Q2 2017 Earnings Results

July 31, 2017

trueblue
THE PEOPLE COMPANY

Forward-Looking Statements

This document contains forward-looking statements relating to our plans and expectations, all of which are subject to risks and uncertainties. Such statements are based on management's expectations and assumptions as of the date of this release and involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied in our forward-looking statements including: (1) national and global economic conditions, (2) our ability to attract and retain customers, (3) our ability to maintain profit margins, (4) new laws and regulations that could have a material effect on our operations or financial results, (5) our ability to successfully complete and integrate acquisitions (6) our ability to attract sufficient qualified candidates and employees to meet the needs of our customers, and (7) our ability to successfully execute on new business initiatives such as the consolidation of our service lines and leveraging of mobile technology. Other information regarding factors that could affect our results is included in our SEC filings, including the company's most recent reports on Forms 10-K and 10-Q, copies of which may be obtained by visiting our website at www.trueblue.com under the Investor Relations section or the SEC's website at www.sec.gov. We assume no duty to update or revise any forward-looking statements contained in this release.

In addition, we use several non-GAAP financial measures when presenting our financial results in this release. Please refer to the reconciliations between our GAAP and non-GAAP financial measures in the appendix to this presentation and on our website at www.trueblue.com under the Investor Relations section for a complete perspective on both current and historical periods. Any comparisons made herein to other periods are based on a comparison to the same period in the prior year unless otherwise stated.

Use of estimates and forecasts:
Any references made to fiscal 2017 are based on management guidance issued July 31, 2017, and are included for informational purposes only. We assume no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law. Any other reference to future financial estimates are included for informational purposes only and subject to risk factors discussed in our most recent filings with the Securities Exchange Commission.

Q2 2017 Summary

Revenue consistent with management expectation

- Total revenue decline of -9% or -5% excluding Amazon[1]
  - PeopleReady -9%
  - PeopleManagement -12%, or +2% excluding Amazon
  - PeopleScout -1%

Disciplined pricing and expense management

- Gross margin up +20 bps
- Operating expense down -8%

Effective management of capital

- Total debt down -$26 million from 2016, multiple to TTM Adjusted EBITDA[2] of 0.8x
- $16 million of common stock repurchased

The right strategic priorities

- PeopleReady – Simplified brand structure and innovative mobile strategy (JobStack)
- PeopleManagement – Productivity solutions and e-commerce focus
- PeopleScout – High growth market, global leadership position, attractive margins

[1] Due to a previously announced reduction in the scope of services with Amazon, the company is providing results excluding this customer to help investors compare the company's underlying results with prior periods.
[2] See the appendix to this presentation and "Financial Information" in the Investors section of our website at www.trueblue.com for a definition and full reconciliation of non-GAAP financial measures to GAAP financial results.

