
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): July 30, 2018



TRUEBLUE, INC.

(Exact Name of Registrant as Specified in Its Charter)

Washington
**(State or Other Jurisdiction
of Incorporation)**

001-14543
**(Commission
File Number)**

91-1287341
**(IRS Employer
Identification No.)**

1015 A Street, Tacoma, Washington
(Address of Principal Executive Offices)

98402
(Zip Code)

(253) 383-9101
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On July 30, 2018, TrueBlue, Inc. (the “company”) issued a press release (the “Press Release”) reporting its financial results for the second quarter ended July 1, 2018, and revenue and earnings outlook for the third quarter of 2018, a copy of which is attached hereto as Exhibit 99.1 and the contents of which are incorporated herein by this reference. Also attached to this report as Exhibit 99.2 is a slide presentation relating to the financial results for the second quarter ended July 1, 2018 (the “Earnings Results Presentation”), which will be discussed by management of the company on a live conference call at 2:00 p.m. Pacific Time (5:00 p.m. Eastern Time) on Monday, July 30, 2018. The Earnings Results Presentation is also available on the company’s website at www.trueblue.com.

In accordance with General Instruction B.2. of Form 8-K, the information contained above in this report (including the Press Release and the Earnings Results Presentation) shall not be deemed “Filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall the Press Release or the Earnings Results Presentation be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing. This report will not be deemed a determination or an admission as to the materiality of any information in the report that is required to be disclosed solely by Regulation FD.

Item 7.01. Regulation FD Disclosure.

We are also attaching our Investor Roadshow Presentation to this report as Exhibit 99.3, which we will reference in our Q2 2018 earnings results discussion and which may be used in future investor conferences. The Investor Roadshow Presentation is also available on the company’s website at www.trueblue.com.

In accordance with General Instruction B.2. of Form 8-K, the information contained above in this report (including the Investor Roadshow Presentation) shall not be deemed “Filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall the Investor Roadshow Presentation be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing. This report will not be deemed a determination or an admission as to the materiality of any information in the report that is required to be disclosed solely by Regulation FD.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

- 99.1 Press Release dated July 30, 2018
 - 99.2 Earnings Results Presentation for July 30, 2018 conference call
 - 99.3 Investor Roadshow Presentation
-

EXHIBIT INDEX

Exhibit Number	Exhibit Description	Filed Herewith
99.1	Press Release dated July 30, 2018	X
99.2	Earnings Results Presentation for July 30, 2018 conference call	X
99.3	Investor Roadshow Presentation	X

TRUEBLUE REPORTS FISCAL SECOND QUARTER 2018 RESULTS

TACOMA, WA-July 30, 2018 -- TrueBlue, Inc. (NYSE:TBI) announced today its fiscal second quarter 2018 results.

Revenue was \$614 million, an increase of 1 percent, compared to revenue of \$610 million in the fiscal second quarter of 2017. Organic revenue¹ excluding the divested PlaneTechs business increased by 2 percent. Net income per diluted share was \$0.44, an increase of 42 percent, compared to \$0.31 in the fiscal second quarter of 2017. Adjusted net income per diluted share² was \$0.57, an increase of 36 percent, compared to \$0.42 in the fiscal second quarter of 2017.

“We are pleased with this quarter’s results which included revenue growth at PeopleReady, operating margin expansion and strong EPS growth,” TrueBlue CEO Steve Cooper said. “We experienced widespread revenue improvements in our PeopleReady business driven by a consistent focus on business development activity. Efforts to reduce our cost of services across all segments continue to produce value resulting in our tenth consecutive quarter of gross margin expansion.”

“We made strong progress advancing our key strategies. We acquired TMP Holdings in the United Kingdom, the world’s second largest RPO market. This acquisition increases our ability to win multi-continent engagements by adding a physical presence in Europe, referenceable clients and employer branding capabilities. On the technology front, JobStack™, our PeopleReady mobile staffing technology, is transforming how people find work and how businesses find people. Affinix™, our PeopleScout proprietary talent acquisition technology, is receiving praise from customers and a high level of interest from prospective clients.”

2018 Outlook

The company estimates revenue for the fiscal third quarter of 2018 will range from \$662 million to \$677 million. It also estimates net income per diluted share will range from \$0.54 to \$0.60 and adjusted net income per diluted share will range from \$0.75 to \$0.81.

Management will discuss fiscal second quarter 2018 results on a webcast at 2 p.m. PT (5 p.m. ET), today, Monday, July 30. The webcast can be accessed on TrueBlue’s website: www.trueblue.com.

About TrueBlue:

TrueBlue (NYSE: TBI) is a leading provider of specialized workforce solutions that help clients achieve business growth and improve productivity, while connecting approximately 740,000 people with work in 2017. TrueBlue’s PeopleReady segment offers industrial staffing services, PeopleManagement offers contingent and productivity-based on-site industrial staffing services, and PeopleScout offers Recruitment Process Outsourcing (RPO) and Managed Service Provider (MSP) solutions to a wide variety of industries. Learn more at www.trueblue.com.

¹ Organic revenue excludes acquired revenue.

² See the financial statements accompanying the release and the company’s website for more information on non-GAAP terms.

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, (7) our ability to successfully execute on business strategies and initiatives such as the consolidation of our service lines and leveraging of mobile technology, and (8) uncertainty surrounding the interpretation and application of the recent 2017 Tax Cuts and Jobs Act and any reduction or change in tax credits we utilize, including the Work Opportunity Tax Credit. Other information regarding factors that could affect our results is included in our Securities Exchange Commission (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 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 SEC.

In addition, we use several non-GAAP financial measures when presenting our financial results in this document. Please refer to the reconciliations between our GAAP and non-GAAP financial measures in the appendix to this document and on our website at www.trueblue.com under the Investor Relations section for a complete perspective on both current and historical periods. The presentation of these non-GAAP financial

measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies.

Contact:
Derrek Gafford, EVP & CFO
253-680-8214

TRUEBLUE, INC.
SUMMARY CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

<i>(in thousands, except per share data)</i>	13 Weeks Ended		26 Weeks Ended	
	Jul 1, 2018	Jul 2, 2017	Jul 1, 2018	Jul 2, 2017
Revenue from services	\$ 614,301	\$ 610,122	\$ 1,168,689	\$ 1,178,366
Cost of services	448,717	454,842	859,837	883,657
Gross profit	165,584	155,280	308,852	294,709
Selling, general and administrative expense	134,207	124,754	259,970	246,598
Depreciation and amortization	10,101	12,287	20,191	23,461
Income from operations	21,276	18,239	28,691	24,650
Interest and other income (expense), net	(968)	155	1,236	229
Income before tax expense	20,308	18,394	29,927	24,879
Income tax expense	2,576	5,260	3,440	7,071
Net income	\$ 17,732	\$ 13,134	\$ 26,487	\$ 17,808
Net income per common share:				
Basic	\$ 0.44	\$ 0.32	\$ 0.66	\$ 0.43
Diluted	\$ 0.44	\$ 0.31	\$ 0.65	\$ 0.43
Weighted average shares outstanding:				
Basic	40,227	41,579	40,335	41,608
Diluted	40,469	41,856	40,576	41,875

