



VOLT[®]

Q3 FY 2018 EARNINGS CONFERENCE CALL

Supplemental Operating & Financial Data

September 6, 2018

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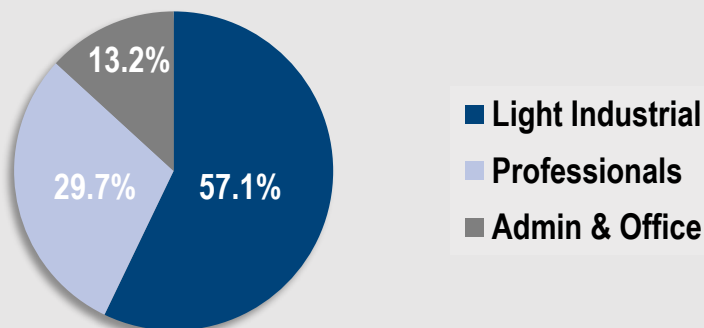
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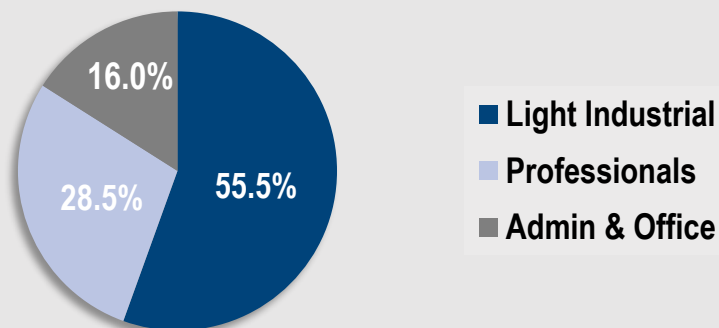
Q3 2018 HIGHLIGHTS – FINANCIAL

- ▶ Total company revenue of \$257.8 million, down 11.1% year-over-year; same-store¹ net revenue down 6.6% year-over-year
 - ▶ North America Staffing revenue of \$215.7 million, down 6.0% year-over-year; an improvement in year-over-year performance for three quarters in a row
- ▶ Total company gross margin of 14.1%, down 150 bps same store year-over-year
- ▶ Net loss of \$11.4 million, up \$5.9 million year-over-year; Adjusted net loss² of \$8.8 million, up \$3.0 million year-over-year
- ▶ Adjusted EBITDA² loss of \$5.0 million, down \$6.4 million year-over-year

Q3 FY2018 VWS Revenue
(by job category)



Q3 FY 2018 VWS Gross Margin
(by job category)



Note¹: Same-store revenue excluding net revenue contributed from businesses sold or exited during the past year and the effect of foreign exchange rate fluctuations

Note²: Adjusted Net Loss and Adjusted EBITDA are Non-GAAP measures. Refer to the Appendix for GAAP to Non-GAAP reconciliations

