminating the officer s employment without cause, or the officer, if resigning for good reason, must deliver 30 days advance written notice of such termination or resignation to the other party. During such 30-day notice period, the Company shall continue to pay the officer his or her salary and other amounts due, and shall otherwise continue any benefits that had been afforded the officer immediately prior to delivery of any such notice, but may, in its discretion, relieve the officer of some or all of his or her title, duties and responsibilities.

In addition, the Severance Policy provides that upon the occurrence of a change of control, generally any equity-based incentive awards that are held by the officer on the date of such change of control will become fully vested.

All payments and benefits made under the Severance Policy are subject to the officer executing a general release of claims and remaining in compliance at all times with any duties or obligations the officer may have under any agreement with the Company with respect to the officer complying with restrictive covenants.

If payments under the Severance Policy, together with any other payment or benefit received in connection with a change of control of the Company, would result in an excise tax under Section 4999 of the Internal Revenue Code, then such payments and benefits will be reduced to the extent necessary to eliminate such excise tax, but only if and to the extent that such reduction would result in an increase in the aggregate payments and benefits to be provided to the officer, as determined on an after-tax basis.

Employment Agreement with Mr. Milroy

Mr. Milroy is a party to an employment agreement with the Company, effective March 1, 2007, and last amended on August 23, 2012 (Mr. Milroy s Agreement), that provides Mr. Milroy with similar benefits and payments as provided

to other named executive officers (NEOs) under the Severance Policy. Under the terms of Mr. Milroy s Agreement, Mr. Milroy is entitled to the following payments and benefits in the event of Mr. Milroy s (i) termination of employment by the Company without cause (as defined in Mr. Milroy s Agreement) or (ii) resignation by Mr. Milroy for good reason (as defined in Mr. Milroy s Agreement), in either case within one year following a change of control:

a severance payment equal to 1.99 times Mr. Milroy s base salary in effect as of his date of termination or resignation, payable in weekly installments over 17 months but subject to a six month delayed commencement to the extent required by Section 409A of the Internal Revenue Code;

Company payment of the employer portion of monthly health insurance premiums up to 17 months;

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up to $12,000 in expenses for outplacement services incurred during the 1 year period commencing as of Mr. Milroy s date of termination or resignation;

a lump sum amount necessary to acquire full title to any personal automobile leased by us for Mr. Milroy or, if Mr. Milroy does not have the use of a personal automobile but has been given an automobile allowance, a lump sum payment equal to 3 times Mr. Milroy s annual automobile allowance, payable on the 6 month anniversary of his termination date;

up to $7,500 in financial planning and tax preparation expenses incurred during the 17-month period commencing on Mr. Milroy s date of termination or resignation; and

payment of any unpaid management incentive bonus that Mr. Milroy earned a right to receive as of the last day of the fiscal year ending prior to his termination.

Mr. Milroy s Agreement also generally provides that, upon a change of control his economic incentive awards granted under the Stock Plan will become fully-vested. The Merger will constitute a change of control for purposes of Mr. Milroy s Agreement.

All payments and benefits made under Mr. Milroy s Agreement are subject to Mr. Milroy executing a general release of claims and his complying with restrictive covenants for 18 months following his termination or resignation date and a confidentiality covenant in perpetuity.

Excluding Mr. Milroy s Performance Stock Award, if payments and benefits under Mr. Milroy s Agreement made in connection with a change of control would result in an excise tax under Section 4999 of the Internal Revenue Code, then such payments and benefits will be reduced to the minimum extent necessary to provide Mr. Milroy with the best after-tax result.