TRUEBLUE, INC.
SUMMARY CONSOLIDATED BALANCE SHEETS
(Unaudited)

<i>(in thousands)</i>	Jul 1, 2018	Dec 31, 2017
ASSETS		
Cash and cash equivalents	\$ 33,408	\$ 28,780
Accounts receivable, net	370,588	374,273
Other current assets	28,970	25,226
Total current assets	432,966	428,279
Property and equipment, net	57,055	60,163
Restricted cash and investments	239,390	239,231
Goodwill and intangible assets, net	341,455	331,309
Other assets, net	53,354	50,049
Total assets	\$ 1,124,220	\$ 1,109,031
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities	\$ 219,129	\$ 212,419
Long-term debt, less current portion	117,199	116,489
Other long-term liabilities	224,591	225,276
Total liabilities	560,919	554,184
Shareholders' equity	563,301	554,847
Total liabilities and shareholders' equity	\$ 1,124,220	\$ 1,109,031

TRUEBLUE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

<i>(in thousands)</i>	26 Weeks Ended	
	Jul 1, 2018	Jul 2, 2017
Cash flows from operating activities:		
Net income	\$ 26,487	\$ 17,808
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	20,191	23,461
Provision for doubtful accounts	5,571	3,619
Stock-based compensation	5,983	5,146
Deferred income taxes	1,373	2,975
Other operating activities	102	2,022
Changes in operating assets and liabilities:		
Accounts receivable	888	11,925
Income tax receivable	(3,641)	8,828
Other assets	(3,522)	5,977
Accounts payable and other accrued expenses	3,767	(13,181)
Accrued wages and benefits	(1,423)	(4,560)
Workers' compensation claims reserve	(9,235)	767
Other liabilities	2,900	(580)
Net cash provided by operating activities	49,441	64,207
Cash flows from investing activities:		
Capital expenditures	(6,468)	(9,137)
Acquisition of business	(22,742)	—
Divestiture of business	8,800	—
Purchases of restricted investments	(10,730)	(20,712)
Maturities of restricted investments	13,044	13,546
Net cash used in investing activities	(18,096)	(16,303)
Cash flows from financing activities:		
Purchases and retirement of common stock	(19,065)	(15,530)
Net proceeds from stock option exercises and employee stock purchase plans	757	858
Common stock repurchases for taxes upon vesting of restricted stock	(2,403)	(2,873)
Net change in revolving credit facility	21,300	(25,303)
Payments on debt	(22,856)	(1,133)
Payment of contingent consideration at acquisition date fair value	—	(18,300)
Net cash used in financing activities	(22,267)	(62,281)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(919)	(154)
Net change in cash, cash equivalents, and restricted cash	8,159	(14,531)
Cash, cash equivalents and restricted cash, beginning of period	73,831	103,222
Cash, cash equivalents and restricted cash, end of period	\$ 81,990	\$ 88,691

TRUEBLUE, INC.
NON-GAAP FINANCIAL MEASURES AND NON-GAAP RECONCILIATIONS

In addition to financial measures presented in accordance with U.S. GAAP, we monitor certain non-GAAP key financial measures. The presentation of these non-GAAP financial measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies.

Non-GAAP Measure	Definition	Purpose of Adjusted Measures
<i>EBITDA and Adjusted EBITDA</i>	EBITDA excludes from net income: <ul style="list-style-type: none"> - interest and other income (expense), net, - income taxes, and - depreciation and amortization. Adjusted EBITDA, further excludes: <ul style="list-style-type: none"> - Work Opportunity Tax Credit third-party processing fees, - acquisition/integration costs and - other costs. 	<ul style="list-style-type: none"> - Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business. - Used by management to assess performance and effectiveness of our business strategies. - Provides a measure, among others, used in the determination of incentive compensation for management.
<i>Adjusted net income and Adjusted net income, per diluted share</i>	Net income and net income per diluted share, excluding: <ul style="list-style-type: none"> - adjustment to the gain on divestiture, - amortization of intangibles of acquired businesses, as well as accretion expense related to acquisition earn-out, - acquisition/integration costs, - other costs, - tax effect of each adjustment to U.S. GAAP net income, and - adjusted income taxes to the expected effective tax rate. 	<ul style="list-style-type: none"> - Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business. - Used by management to assess performance and effectiveness of our business strategies.
<i>Organic revenue</i>	Revenue from services excluding acquired entity revenue.	<ul style="list-style-type: none"> - Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business. - Used by management to assess performance and effectiveness of our business strategies.

1. RECONCILIATION OF U.S. GAAP NET INCOME TO ADJUSTED NET INCOME AND ADJUSTED NET INCOME, PER DILUTED SHARE
(Unaudited)

	Q2 2018		Q2 2017		Q3 2018 Outlook*	
	13 Weeks Ended		13 Weeks Ended		13 Weeks Ended	
	Jul 1, 2018		Jul 2, 2017		Sep 30, 2018	
<i>(in thousands, except for per share data)</i>						
Net income	\$	17,732	\$	13,134	\$ 21,700 — \$ 24,200	
Adjustment to the gain on divestiture (1)		290		—	—	
Amortization of intangible assets of acquired businesses (2)		5,174		5,742	5,200	
Acquisition/integration costs (3)		457		—	1,600	
Other costs (4)		1,264		—	3,000	
Tax effect of adjustments to net income (5)		(1,150)		(1,608)	(1,600)	
Adjustment of income taxes to normalized effective rate (6)		(673)		110	—	
Adjusted net income	\$	23,094	\$	17,378	\$ 29,900 — \$ 32,400	
Adjusted net income, per diluted share	\$	0.57	\$	0.42	\$ 0.75 — \$ 0.81	
Diluted weighted average shares outstanding		40,469		41,856	40,100	

2. RECONCILIATION OF U.S. GAAP NET INCOME TO EBITDA AND ADJUSTED EBITDA
(*Unaudited*)

<i>(in thousands)</i>	Q2 2018		Q2 2017		Q3 2018 Outlook*	
	13 Weeks Ended		13 Weeks Ended		13 Weeks Ended	
	Jul 1, 2018		Jul 2, 2017		Sep 30, 2018	
Net income	\$	17,732	\$	13,134	\$ 21,700 — \$ 24,200	
Income tax expense		2,576		5,260	4,100 — 4,600	
Interest and other (income) expense, net		968		(155)	200	
Depreciation and amortization		10,101		12,287	10,400	
EBITDA		31,377		30,526	36,500 — 39,500	
Work Opportunity Tax Credit processing fees (7)		264		16	200	
Acquisition/integration costs (3)		457		—	1,600	
Other costs (4)		1,264		—	3,000	
Adjusted EBITDA	\$	33,362	\$	30,542	\$ 41,300 — \$ 44,300	

* Totals may not sum due to rounding

3. RECONCILIATION OF U.S. GAAP REVENUE TO ORGANIC REVENUE
(*Unaudited*)

<i>(in thousands)</i>	Q2 2018		Q2 2017	
	13 Weeks Ended		13 Weeks Ended	
	Jul 1, 2018		Jul 2, 2017	
Revenue from services	\$	614,301	\$	610,122
Acquired entity revenue		(2,851)		—
Organic revenue	\$	611,450	\$	610,122