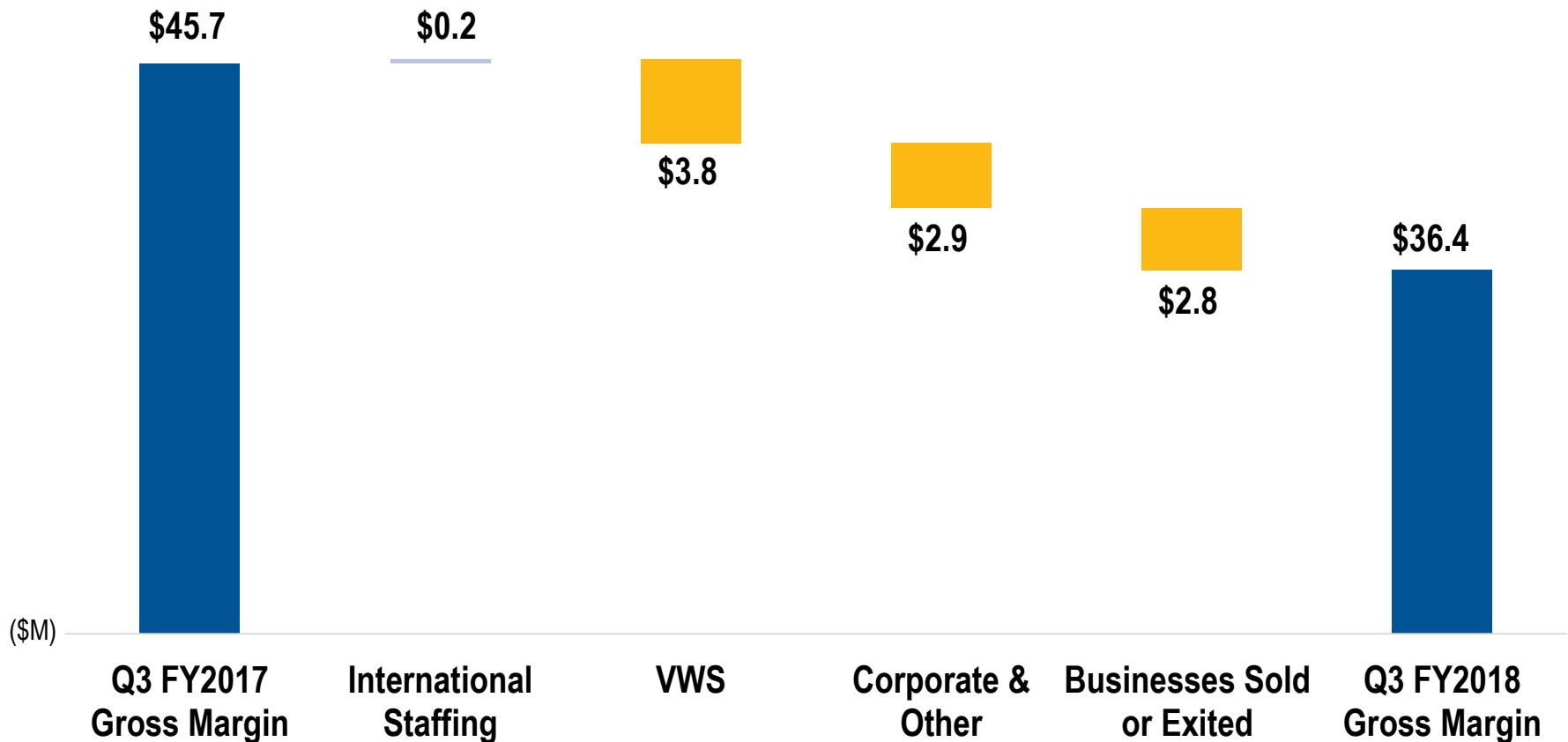
Q3 2018 SEGMENT UPDATE

(in thousands)	North American Staffing	International Staffing	Corporate & Other
Revenue ¹	\$215,679	\$28,579	\$14,415
% growth Y/Y	-6.0%	-1.5% (-1.8% adjusted ²)	-56.8% (-25.2% adjusted ²)
Operating income (loss)	\$2,961	\$677	\$(12,608)
% growth Y/Y	-48.4%	-7.4%	-58.9%
Notes	<ul style="list-style-type: none"> Q318 Y/Y revenue growth -6.0% vs. -6.7% in Q218 and -8.2% in Q317 Impacted by lower demand from customers in professional, administrative & office job categories, partially offset by growth in light industrial and engineering job categories 	<ul style="list-style-type: none"> Economic downturn / lower demand in United Kingdom Partially offset by strong growth in Belgium 	<ul style="list-style-type: none"> Revenue decline from normal fluctuations in call center activity and wind down on certain programs in North America MSP business