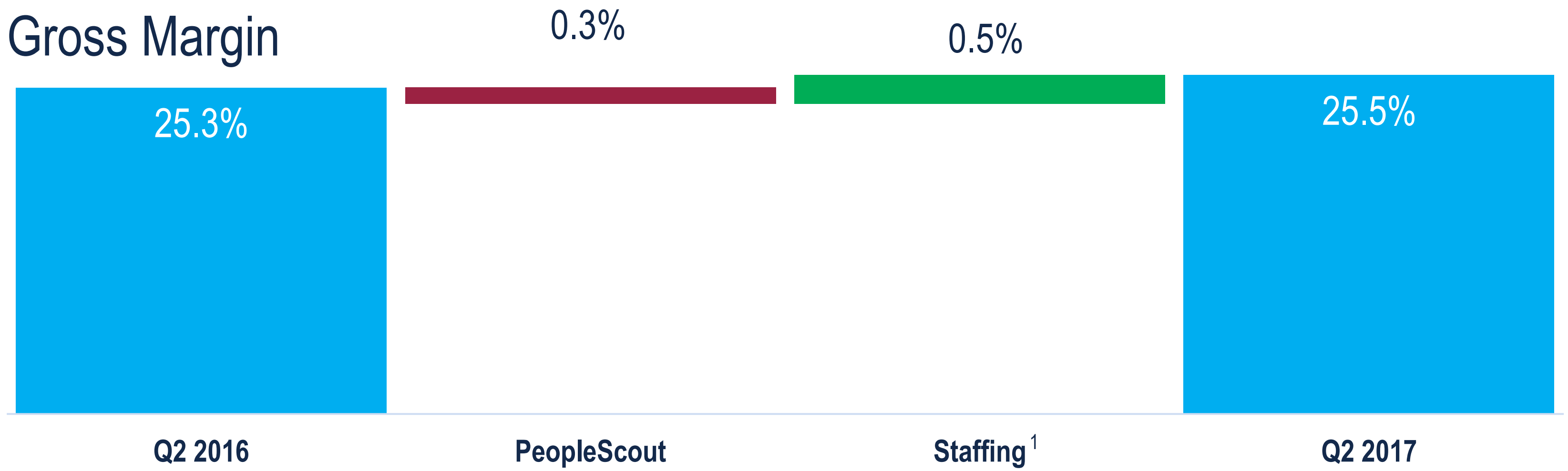
Financial Summary

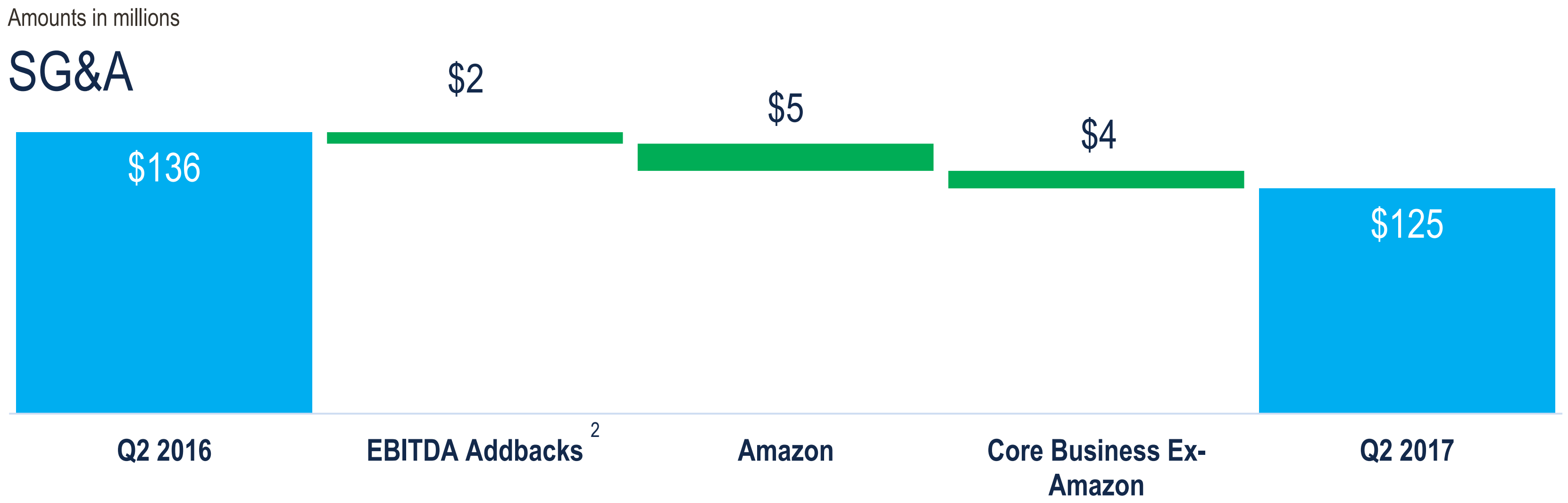
Amounts in millions, except per share data	Q2 2017	Y/Y Change
Revenue	$610	-9% -5% ex-Amazon
Net Income	$13	NM
Net Income Per Diluted Share	$0.31	NM
Adjusted Net Income[1]	$17	-22%
Adj. Net Income Per Diluted Share[1]	$0.42	-22%
Adjusted EBITDA[1]	$31	-17%
Adjusted EBITDA Margin	5.0%	-50 bps