- (1) Adjustment to the gain on the divestiture of our PlaneTechs service line as we continue to finalize actual costs incurred. PlaneTechs was sold mid-March 2018.
- (2) Amortization of intangible assets of acquired businesses as well as accretion expense related to the SIMOS acquisition earn-out.
- (3) Acquisition/integration costs relate to the acquisition of TMP Holdings LTD completed on June 12, 2018.
- (4) Other costs for the 13 weeks ended Jul. 1, 2018 and the Q3 2018 outlook include implementation costs for cloud-based systems. Other costs included in the Q3 2018 outlook also include accelerated vesting of stock per the CEO's employment contract associated with the leadership transition.
- (5) Total tax effect of each of the adjustments to U.S. GAAP net income using the expected ongoing rate of 16 percent for 2018, due to the enacted U.S. Tax Cuts and Jobs Act, and 28 percent for 2017.
- (6) Adjustment of the effective income tax rate to the expected ongoing rate of 16 percent for 2018, due to the enacted U.S. Tax Cuts and Jobs Act, and 28 percent for 2017.
- (7) 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.

TRUEBLUE, INC.
SEGMENT INFORMATION

3. SEGMENT DATA
(Unaudited)

<i>(in thousands)</i>	13 Weeks Ended	
	Jul 1, 2018	Jul 2, 2017
Revenue from services:		
PeopleReady	\$ 377,460	\$ 370,712
PeopleManagement	178,839	192,887
PeopleScout	58,002	46,523
Total company	614,301	610,122
Segment profit (1):		
PeopleReady	\$ 23,198	\$ 19,170
PeopleManagement	4,712	6,286
PeopleScout	11,320	10,129
Total segment profit	39,230	35,585
Corporate unallocated expense	(5,868)	(5,043)
Total company Adjusted EBITDA	33,362	30,542
Work Opportunity Tax Credit processing fees (2)	(264)	(16)
Acquisition/integration costs (3)	(457)	—
Other costs (4)	(1,264)	—
EBITDA	31,377	30,526
Depreciation and amortization	(10,101)	(12,287)
Interest and other income (expense), net	(968)	155
Income before tax expense	20,308	18,394
Income tax expense	(2,576)	(5,260)
Net income	\$ 17,732	\$ 13,134

- (1) We evaluate performance based on segment revenue and segment profit. Segment profit includes revenue, related cost of services, and ongoing operating expenses directly attributable to the reportable segment. Segment profit excludes goodwill and intangible impairment charges, depreciation and amortization expense, unallocated corporate general and administrative expense, interest, other income and expense, income taxes, and costs not considered to be ongoing costs of the segment. Segment profit is comparable to segment adjusted EBITDA amounts reported in prior years.
- (2) 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.
- (3) Acquisition/integration costs relate to the acquisition of TMP Holdings LTD completed on June 12, 2018.
- (4) Other costs include implementation costs for cloud-based systems.



Q2 2018 Earnings Results



July 30, 2018

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, (7) our ability to successfully execute on business strategies and initiatives such as the consolidation of our service lines and leveraging of mobile technology, and (8) uncertainty surrounding the interpretation and application of the recent 2017 Tax Cuts and Jobs Act and any reduction or change in tax credits we utilize, including the Work Opportunity Tax Credit. Other information regarding factors that could affect our results is included in our Securities Exchange Commission (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 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 SEC.

In addition, we use several non-GAAP financial measures when presenting our financial results in this document. 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. The presentation of these non-GAAP financial measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies. Any comparisons made herein to other periods are based on a comparison to the same period in the prior year unless otherwise stated.

Q2 2018 summary

Total company and PeopleReady returned to growth

- Total revenue +1% v. -2% in Q1
- Organic revenue¹ excluding PlaneTechs² +2% v. -2% in Q1
- PeopleReady, the largest segment, +2% v. -5% in Q1
- PeopleManagement -7%, -2% excluding PlaneTechs
- PeopleScout +25%, +19% organic

Strong EPS results

- EPS +42% and adjusted EPS³ +36%
- Programs to lower cost of sales are working – gross margin +150 bps
- Adjusted EBITDA³ +9% and adjusted EBITDA margin +40 bps

Acquisition of TMP Holdings LTD in the UK

- Provides immediate access to the 2nd largest RPO market in the world (after the US)
- Increases PeopleScout's ability to compete for multi-continent engagements

Return of capital

- \$19M of stock repurchased in Q2, \$74M available under authorization

¹ Organic revenue excludes acquired revenue. On June 12, 2018, TrueBlue acquired TMP Holdings LTD, a mid-sized RPO provider in the UK. See press release and presentation at trueblue.com for further details on the acquisition.

² In mid-March 2018, we entered into an asset purchase agreement with a private, strategic buyer pursuant to which we sold our PlaneTechs service line. Growth presented excluding both current and prior year PlaneTechs results.

³ 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

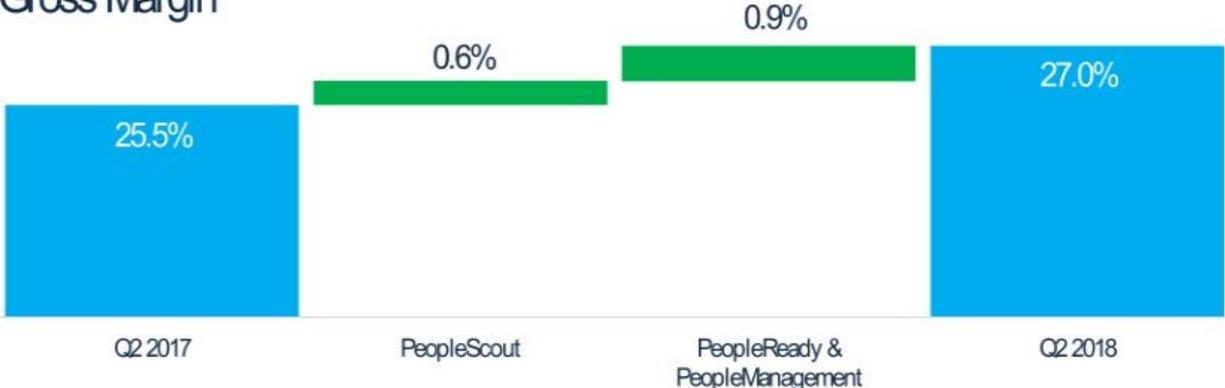
Amounts in millions, except per share data	Q2 2018	Y/Y Change
Revenue	\$614	1% (+2% organic, ex-PlaneTechs)
Net Income	\$17.7	+35%
Net Income Per Diluted Share	\$0.44	+42%
Adjusted Net Income ¹	\$23.1	+33%
Adj. Net Income Per Diluted Share	\$0.57	+36%
Adjusted EBITDA	\$33.4	+9%
Adjusted EBITDA Margin	5.4%	+40 bps

- Net income growth is higher than adjusted EBITDA as a result of a lower effective income tax rate as well as lower amortization and depreciation
- Adjusted EBITDA margin benefiting from gross margin expansion

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

Gross Margin



Amounts in millions

SG&A



*Integration and acquisition costs and implementation costs for cloud-based systems.