Annual Executive Management Incentive Plan

Our Annual Executive Management Incentive Plan (the MIP) is a variable pay program tied to achievement of annual business goals. Under the terms of the MIP, incentive plan awards for our executive officers will be made as a Performance Unit awards under the Company s Restated Equity Incentive Plan (2013) to be paid in cash and limited to $5 million per NEO as required under the terms of that plan. The payout for each qualified performance-based measure of an NEO s MIP calculation is determined by multiplying the NEO s base salary, the NEO s target incentive percentage, and certain financial measures based generally on achievement of certain targets against an internal business plan approved annually by our board of directors. The Company may cause the annual MIP incentive plan awards for the fiscal year in which the effective time occurs to be paid out on a pro-rated basis based on performance measured through the effective time. The Company may pay such prorated incentives to an executive officer without requiring that the executive officer remain employed through the payment date, provided that the payment is pro-rated to reflect the portion of the performance period during which the executive officer remained employed. For an estimate of the value of the payments and benefits described above that could become payable, please see the column titled *MIP* and the described assumptions at *Information Regarding Golden Parachute Compensation*.

Deferred Compensation Plan

The Company sponsors the Executive Deferred Compensation Plan (DEFCO), which will be terminated and all amounts distributed in connection with the consummation of the Merger. All executive officers (other than Mr. Fancey) participate in the DEFCO and will become fully vested and paid their respective account balance upon the termination of the DEFCO. For an estimate of the value of the payments and benefits described above that could become payable, please see the column titled *Pension/NQDC* and the described assumptions at *Information Regarding Golden Parachute Compensation.*

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Retention Program

Pursuant to the Merger, the Company has approved a retention program in the aggregate amount of not more than $7.5 million to promote retention and to incentivize efforts to consummate the closing of the Merger with eligible employees selected at the discretion of the Company s Chief Executive Officer. The Company has entered into a retention bonus agreement with Mr. Cotter. Payment of Mr. Cotter s retention award will be paid in a cash lump sum at the end of the retention period, subject to continued employment through the retention period (unless earlier terminated without cause). The retention period will end on the earlier of the transaction closing date or August 15, 2017. It is expected that no other executive officers will participate in the retention program.

Information Regarding Golden Parachute Compensation

In accordance with Item 402(t) of Regulation S-K, the tables below present the estimated amounts of compensation that each named executive officer could receive that are based on or otherwise relate to the Merger. This compensation is referred to as golden parachute compensation by the applicable SEC disclosure rules, and in this section we use such term to describe the Merger-related compensation payable to G&K Services, Inc. s named executive officers. This Merger-related compensation is subject to a non-binding advisory vote of G&K Services, Inc. s shareholders. See the section entitled *The Annual Meeting Required Vote Advisory (Non-Binding) Vote on Merger-Related Compensation*, beginning on page 23.

The amounts set forth below have been calculated assuming the Merger was consummated on December 31, 2016, the latest practicable date determined prior to the filing of this proxy statement as of which we could estimate these payments, and, where applicable, assuming each named executive officer was terminated by the Company without cause or by the officer for good reason (each, a qualifying termination) on such date. The amounts indicated in the table below are estimates of amounts that would be payable to the named executive officers, and the estimates are based on multiple assumptions before taxes that may or may not actually occur, including assumptions described in this proxy statement and in the footnotes to the table. Some of the assumptions are based on information not currently available, and as a result, the actual amounts, if any, to be received by a named executive officer may differ in material respects from the amounts set forth below. All dollar amounts set forth below have been rounded to the nearest whole number.

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Golden Parachute Compensation

Name	Cash[1]	Equity[2]	Pension/ NQDC[3]	Perquisites Benefits[4]	Total
Douglas A. Milroy	$ 2,020,581	$ 12,872,246		$ 89,043	$ 14,981,871
Tracy C. Jokinen	$ 741,258	$ 2,228,448	$ 39,988	$ 28,763	$ 3,038,457
Jeffrey L. Cotter	$ 671,662	$ 1,072,394		$ 28,763	$ 1,772,819
Ian G. Davis	$ 694,575	$ 1,450,819	$ 25,994	$ 28,552	$ 2,199,940
Kevin A. Fancey	$ 571,278	$ 1,400,168		$ 40,744	$ 2,012,190