- Revenue -9% largely driven by Amazon, -5% excluding Amazon
  - Stable intra-quarter trends
- Adjusted EBITDA and margin down from negative operating leverage
  - Q2 2017 was the first quarter without an Adjusted EBITDA headwind from Amazon
  - No Amazon headwind expected in back half of 2017 (Adjusted EBITDA from Amazon was flat in the back half of 2016)

[1] See the appendix to this presentation and "Financial Information" in the Investors section of our website at www.trueblue.com for a definition and full reconciliation of non-GAAP financial measures to GAAP financial results.

Gross Margin and SG&A Bridges





[1] Staffing includes our PeopleReady and PeopleManagement segments.
[2] Primarily acquisition and integration costs associated with our acquisition of the RPO division of Aon Hewitt.

Results by Segment

Amounts in millions	PeopleReady	PeopleManagement	PeopleScout
Revenue	$371	$193	$47
% Growth	*-9%*	*-12%* *+2% ex-Amazon*	*-1%*
Adj. EBITDA	$19	$6	$10
% Margin *Y/Y Change*	*5.2%* *-220 bps*	*3.3%* *+140 bps*	*21.8%* *-230 bps*
Notes:	• Volume headwinds from pricing strategy • Declining sales trends in manufacturing • Execution on mobile strategy with promising early results	• Revenue growth excluding Amazon • Year-over-year Adjusted EBITDA margin expansion • Amazon EBITDA headwinds are fully behind us and revenue headwinds are diminishing	• Volume declines at select customers, expect growth in Q3 • Second highest Adjusted EBITDA margin on record[1] • Year-over-year Adjusted EBITDA margin down due to acquisition related benefit in Q2 2016

Note: Figures may not sum to consolidated totals due to rounding.

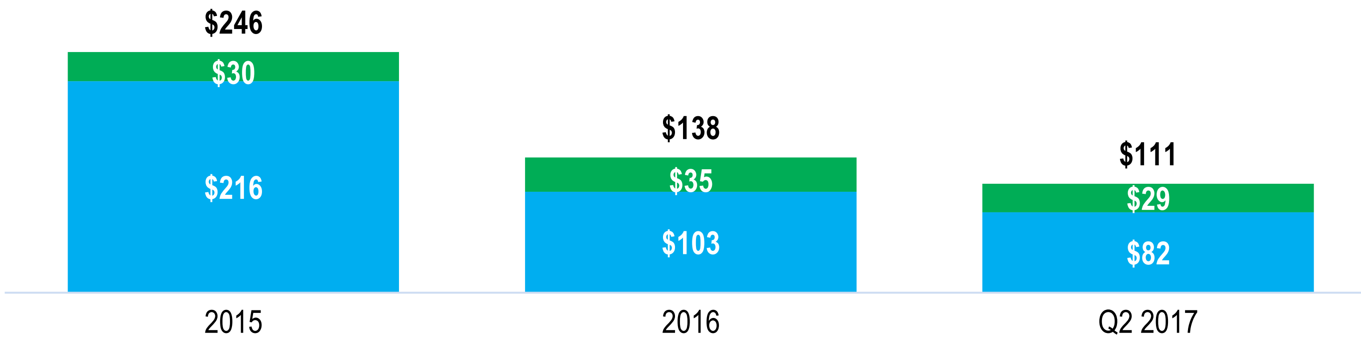
[1] Since the business was acquired in June 2014.