Q2-18 segment update

Amounts in millions	PeopleReady	PeopleManagement	PeopleScout
Revenue	\$377	\$179	\$58
% Growth	+2%	-7% (-2% ex-PlaneTechs)	+25% (+19% organic)
Segment Profit ¹	\$23.2	\$4.7	\$11.3
% Growth	21%	-25% (-15% ex-PlaneTechs)	+12% (+9% organic)
% Margin Y/Y Change	6.1% +100 bps	2.6% -60 bps	19.5% -230 bps
Notes:	<ul style="list-style-type: none"> ● Revenue growth of +2% in Q2 v.-5% in Q1 ● Revenue growth was broad-based, driven by a consistent focus on business development activity 	<ul style="list-style-type: none"> ● PlaneTechs business was divested in Q1 2018 ● Revenue lower due to lower production volume with select clients ● 20 bps of margin compression from a client service level benefit in the prior year 	<ul style="list-style-type: none"> ● Fourth consecutive quarter of double-digit revenue growth ● Margin compression from \$1M of administrative costs that are not expected to continue

¹We evaluate performance based on segment revenue and segment profit. Segment profit includes revenue, related cost of services, and ongoing operating expenses directly attributable to the reportable segment. Segment profit excludes goodwill and intangible impairment charges, depreciation and amortization expense, unallocated corporate general and administrative expense, interest, other income and expense, income taxes, and costs not considered to be ongoing costs of the segment. Segment profit is comparable to segment adjusted EBITDA amounts reported in prior years.

Segment strategy highlights



- Worker component of JobStack™ mobile app fully deployed
- 6,975 unique clients on JobStack as of Q2-18
- Expect 10,000 clients to be actively using JobStack by the end of 2018
- 15%+ operating margin on incremental organic revenue

- Attractive on-premise solution
 - Perfect fit for larger clients with longer-duration / strategic need for contingent workers
 - Strength in the e-commerce vertical
 - Internal focus on new client wins and margin expansion

- Global RPO market experiencing strong growth
- Industry leading proprietary technology – recently launched Affinix™, a next-generation HR tool
- Attractive-margin business with compelling value proposition

Cross-Selling: Leverage significant opportunities with key strategic accounts

TMP Holdings LTD acquisition overview

<p>Overview</p>	<ul style="list-style-type: none"> • TMP Holdings LTD is a mid-sized RPO / employer branding provider operating in the United Kingdom, which is the second largest RPO market in the world • Brings UK presence and referenceable UK RPO clients which add credibility in winning new multi-continent RPO engagements • The acquisition also adds employer branding capabilities, an area of increasing importance to RPO clients 		
<p>NTM Financial Outlook¹</p>	<p>Revenue Segment profit²</p>	<p>\$50M \$3M</p>	<ul style="list-style-type: none"> • EPS impact +\$0.01³ • Adjusted EPS impact +\$0.04⁴
<p>Transaction Highlights</p>	<p>Acquisition date</p>	<p>June 12, 2018</p>	
	<p>Net-of-cash purchase price</p>	<p>\$23M</p>	<ul style="list-style-type: none"> • Purchased 100% of outstanding stock
	<p>Valuation multiple</p>	<p>7.5x</p>	<ul style="list-style-type: none"> • Based on purchase price divided by NTM segment profit
	<p>Financing</p>	<p>Existing facility</p>	<ul style="list-style-type: none"> • Existing debt facility used to finance transaction

¹ "NTM" —next twelve months.

² We evaluate performance based on segment revenue and segment profit. Segment profit includes revenue, related cost of services, and ongoing operating expenses directly attributable to the reportable segment. Segment profit excludes goodwill and intangible impairment charges, depreciation and amortization expense, unallocated corporate general and administrative expense, interest, other income and expense, income taxes, and costs not considered to be ongoing costs of the segment.

³ Excludes transaction and integration costs.

⁴ Adjusted EPS excludes amortization of intangibles and adjusts income taxes to the expected effective tax rate of 16%. See "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. 8

TMP strengthens PeopleScout's European presence



+ TMP Holdings LTD

Increases scale in a high growth RPO market

- Bolsters PeopleScout's position as #1 global provider of RPO services¹
- Global RPO market is expected to grow 12% over the next five years²

Expands presence in high margin business

- PeopleScout's segment profit margin was >20% in 2017

Provides opportunity to accelerate growth with multi-continent engagements

- 30% of all RPO engagements are now multi-country²
- UK presence improves our ability to compete on multi-continent RPO engagements

Employer branding adds new in-demand solution

- Employer branding present in >50% of all RPO engagements
- Adds an appealing solution to our existing RPO services

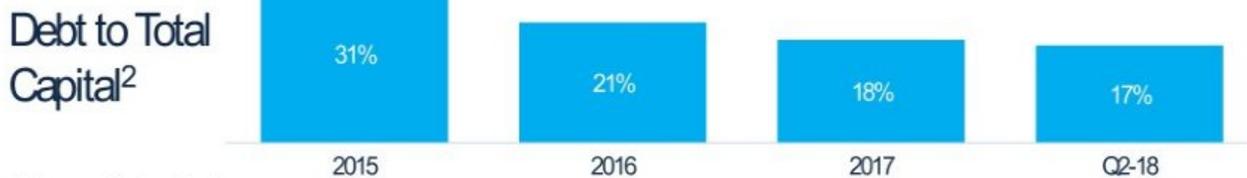
Entry into attractive UK market

- UK RPO market is the 2nd largest in the world (after the US)
- TMP is a recognized RPO provider in the UK

¹ Source: Everest Group. Overall RPO rankings by annual number of hires (2017).

² Source: NelsonHall. Estimated market CAGR from 2017-2022, % multi-country RPO contracts for 2016/2017.

Lower debt and ample liquidity



Note: Balances as of fiscal period end.

¹ Q2-18 borrowing availability is a pro forma calculation based on the new \$300M credit facility established in July 2018 less total outstanding bank debt at the end of Q2 2018. The new facility replaced our prior asset backed facility which was set to expire in June 2019. Please see the Form 8-K filed with the SEC on July 16, 2018 for additional details. Prior period borrowing availability represents borrowing available under the prior asset-backed credit facility.

² Calculated as total debt divided by the sum of total debt plus shareholders' equity.