(1) Represents the double-trigger cash severance payable to each officer upon a qualifying termination within one year following a change of control and single-trigger bonus and retention payments potentially payable to each officer in connection with a change of control, as follows:

Name	Base Salary[a]	Base Salary Multiplier[b]	Subtotal (Base Salary x Multiplier)	MIP[c]	Retention Program	Total
Douglas A. Milroy	$ 785,200	2.0733333	$ 1,627,981	$ 392,600		$ 2,020,581
Tracy C. Jokinen	$ 34,317	18	$ 617,715	$ 123,543		$ 741,258
Jeffrey L. Cotter	$ 29,603	18	$ 532,853	$ 88,809	$ 50,000	$ 671,662
Ian G. Davis	$ 32,156	18	$ 578,812	$ 115,762		$ 694,574
Kevin A. Fancey	$ 26,448	18	$ 476,065	$ 95,213		$ 571,278

(a) Represents base salary per month, and, in the case of Mr. Milroy, his annual base salary. Base salary (per annum) for each officer is as follows: $411,809.84 for Ms. Jokinen; $355,235.40 for Mr. Cotter; $385,874.84 for Mr. Davis; and $317,376.83 for Mr. Fancey. Mr. Fancey s base salary amount is shown in USD, which was calculated by converting from CAD using the Treasury Reporting Rate of Exchange as of June 30, 2016 of $1.2950 CAD to $1.00 USD.

(b) Represents 17 months under the Severance Policy plus 1 month pursuant to the notice period under the Severance Policy, and, in the case of Mr. Milroy, 1.99 times his annual base salary plus 1 month pursuant to the notice period under Mr. Milroy s Agreement.

(c) Represents MIP awards for fiscal year 2017 pro-rated for the portion of the fiscal year elapsed through the effective time. Amounts in the table assume that performance metrics are achieved at target incentive levels through the effective time. Target incentive levels for fiscal year 2017, expressed as a percentage of base salary, are as follows: 100% for Mr. Milroy; 60% for Ms. Jokinen; 50% for Mr. Cotter; 60% for Mr. Davis; and 60% for Mr. Fancey.

(2) Represents the aggregate value of the single-trigger consideration to be paid to each officer in respect of equity awards pursuant to the terms of the merger agreement. For the number of unvested Stock Options, Restricted Stock and other awards held by each of the officers and for more information on the treatment of such awards under the merger agreement, please see the section entitled *Treatment of Outstanding Equity Awards*.

(3)

Represents amounts under DEFCO that are subject to single-trigger vesting acceleration, and does not include the following amounts that are already vested under the DEFCO: $2,309,483 for Mr. Milroy; $137,481 for Ms. Jokinen; $711,368 for Mr. Davis; and $616,312 for Mr. Cotter. Mr. Fancey does not participate in the DEFCO. Under the terms of the DEFCO, our NEOs may defer up to 25% of base salary and 50% of incentive compensation, and all such amounts deferred are fully vested at all times. In addition, we match 50% of an NEO s DEFCO deferrals (excluding deferrals in excess of 10% of an NEO s compensation), and we make retirement contributions equal to 2.5% of eligible pay and an additional 4% of eligible pay over the IRS compensation limit ($265,000 in calendar year 2016). All such employer contributions are 100% vested upon attainment of age 60 as an active employee or 10% per year for each plan year in which the NEO works at least 1,000 hours.

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(4) Represents the value of double-trigger severance-related benefits to be provided to each officer upon a qualifying termination within one year following a change of control, which include the following components:

Name	Health Coverage Continuation[(a)]	Outplacement Services	Automobile	Financial Planning	Total
Douglas A. Milroy	$ 11,043	$ 12,000	$ 58,500	$ 7,500	$ 89,043
Tracy C. Jokinen	$ 16,763	$ 12,000			$ 28,763