Lower Debt and Ample Liquidity

Amounts in millions

Total Debt

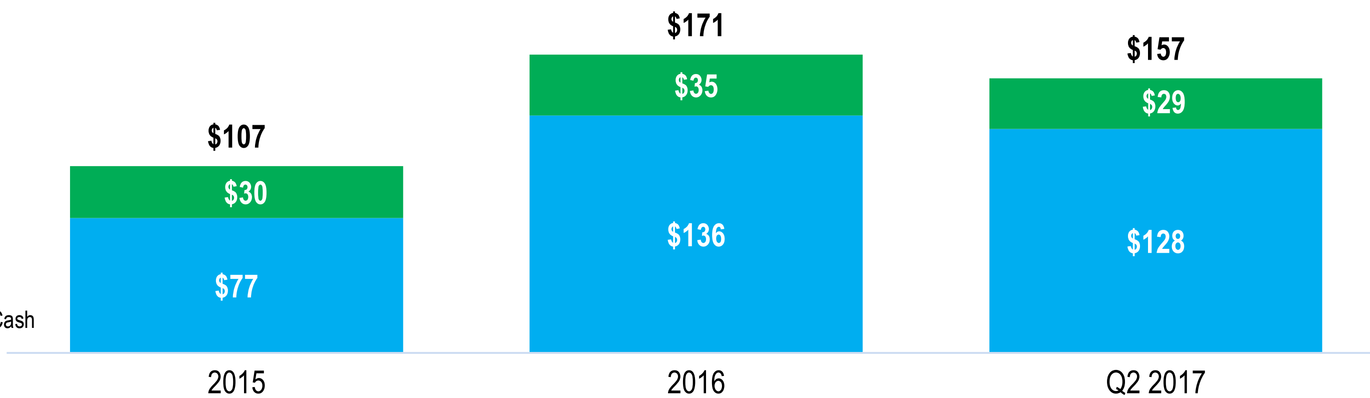
■ Net Debt ■ Cash



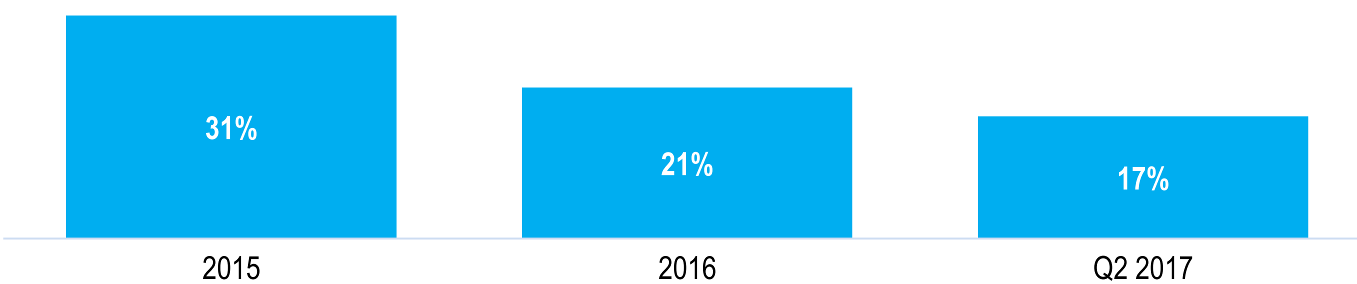
Amounts in millions

Liquidity

■ Borrowing Availability ■ Cash



Debt to Total Capital[1]



Note: Balances as of fiscal period end.

[1] Calculated as total debt divided by the sum of total debt plus shareholders' equity.