Outlook



Q3 2018 outlook

Amounts in millions, except per share data

Revenue	Outlook	% Growth	Pro-forma % Growth ¹	Notes
Total ²	\$662 to \$677	0% to 2%	1% to 3%	<ul style="list-style-type: none"> Total company and PeopleReady headwind of about 1% from PeopleReady hurricane-related business in Q3-17
PeopleReady	\$413 to \$423	0% to 2%	0% to 2%	
PeopleManagement	\$181 to \$185	-8% to -6%	1% to 4%	<ul style="list-style-type: none"> Amazon notified the company that it plans to assume full responsibility for the labor at its Canadian fulfillment centers effective September 1, 2018
PeopleScout	\$68 to \$70	39% to 42%	10% to 12%	
Profitability & Capital Expenditures		Outlook	Notes	
Net income per diluted share		\$0.54 to \$0.60	<ul style="list-style-type: none"> Assumes an effective income tax rate of 16% \$4.6M of add-backs related to integration and acquisition costs, implementation costs for cloud-based systems and accelerated vesting of stock associated with the CEO transition Assumes diluted weighted average shares outstanding of 40.1 million 	
Adjusted net income per diluted share		\$0.75 to \$0.81		
Capital Expenditures		\$4		

¹ Pro-forma % growth reflects organic growth excluding Amazon and PlaneTechs from both current and prior year results for PeopleManagement and acquired TMP revenue from PeopleScout.

² Figures may not sum to consolidated totals due to rounding.

Select 2018 outlook information

Amounts in millions

PeopleManagement: Amazon

- Loss of Amazon Canadian business effective September 1, 2018 is expected to create a revenue headwind of approximately \$8M in Q3-18 (4% growth headwind for PeopleManagement and 1% for total TBI) and \$24M in Q4-18 (11% for PeopleManagement and 4% for total TBI)

Memo: Amazon Historical	Q3-17	Q4-17	Q1-18	Q2-18	TTM	TTM % of Total TBI
Revenue	\$11	\$24	\$12	\$6	\$53	2%
Segment Profit	1.4	2.4	1.4	0.7	5.9	5%

PeopleReady: Energy

- The quarterly run-rate for this business is about \$10M in 2018 and faces a prior year comparison of \$15M in Q3-18 and \$26M in Q4-18

Memo: Energy Historical	Q3-17	Q4-17	Q1-18	Q2-18	TTM	TTM % of Total TBI
Revenue	\$15	\$26	\$13	\$8	\$61	2%

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

Appendix



NON-GAAP FINANCIAL MEASURES AND NON-GAAP RECONCILIATIONS

In addition to financial measures presented in accordance with U.S. GAAP, we monitor certain non-GAAP key financial measures. The presentation of these non-GAAP financial measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies.

Non-GAAP Measure	Definition	Purpose of Adjusted Measures
EBITDA and Adjusted EBITDA	<p>EBITDA excludes from net income:</p> <ul style="list-style-type: none"> - interest and other income (expense), net, - income taxes, and - depreciation and amortization. <p>Adjusted EBITDA, further excludes:</p> <ul style="list-style-type: none"> - Work Opportunity Tax Credit third-party processing fees, - acquisition/integration costs and - other costs. 	<ul style="list-style-type: none"> - Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business. - Used by management to assess performance and effectiveness of our business strategies. - Provides a measure, among others, used in the determination of incentive compensation for management.
Adjusted net income and Adjusted net income, per diluted share	<p>Net income and net income per diluted share, excluding:</p> <ul style="list-style-type: none"> - adjustment to the gain on divestiture, - amortization of intangibles of acquired businesses, as well as accretion expense related to acquisition earn-out, - acquisition/integration costs, - other costs, - tax effect of each adjustment to U.S. GAAP net income, and - adjusted income taxes to the expected effective tax rate. 	<ul style="list-style-type: none"> - Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business. - Used by management to assess performance and effectiveness of our business strategies.
Organic revenue	<p>Revenue from services excluding acquired entity revenue.</p>	<ul style="list-style-type: none"> - Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business. - Used by management to assess performance and effectiveness of our business strategies.

1. RECONCILIATION OF U.S. GAAP NET INCOME TO ADJUSTED NET INCOME AND ADJUSTED NET INCOME, PER DILUTED SHARE (Unaudited)

(in thousands, except for per share data)	Q2 2018	Q2 2017	Q3 2018 Outlook*	
	13 Weeks Ended	13 Weeks Ended	13 Weeks Ended	
	Jul 1, 2018	Jul 2, 2017	Sep 30, 2018	
Net income	\$ 17,732	\$ 13,134	\$ 21,700	— \$ 24,200
Adjustment to the gain on divestiture (1)	290	—	—	—
Amortization of intangible assets of acquired businesses (2)	5,174	5,742	5,200	—
Acquisition/integration costs (3)	457	—	1,600	—
Other costs (4)	1,264	—	3,000	—
Tax effect of adjustments to net income (5)	(1,150)	(1,608)	(1,600)	—
Adjustment of income taxes to normalized effective rate (6)	(673)	110	—	—
Adjusted net income	\$ 23,094	\$ 17,378	\$ 29,900	— \$ 32,400
Adjusted net income, per diluted share	\$ 0.57	\$ 0.42	\$ 0.75	— \$ 0.81
Diluted weighted average shares outstanding	40,469	41,856	40,100	—

2. RECONCILIATION OF U.S. GAAP NET INCOME TO EBITDA AND ADJUSTED EBITDA (Unaudited)

(in thousands)	Q2 2018	Q2 2017	Q3 2018 Outlook*	
	13 Weeks Ended	13 Weeks Ended	13 Weeks Ended	
	Jul 1, 2018	Jul 2, 2017	Sep 30, 2018	
Net income	\$ 17,732	\$ 13,134	\$ 21,700	— \$ 24,200
Income tax expense	2,576	5,260	4,100	— 4,600
Interest and other (income) expense, net	968	(155)	200	—
Depreciation and amortization	10,101	12,287	10,400	—
EBITDA	31,377	30,526	36,500	— 39,500
Work Opportunity Tax Credit processing fees (7)	264	16	200	—
Acquisition/integration costs (3)	457	—	1,600	—
Other costs (4)	1,264	—	3,000	—
Adjusted EBITDA	\$ 33,362	\$ 30,542	\$ 41,300	— \$ 44,300

* Totals may not sum due to rounding

See the last slide of the appendix for footnotes.

3. RECONCILIATION OF U.S. GAAP REVENUE TO ORGANIC REVENUE (Unaudited)

(in thousands)	Q2 2018		Q2 2017	
	13 Weeks Ended		13 Weeks Ended	
	Jul 1, 2018		Jul 2, 2017	
Revenue from services	\$	614,301	\$	610,122
Acquired entity revenue		(2,851)		—
Organic revenue	\$	611,450	\$	610,122

Footnotes:

1. Adjustment to the gain on the divestiture of our PlaneTechs service line as we continue to finalize actual costs incurred. PlaneTechs was sold mid-March 2018.
2. Amortization of intangible assets of acquired businesses as well as accretion expense related to the SIMOS acquisition earn-out.
3. Acquisition/integration costs relate to the acquisition of TMP Holdings LTD completed on June 12, 2018.
4. Other costs for the 13 weeks ended Jul. 1, 2018 and the Q3 2018 outlook include implementation costs for cloud-based systems. Other costs included in the Q3 2018 outlook also include accelerated vesting of stock per the CEO's employment contract associated with the leadership transition.
5. Total tax effect of each of the adjustments to U.S. GAAP net income using the expected ongoing rate of 16 percent for 2018, due to the enacted U.S. Tax Cuts and Jobs Act, and 28 percent for 2017.
6. Adjustment of the effective income tax rate to the expected ongoing rate of 16 percent for 2018, due to the enacted U.S. Tax Cuts and Jobs Act, and 28 percent for 2017.
7. 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.