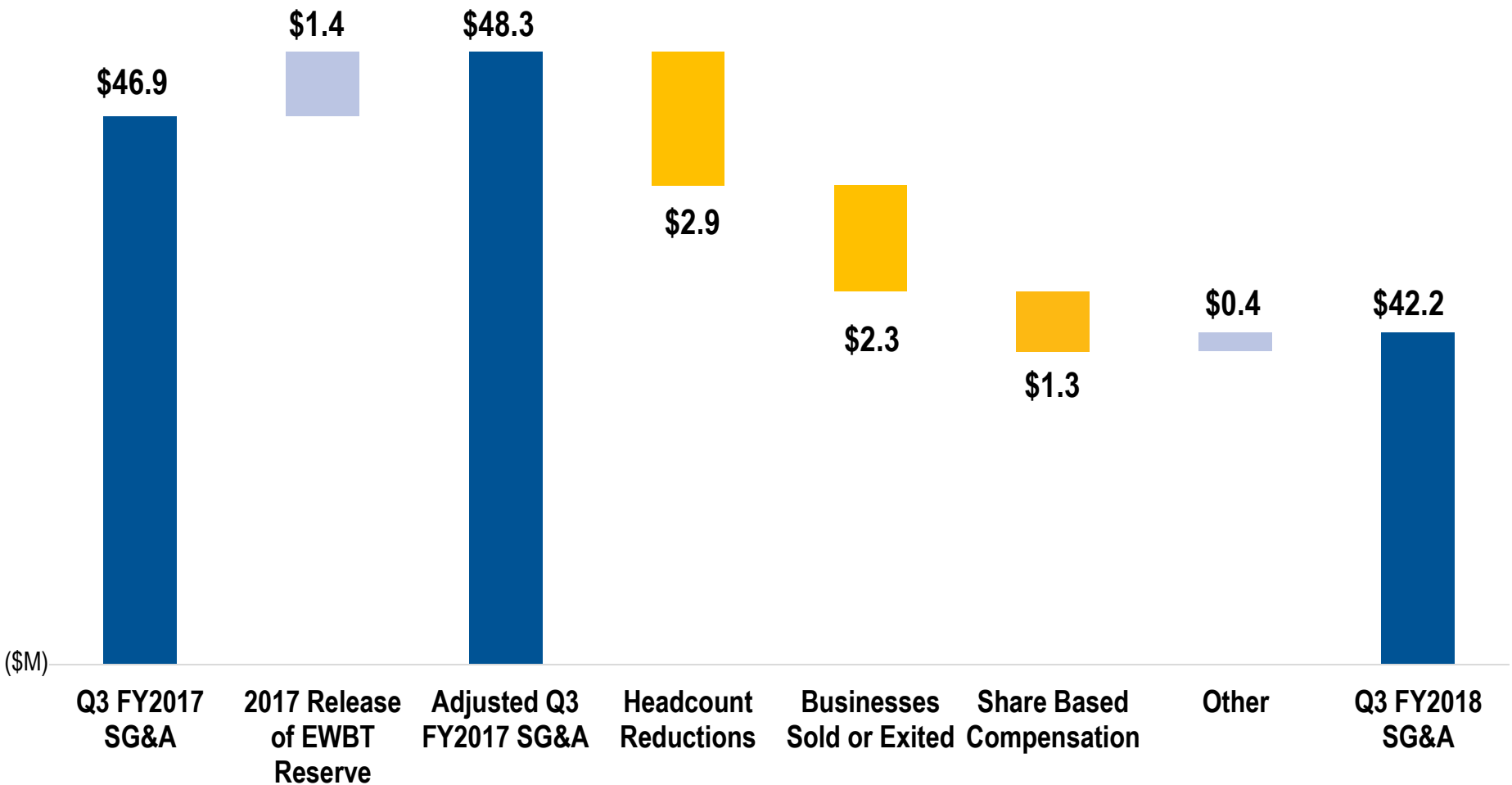
Note¹: Excluding eliminations

Note²: Same-store revenue excluding net revenue contributed from businesses sold or exited during the past year and the effect of foreign exchange rate fluctuations

GROSS MARGIN BRIDGE



SG&A BRIDGE



SELECTED BALANCE SHEET METRICS

(in millions)	Q3 FY17	Q2 FY18	Q3 FY18
Cash & Cash Equivalents	\$16.4	\$34.2	\$29.9
Debt	\$100.0	\$50.0	\$50.0
Working Capital	\$29.8	\$114.1	\$103.3
Global Liquidity	\$33.4	\$59.4	\$52.7
Available Liquidity	\$8.4	\$44.4	\$37.7

Q3 2018 HIGHLIGHTS – OPERATIONAL

Focus on improving Volt Workforce Solution's (VWS) financial performance and building the foundation for sustainable growth

Strategic priorities include:

- ▶ **Organizational Design** – aligning the organization for maximum competitive advantage
- ▶ **Business Optimization** – drive further efficiencies, productivity and cost savings
- ▶ **Delivery Excellence** – improve talent acquisition and delivery
- ▶ **Growth and Expansion** – realign sales teams and incent growth



VWS – ORGANIZATIONAL DESIGN

Goal: Align the organization for maximum competitive advantage

VWS now composed of three units designed to strengthen focus on sales and delivery across spectrum of offerings for maximum competitive advantage

Specialty Solutions Group

Sales / Delivery

Branch Network:

- ▶ Retail¹ sales in Volt's three job categories
- ▶ High touch, high margin transactional clients
- ▶ Focused recruiters and business development managers
- ▶ Limited large account delivery

Vendor on Premise Network:

- ▶ Dedicated recruitment and delivery teams

Strategic Solutions Group

Sales

- ▶ Vendor On Premise/Large Account pursuit team
- ▶ 100% sales and business development
- ▶ Master vendor opportunities
- ▶ Programs with dedicated recruitment and delivery teams

Global Solutions Group

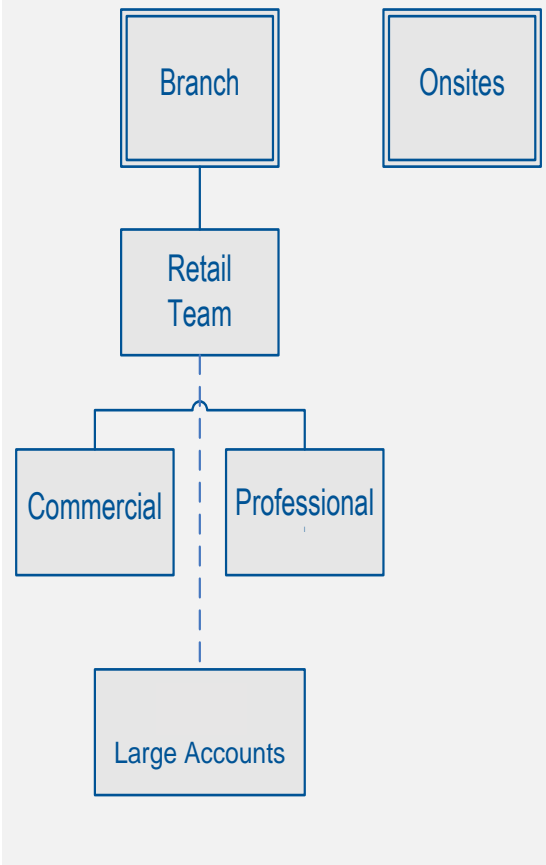
Sales / Spend Management

- ▶ MSP/VMS Strategic partnerships
- ▶ Consultative business relationships
- ▶ U.S. and global focus
- ▶ Program management for implementation, management and compliance
- ▶ Delivery through supply chain (multiple providers and Volt)

Note¹: Retail defined as small to medium sized clients typically serviced locally by a branch or regional delivery team

VWS – ORGANIZATIONAL DESIGN (CONTINUED)

Specialty Solutions Group *Sales / Delivery*



Strategic Solutions Group Sales

Onsite Services
Master Vendor

Global Solutions Group *Sales / Spend Management*

MSP/VMS
VCG – US
VCG – Europe

VWS – BUSINESS OPTIMIZATION

Goal: Drive efficiencies, productivity and cost savings

Current initiatives focus on maximizing information technology upgrades

▶ **Efficiency and Productivity...**

- Optimize technology to drive performance through full integration of available tools, reporting and processes
- Migrate from manual, customized processes to automated, standardized processes
- Use cloud-based software capabilities to automate and enhance talent acquisition strategy and onboarding process
- Expect to make significant headway on technology optimization with target completion date at the end of calendar 2018

▶ **...Drives Cost Savings**

- Reduce Corporate/Support function costs as result of improved operating model
- Portion of cost savings to be re-invested into recruiting and candidate acquisition resources

VWS – DELIVERY EXCELLENCE

Goal: Improve talent acquisition and delivery

Current initiatives focus on elevating the way Volt attracts candidates in the market

▶ **Role of Organizational Design and Business Optimization Initiatives**

- Structure shifts will allow a more focused delivery model more agile to various client needs
- Fully leveraging system-wide applicant tracking system will minimize onboarding process

▶ **Talent Acquisition Strategy**

- Integration of available recruiting tools will increase speed to match, critical in today's market
- Mobilizing data analytics to drive strategy around job posting and ROI will yield highest rate of success

▶ **Immediate Delivery Strategy**

- Addition of recruiters in markets with upside opportunity based on order volume
- Tracking of all anticipated ramps to ensure appropriate resources assigned
- Proactive meetings with enterprise clients to stay informed of upcoming business needs and strategy changes
- Tracking and measuring key delivery vitals by individual

VWS – GROWTH AND EXPANSION

Goal: Realign sales teams and incent growth

Current initiatives focus on growth of top line revenue and further growth and expansion of existing client relationships