Segment Strategy Highlights

PeopleReady — A TrueBlue Company

- Rollout of mobile strategy continues (JobStack)
  - Worker app is being rolled out across branch network
  - Promising trends on worker app adoption
  - Recently launched new client app

PeopleManagement — A TrueBlue Company

- Productivity solutions enhance future growth prospects
  - Compelling value proposition
  - SIMOS acquisition at the end of 2015 bolstered our existing capabilities
  - Differentiated service, high EBITDA margin
  - Perfect fit with the growing world of e-commerce

PeopleScout — A TrueBlue Company

- Attractive margin business with compelling value proposition
- Global RPO market currently experiencing double-digit growth
- Actively pursuing organic revenue growth plus opportunistic international acquisitions to improve win rates on multi-continent deals

Outlook

trueblue
THE PEOPLE COMPANY

Q3 2017 Outlook

Amounts in millions, except per share data	Outlook	Comments
Revenue Growth Ranges Total Revenue PeopleReady PeopleManagement PeopleScout	$645 to $660 -7% to -5% -8% to -6% -9% to -7% 5% to 8%	• Total revenue decline was -9% in Q2 2017 • Ex-Amazon growth of -4% to -2% v. -5% in Q2 2017
EPS Adjusted EPS	$0.46 to $0.51 $0.55 to $0.60	• Assumes income tax rate of 28% • Assumes diluted weighted average shares outstanding of 41.5 million
Adjusted EBITDA	$38.5 to $41.5	
D&A / CapEx	$12 / $7	

Appendix

trueblue®
THE PEOPLE COMPANY

Reconciliation of U.S. GAAP Net Income (Loss) to Adjusted Net Income and Adjusted Net Income Per Share

(Unaudited, in thousands, except for per share data)	13 Weeks Ended					
	Jul 2, 2017	Jun 24, 2016	Q3 2017 Outlook*			
Net income (loss)	**$ 13,134**	$ (63,735)	$ 19,000	—	$ 21,100
Acquisition and integration costs (1)	—	2,319		—	
Goodwill and intangible asset impairment charge (2)	—	99,269		—	
Amortization of intangible assets of acquired businesses (3)	**5,742**	7,112		5,300	
Tax effective of adjustments to net income (loss) (4)	**(1,608)**	(30,436)		(1,500)	
Adjust income taxes to normalized effective rate (5)	**110**	7,782		—	
Adjusted net income (6)	**$ 17,378**	$ 22,311	$ 22,800	—	$ 25,000
Adjusted net income, per diluted share (6)	**$ 0.42**	$ 0.54	$ 0.55	—	$ 0.60
Diluted weighted average shares outstanding	**41,856**	41,880		41,500	

* Totals may not sum due to rounding.

1. Acquisition and integration costs relate to the acquisition of the recruitment process outsourcing business of Aon Hewitt, which was completed on January 4, 2016, and the acquisition of SIMOS, which was completed on December 1, 2015.
2. The goodwill and intangible asset impairment charge for the thirteen weeks ended June 24, 2016, relate to our Staff Management | SMX, hrX, and PlaneTechs reporting units. The impairment charge of $99 million is equivalent to $80 million after tax or $1.91 per diluted share.
3. Amortization of intangible assets of acquired businesses as well as accretion expense related to the SIMOS acquisition earn-out.
4. Total tax effect of each of the adjustments to U.S. GAAP Net income (loss) per diluted share using the ongoing rate of 28%.
5. Adjusts the effective income tax rate to the expected ongoing rate of 28%.
6. Adjusted net income and Adjusted net income per diluted share are non-GAAP financial measures, which exclude from Net income (loss) and Net income (loss) on a per diluted share basis, acquisition and integration costs, goodwill and intangible asset impairment charge, amortization of intangibles of acquired businesses as well as accretion expense related to acquisition earn-out, tax effect of each adjustment to U.S. GAAP Net income (loss), and adjust income taxes to the expected ongoing effective tax rate. Adjusted net income and Adjusted net income per diluted share are key measures used by management to assess performance and, in our opinion, enhance comparability and provide investors with useful insight into the underlying trends of the business. Adjusted net income and Adjusted net income per diluted share should not be considered measures of financial performance in isolation or as an alternative to net income (loss) or net income (loss) per diluted share in the Consolidated Statements of Operations in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies. Adjusted net income and Adjusted net income per diluted share previously excluded the third-party processing fees associated with generating Work Opportunity Tax Credits.