Investor Roadshow Presentation



July 2018

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, (7) our ability to successfully execute on business strategies and initiatives such as the consolidation of our service lines and leveraging of mobile technology, and (8) uncertainty surrounding the interpretation and application of the recent 2017 Tax Cuts and Jobs Act and any reduction or change in tax credits we utilize, including the Work Opportunity Tax Credit. Other information regarding factors that could affect our results is included in our Securities Exchange Commission (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 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 SEC.

In addition, we use several non-GAAP financial measures when presenting our financial results in this document. 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. The presentation of these non-GAAP financial measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies. Any comparisons made herein to other periods are based on a comparison to the same period in the prior year unless otherwise stated.

Investment Highlights

Market Leader	Market leader in U.S. industrial staffing and global RPO with increasingly diverse service offerings
Track Record	Track record of favorable growth and investor returns
Positioning	Strong position in attractive vertical markets and flexibility to respond to market trends
Innovation	Leveraging technology to drive growth, competitive differentiation, and increased efficiency
Return of Capital	Strong balance sheet and cash flow to support stock buybacks

TrueBlue at a Glance

108,000

Customers served annually with strong diversity¹

740,000

People connected to work during 2017



One of the largest U.S. industrial staffing providers

#1

Global RPO provider²

2013-2017 Revenue CAGR



11% Growth

2013-2017 Average Return on Equity³



16% Return

\$2.5B
2017 Revenue



PeopleScout named a Leader and Star Performer by Everest Group for service delivery, technology and buyer satisfaction



HRO Today magazine repeatedly recognizes PeopleScout as a global market leader



Thousands of veterans hired per year via internal programs as well as Hiring Our Heroes and Wounded Warriors



Recognized as a Corporate Champion by the Women's Forum of New York for board diversity

¹ No single customer accounted for more than 3% of total revenue for FY 2017.

² Source: Everest Group, Overall recruitment process outsourcing rankings by annual number of hires (2017).

³ Calculated as adjusted net income divided by average shareholders' equity over the prior four quarters.

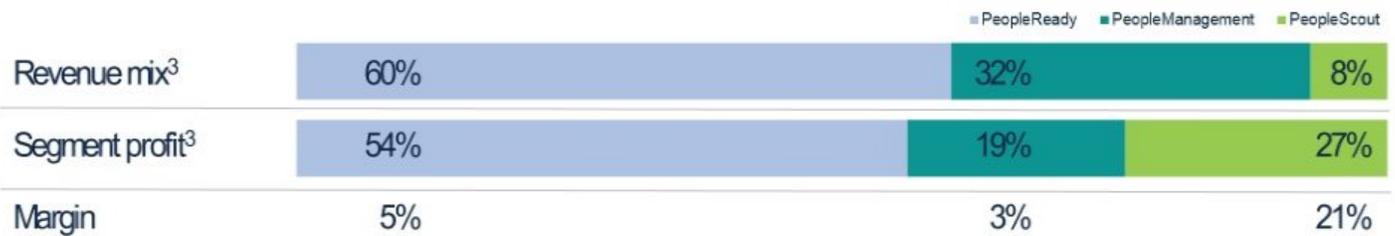
Three Specialized Segments Meet Diverse Customer Needs



On-demand contingent labor for industrial customers

On-site contingent workforce management solutions¹

Talent solutions for recruiting permanent employees²



¹ We use the following distinct brands to market our PeopleManagement contingent workforce solutions: Staff Management | SIMX, SIMOS Insourcing Solutions and Centerline.

² Also includes managed service provider business, which provides customers with improved quality and spend management of their contingent labor vendors.

³ Revenue and segment profit calculations based on FY 2017. Starting in FY 2018, we are evaluating performance based on segment revenue and segment profit. Segment profit is comparable to segment adjusted EBITDA amounts reported in prior periods, and this change did not impact the mix of profit by segment. Segment profit includes revenue, related cost of services, and ongoing operating expenses directly attributable to the reportable segment. Segment profit excludes goodwill and intangible impairment charges, depreciation and amortization expense, unallocated corporate general and administrative expense, interest, other income and expense, income taxes, and costs not considered to be ongoing costs of the segment.

Solving Workforce Challenges Globally

Workforce solutions is a good place to be, as businesses increasingly turn to human capital experts to help solve global talent challenges.



Shifting Workplace Dynamics

A **worker shortage** is affecting key segments. TrueBlue targets four of the occupations with the highest expected job **growth** by 2024.¹

Demographic Changes

By 2050, the U.S. population over **age 65** will be almost **double** 2012 levels;² other developed countries are experiencing similar trends.

Workforce Complexity

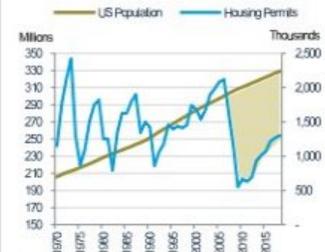
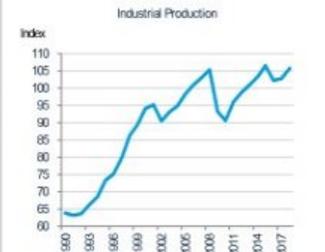
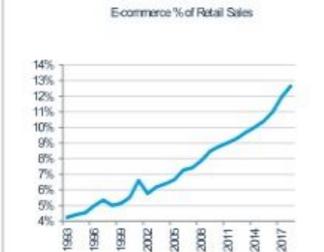
Workforces are becoming increasingly **complex** and **global**. Companies are struggling to develop multiple value propositions for an increasingly **diverse** workforce.

We deliver a **robust** customer value proposition with specialized **workforce solutions** for staffing, workforce management, and recruitment process outsourcing.

¹ Bureau of Labor Statistics Employment Projections: Occupations with the most job growth, 2016-2026. Industrial staffing and RPO jobs: #2 food prep/serving workers, #8: labor, freight, stock, and material movers, #12 construction laborers and #16: customer service representatives.

² U.S. Census Bureau, An Aging Nation: The Older Population in the United States (2014).