▶ **Focused Sales Organization**

- Focus on Retail sales
 - New Retail business gross margin approximately 200 bps higher than overall consolidated gross margin in Q3 FY2018
- Identifying opportunities to drive top line growth with additional Vendor on Premise clients in Strategic Solutions Group and MSP clients in Global Solutions Group

▶ **Focused Client Relationships**

- Aligned senior client relationship leaders to a portfolio of marquis clients
- Established key client relationship expectations for field organization
- Aligning delivery channels with the appropriate client opportunities to capitalize on additional share within those clients
- Leverage Specialty Solutions Group, Strategic Solutions Group and Global Solutions Group to proactively provide additional service offerings to clients

LEADERSHIP TEAM

Strong leadership team with over 150 years of combined industry experience

▶ **Lori Schultz, Chief Operating Officer, VWS**

- Joined Volt in August 2018 and brings over 30 years of staffing industry experience, previously holding leadership positions at Pontoon and Yoh

▶ **Stu Brockmeier, VP, Professional Placement**

- 8 year Volt veteran leading efforts to drive Direct Hire placements across all job segments of the business. Previous industry experience includes leadership positions at Recruit 360 and Accountants, Inc.

▶ **Lauren Griffin, SVP, Specialty Solutions Group.**

- Joined in August 2018 with 30 years of staffing industry experience leading sales and operations teams, serving in multiple leadership roles throughout her industry tenure.

▶ **Chris Kelly, SVP, Strategic Solutions**

- Joined Volt in July 2018 with over 25 years of industry experience at companies including Apple One, Spherion, Randstad and most recently, Nelson, as VP, Strategic Sales responsible for enterprise-wide sales

▶ **Rhona Driggs, President, Global Solutions Group**

- Long tenure with Volt and over 25 years of experience leading sales and operations in the staffing industry. Most recently, served as President, Volt Consulting Group, responsible for leading and building the MSP business.

▶ **Richard Herring, MD and SVP, Volt International**

- 13 year Volt tenure in various roles, active member and prior Board member of Association of Professional Staffing Companies

The image features a background of a mountain range with multiple layers of peaks, creating a sense of depth. The mountains are rendered in various shades of blue and teal, with the foreground being the darkest and the background being the lightest. A white rectangular box is centered horizontally and vertically, containing the word "Appendix" in a white, sans-serif font.

Appendix

GAAP TO NON-GAAP RECONCILIATIONS

\$ in thousands

	Three Months Ended	
	July 29, 2018	July 30, 2017
Reconciliation of GAAP net loss to Non-GAAP net loss:		
GAAP loss	\$ (11,418)	\$ (5,518)
Selling, administrative and other operating costs	(486) ^(a)	(486) ^(a)
Restructuring and severance costs	3,108	249
Non-GAAP net loss	<u>\$ (8,796)</u>	<u>\$ (5,755)</u>

	Three Months Ended	
	July 29, 2018	July 30, 2017
Reconciliation of GAAP net loss to Adjusted EBITDA:		
GAAP loss	\$ (11,418)	\$ (5,518)
Selling, administrative and other operating costs	(486) ^(a)	(486) ^(a)
Restructuring and severance costs	3,108	249
Depreciation and amortization	1,789	2,238
Share-based compensation expense	(475) ^(b)	869
Total other (income) expense, net	1,142	2,983
Provision for income taxes	1,306	1,074
Adjusted EBITDA	<u>\$ (5,034)</u>	<u>\$ 1,409</u>

Special item adjustments consist of the following:

- (a) Relates to the amortization of the gain on the sale of the Orange, CA facility, which is included in Selling, administrative and other operating costs.
- (b) Includes share-based compensation forfeited in accordance with the former chief executive officer's separation agreement.

SAME STORE SALES RECONCILIATION

<i>\$ in thousands</i>	Third Quarter 2018	Third Quarter 2017				Growth Same Store Basis	
		As Reported	Business Sold or Exited	Foreign Exchange	Same Store Basis	Amount	%
North American Staffing	\$ 215,679	\$ 229,372	\$ -	\$ -	\$ 229,372	\$ (13,693)	-6.0%
International Staffing	28,579	29,018	(844)	939	29,113	(534)	-1.8%
Corporate & Other	14,415	33,365	(14,093)	-	19,272	(4,857)	-25.2%
Eliminations	(865)	(1,831)	-	-	(1,831)	966	52.8%
Total Net Revenue	\$ 257,808	\$ 289,924	\$ (14,937)	\$ 939	\$ 275,926	\$ (18,118)	-6.6%