Reconciliation of U.S. GAAP Net Income (Loss) to EBITDA and Adjusted EBITDA

(Unaudited, in thousands)	13 Weeks Ended		Q3 2017 Outlook*		
	Jul 2, 2017	Jun 24, 2016			
Net income (loss)	**$ 13,134**	$ (63,735)	$ 19,000	—	$ 21,100
Income tax expense (benefit)	**5,260**	(13,978)	7,400	—	8,200
Interest and other expense (income), net	**(155)**	887	(200)		
Depreciation and amortization	**12,287**	11,694	12,200		
EBITDA (7)	**30,526**	(65,132)	38,300	—	41,300
Acquisition and integration costs (1)	**—**	2,319	—		
Goodwill and intangible asset impairment charge (2)	**—**	99,269	—		
Work Opportunity Tax Credit processing fees (8)	**16**	351	200		
Adjusted EBITDA (7)	**$ 30,542**	$ 36,807	$ 38,500	—	$ 41,500

* Totals may not sum due to rounding.

Note : See prior slide for footnotes (1) and (2).

7. EBITDA and Adjusted EBITDA are non-GAAP financial measures. EBITDA excludes from Net income (loss) interest, taxes, depreciation and amortization. Adjusted EBITDA further excludes from EBITDA acquisition and integration costs, goodwill and intangible asset impairment charge, and Work Opportunity Tax Credit third-party processing fees. EBITDA and Adjusted EBITDA are key measures used by management to assess performance and, in our opinion, enhance comparability and provide investors with useful insight into the underlying trends of the business. EBITDA and Adjusted EBITDA should not be considered measures of financial performance in isolation or as an alternative to Income (loss) from operations in the Consolidated Statements of Operations in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies.
8. These third-party processing fees are associated with generating the Work Opportunity Tax Credits, which are designed to encourage employers to hire workers from certain targeted groups with higher than average unemployment rates and reduce our income taxes.

Reconciliation of Segment EBITDA to Adjusted EBITDA

(Unaudited, in thousands)	13 Weeks Ended					
	Jul 2, 2017			Jun 24, 2016		
	PeopleReady	PeopleManagement	PeopleScout	PeopleReady	PeopleManagement	PeopleScout
Segment EBITDA (1)	$ 19,154	$ 6,286	$ 10,129	$ 29,543	$ (80,091)	$ (3,841)
Goodwill and intangible asset impairment charge (2)	—	—	—	—	84,100	15,169
Work Opportunity Tax Credit processing fees (3)	16	—	—	351	—	—
Adjusted EBITDA (1)	$ 19,170	$ 6,286	$ 10,129	$ 29,894	$ 4,009	$ 11,328

1. Segment earnings before interest, taxes, depreciation and amortization ("Segment EBITDA") is a primary measure of segment performance. Segment EBITDA includes net sales to third parties, related cost of sales, and selling, general and administrative expenses directly attributable to the reportable segment together with certain allocated corporate general and administrative expenses. Segment EBITDA excludes unallocated corporate general and administrative expenses. Adjusted EBITDA by segment is a non-GAAP financial measure and further excludes acquisition/integration and other costs, goodwill and intangible asset impairment charge, and Work Opportunity Tax Credit third-party processing fees. Adjusted EBITDA by segment is a key measure used by management to assess performance and, in our opinion, enhances comparability and provides investors with useful insight into the underlying trends of the business. Adjusted EBITDA by segment should not be considered a measure of financial performance in isolation or as an alternative to Income (loss) from operations in the Consolidated Statements of Operations in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies.
2. The goodwill and intangible asset impairment charge for the thirteen weeks ended June 24, 2016, relate to our Staff Management | SMX, hrX, and PlaneTechs reporting units. The impairment charge of $99 million is equivalent to $80 million after tax or $1.91 per diluted share.
3. These third-party processing fees are associated with generating the Work Opportunity Tax Credits, which are designed to encourage employers to hire workers from certain targeted groups with higher than average unemployment rates and reduce our income taxes.