Strong Position in Attractive Vertical Markets

	Construction	Manufacturing	Transport & Wholesale	Retail & Services
				
Industry Dynamics	<ul style="list-style-type: none"> • Structural labor shortages drive demand for staffing services • Household formation outpacing housing starts, creating pent-up demand 	<ul style="list-style-type: none"> • U.S. manufacturing renaissance driving job growth again • Increased incentives to "reshore" including increasing wages in China, offshore product quality concerns, and logistics costs • Political climate favoring investments in domestic production 	<ul style="list-style-type: none"> • Acute supply / demand gap and high driver turnover • New safety regulations such as shorter shifts driving higher demand • Just-in-time production / inventory management driving need for flexibility 	<ul style="list-style-type: none"> • Rapid demand changes in the industry requiring a high degree of worker flexibility • E-commerce driving the need for more warehouses and more workers per warehouse • Traditional bricks-and-mortar retailers developing on-line presence just to keep pace
	FY-17 Business Mix: 23%	FY-17 Business Mix: 26%	FY-17 Business Mix: 22%	FY-17 Business Mix: 20%
	<p>Housing Starts Have Not Kept Pace</p>  <p>Source: U.S. Census Bureau</p>	<p>U.S. Manufacturing Renaissance</p>  <p>Source: U.S. Board of Governors of the Federal Reserve System (FRB)</p>	<p>Wholesale Trade At New High</p>  <p>Source: Bureau of Labor Statistics</p>	<p>E-commerce Growing % of Retail Sales</p>  <p>Source: U.S. Census Bureau</p>

Powerful Secular Forces in Industrial Staffing



- U.S. industrial staffing market has grown 6% annually since 2010¹
- Projected to be a \$50B market by 2025²



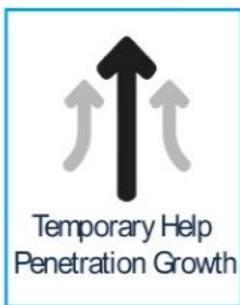
- Moving from branches and paper checks to mobile connectivity and electronic payments
- Opportunity to enhance efficiency and growth



- Skilled worker shortages in key areas where TrueBlue specializes and has a recruiting edge (e.g. skilled construction and truck drivers)
- Deepening of the general contingent labor pool:
 - Influx of lower skilled workers
 - Aging baby boomers embracing the gig economy (semi-retired)



- Rapidly increasing headcount needs for e-commerce – more workers needed per warehouse to facilitate expedited delivery and handle returns
- Traditional warehousing focused on moving pallets; e-commerce involves individual pieces and an increased need for a flexible workforce



- Growth in temporary staffing employment is outpacing the overall labor market growth:
 - Uneven demand and dramatic seasonal volume drives more contingent hiring
 - Economic uncertainty associated with the longer cycle makes contingent labor more attractive



- Domestic manufacturing is starting to make a comeback, with >1 million new jobs since 2010³
- Political climate making overseas investments/dependence less attractive
- Rising wages in developing countries; higher shipping costs; concerns about quality and production speed

¹ Source: Staffing Industry Analysts.

² Source: TrueBlue estimate based on 6% CAGR from 2018 to 2025.

³ Source: Bureau of Labor Statistics.

Segment Strategy Highlights



Leverage Digital Strategy

- Compelling JobStack™ technology + established branch network
- Value creation: 24/7 order fulfilment, enhanced customer/worker experience
- 15%+ margins on incremental revenue

Grow On-Premise Solutions

- Differentiated offering
- Perfect fit for larger customers with longer-duration / strategic need for contingent workers
- Strength in the e-commerce vertical

Well Positioned

- Recognized global leader
 - High growth market
 - Attractive margins
- ### Leverage Digital Strategy
- Best-in-class proprietary technology (Affinix™)
 - Mobile-first, AI-enabled, cloud-based platform
 - Streamlines the candidate sourcing process

Boost shareholder returns through share repurchase

JobStack™ Mobile App – A Competitive Differentiator

JobStack™ is a next generation mobile app that algorithmically matches workers with available jobs.

Compelling Technology

- 24/7 order creation
- Real-time order fill rates
- Associate ratings
- Worksite ratings
- Work week control

Driving Value for TrueBlue

- Round-the-clock revenue generation
- Improved associate experience
- Lift associate quality
- Enhanced communication & safety
- Tap into larger and more diverse talent pool



On-premise and E-commerce



Driving On-premise

- **Perfect fit** for larger customers with longer-duration / strategic need for contingent workers
- **Staff Management** is PeopleManagement's flagship on-premise solution and a recognized industry leader



E-commerce Vertical Leadership

- **Labor intensive** pick-and-pack movement v. traditional bulk pallets
- **Increasing demand** for PeopleManagement's ability to deliver a flexible, fully sourced and managed workforce

PeopleScout: Attractive Margin and Rapid Growth

- **Industry Leadership**
 - #1 global provider of enterprise RPO¹
 - Emerging healthcare vertical strength
- **Differentiated Service**
 - Proprietary technology drives value-add recruitment capabilities
- **Growing Market**
 - 12% global market growth CAGR²
- **Global Prospects**
 - Opportunity to broaden footprint in Europe and Asia Pacific

High Margin Business



Increasing Importance to TrueBlue



¹ Source: Everest Group. Overall RPO rankings by annual number of hires (2017).
² Source: NelsonHall (2018). Represents estimated market CAGR from 2017-2022.

TMP Strengthens PeopleScout's European Presence¹



+ TMP Holdings LTD

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- Adds an appealing solution to our existing RPO services

Entry into attractive UK market

- UK RPO market is the 2nd largest in the world (after the US)
- TMP is a recognized RPO provider in the UK

¹ On June 12, 2018, TrueBlue acquired TMP Holdings LTD, a mid-sized RPO provider in the UK. See press release and presentation at trueblue.com for further details on the acquisition.

² Source: Everest Group, Overall RPO rankings by annual number of hires (2017).

³ Source: Nelson-Hall, Estimated market CAGR from 2017-2022, % multi-country RPO contracts for 2016/2017.

Well Positioned to Boost Shareholder Returns with Buybacks

Highlights

- \$100M stock buyback authorization¹
- Ample cash flow generation
- Strong balance sheet

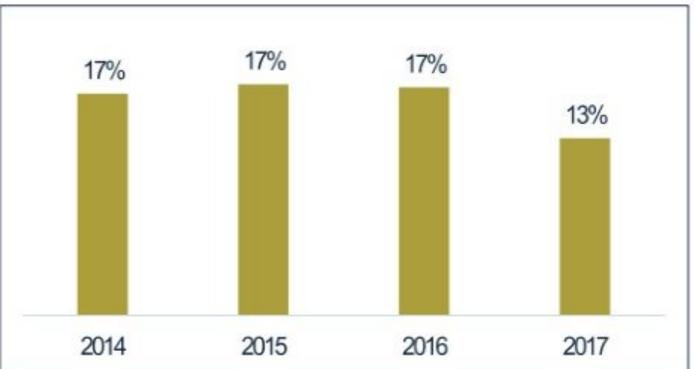
Free Cash Flow²



Total Debt to Adjusted EBITDA³



Return on Equity⁴



¹ \$100 million stock repurchase authorization announced on 30 October, 2017, \$74 million remaining under the authorization as of 1 July 2018.

² Calculated as net cash provided by operating activities, minus purchases for property and equipment.

³ 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.

⁴ Calculated as adjusted net income divided by average shareholders' equity at the end of the prior four quarters.

Appendix



NON-GAAP FINANCIAL MEASURES AND NON-GAAP RECONCILIATIONS

In addition to financial measures presented in accordance with U.S. GAAP, we monitor certain non-GAAP key financial measures. The presentation of these non-GAAP financial measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies.

Non-GAAP Measure	Definition	Purpose of Adjusted Measures
EBITDA and Adjusted EBITDA	<p>EBITDA excludes from net income (loss):</p> <ul style="list-style-type: none"> - interest and other income (expense), net, - income taxes, and - depreciation and amortization. <p>Adjusted EBITDA, further excludes:</p> <ul style="list-style-type: none"> - acquisition/integration and other costs, - goodwill and intangible asset impairment charge, and - Work Opportunity Tax Credit third-party processing fees. 	<ul style="list-style-type: none"> - Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business. - Used by management to assess performance and effectiveness of our business strategies. - Provides a measure, among others, used in the determination of incentive compensation for management.
Adjusted net income and Adjusted net income, per diluted share	<p>Net income (loss) and net income (loss) per diluted share, excluding:</p> <ul style="list-style-type: none"> - acquisition/integration and other 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 - adjusted income taxes to the expected effective tax rate. 	<ul style="list-style-type: none"> - Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business. - Used by management to assess performance and effectiveness of our business strategies.
Free cash flow	<p>Net cash provided by operating activities, minus cash purchases for property and equipment.</p>	<ul style="list-style-type: none"> - Used by management to assess cash flows

1. RECONCILIATION OF U.S. GAAP NET INCOME (LOSS) TO ADJUSTED NET INCOME AND ADJUSTED NET INCOME, PER DILUTED SHARE (Unaudited)

	2017		2016		2015		2014	
	52 Weeks Ended Dec 31, 2017	53 Weeks Ended Jan 1, 2017	52 Weeks Ended Dec 25, 2015	52 Weeks Ended Dec 26, 2014	52 Weeks Ended Dec 25, 2015	52 Weeks Ended Dec 26, 2014	52 Weeks Ended Dec 26, 2014	52 Weeks Ended Dec 26, 2014
<i>(in thousands, except for per share data)*</i>								
Net income (loss)	\$ 55,456	\$ (15,251)	\$ 71,247	\$ 65,675	\$ 71,247	\$ 65,675	\$ 65,675	\$ 65,675
Acquisition/integration and other costs (1)	162	12,223	5,135	5,220	5,135	5,220	5,220	5,220
Goodwill and intangible asset impairment charge (2)	—	103,544	—	—	—	—	—	—
Amortization of intangible assets of acquired businesses (3)	22,290	27,069	19,903	12,046	19,903	12,046	12,046	12,046
Tax effect of adjustments to net income (loss) (4)	(6,287)	(39,994)	(7,011)	(4,834)	(7,011)	(4,834)	(4,834)	(4,834)
Adjustment of income taxes to normalized effective rate (5)	380	606	(1,805)	(6,747)	(1,805)	(6,747)	(6,747)	(6,747)
Adjusted net income	\$ 72,001	\$ 88,197	\$ 87,469	\$ 71,360	\$ 87,469	\$ 71,360	\$ 71,360	\$ 71,360
Adjusted net income, per diluted share	\$ 1.74	\$ 2.10	\$ 2.10	\$ 1.73	\$ 2.10	\$ 1.73	\$ 1.73	\$ 1.73
Diluted weighted average shares outstanding	41,441	41,968	41,622	41,176	41,622	41,176	41,176	41,176

2. RECONCILIATION OF U.S. GAAP NET INCOME (LOSS) TO EBITDA AND ADJUSTED EBITDA (Unaudited)

	2017		2016		2015		2014	
	52 Weeks Ended Dec 31, 2017	53 Weeks Ended Jan 1, 2017	52 Weeks Ended Dec 25, 2015	52 Weeks Ended Dec 26, 2014	52 Weeks Ended Dec 25, 2015	52 Weeks Ended Dec 26, 2014	52 Weeks Ended Dec 26, 2014	52 Weeks Ended Dec 26, 2014
<i>(in thousands)</i>								
Net income (loss)	\$ 55,456	\$ (15,251)	\$ 71,247	\$ 65,675	\$ 71,247	\$ 65,675	\$ 65,675	\$ 65,675
Income tax expense (benefit)	22,094	(5,089)	25,200	16,169	25,200	16,169	16,169	16,169
Interest and other (income) expense, net	14	3,345	1,395	(116)	1,395	(116)	(116)	(116)
Depreciation and amortization	46,115	46,692	41,843	29,474	41,843	29,474	29,474	29,474
EBITDA	123,679	29,697	139,685	111,202	139,685	111,202	111,202	111,202
Acquisition/integration and other costs (1)	162	12,223	5,135	5,220	5,135	5,220	5,220	5,220
Goodwill and intangible asset impairment charge (2)	—	103,544	—	—	—	—	—	—
Work Opportunity Tax Credit processing fees (6)	805	1,858	2,352	3,020	2,352	3,020	3,020	3,020
Adjusted EBITDA	\$ 124,646	\$ 147,322	\$ 147,172	\$ 119,442	\$ 147,172	\$ 119,442	\$ 119,442	\$ 119,442

See the last slide of the appendix for footnotes.

3. RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO FREE CASH FLOWS (Unaudited)

	2017	2016	2015	2014
	52 Weeks Ended	53 Weeks Ended	52 Weeks Ended	52 Weeks Ended
(in thousands)	Dec 31, 2017	Jan 1, 2017	Dec 25, 2015	Dec 26, 2014
Net cash provided by operating activities	\$ 99,851	\$ 261,754	\$ 72,072	\$ 47,525
Capital expenditures	(21,956)	(29,042)	(18,394)	(16,918)
Free cash flows	\$ 77,893	\$ 232,712	\$ 53,678	\$ 30,607

See the last slide of the appendix for footnotes.

Footnotes:

1. Acquisition/integration and other costs related to the acquisition of the recruitment process outsourcing business of Aon Hewitt, which was completed on January 4, 2016, the acquisition of SIMOS, which was completed on December 1, 2015, the acquisition of Seaton, which was completed on June 30, 2014, the acquisition of MDT, which was completed on February 4, 2013, the acquisition of The Work Connection, which was completed October 1, 2013 and the acquisition of certain assets of Crowley Transportation Services, which was completed June 2013. In addition, other charges for the fiscal year ended December 31, 2017, include a workforce reduction charge of \$2.5 million primarily associated with employee reductions in the PeopleReady business, offset by \$2.3 million of workers' compensation benefit. The workers' compensation benefit is associated with the favorable settlement of insurance coverage associated with a former insurance company and other items not considered part of our core operations. Other charges for the fiscal year ended January 1, 2017, consist of costs of \$2.6 million associated with our exit from the Amazon delivery business, \$1.3 million adjustment to increase the earn-out associated with the acquisition of SIMOS, and branch signage write branch signage write-offs of \$1.6 million due to our re-branding to PeopleReady.
2. The Goodwill and intangible asset impairment charge for the fiscal year ended January 1, 2017, included \$99.3 million of impairment charges relating to our Staff Management | SMX, hrX, and PlaneTechs reporting units, and write-off of the CLP and Spartan reporting unit trade names/trademarks of \$4.3 million due to the re-branding to PeopleReady. Note, our PeopleScout and hrX service lines were combined during fiscal 2016 and now represent a single operating unit (PeopleScout).
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) using the expected rate of 28 percent.
5. Adjustment of the effective income tax rate to the expected rate of 28 percent.
6. 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.

