

Reconciliation of GAAP to Non-GAAP Measures

The table below presents a reconciliation of total revenues to Net Service Revenues:

	Q1 2017			Year 2017			2016	2015	2014
(in thousands)	High	Mid	Low	High	Mid	Low	Actual	Actual	Actual
Total revenues	\$ 800,000	\$ 790,000	\$ 780,000	\$ 3,400,000	\$ 3,350,000	\$ 3,300,000	\$ 3,060,313	\$ 2,659,288	\$ 2,193,531
Less: Insurance costs	620,000	612,500	605,000	2,680,000	2,637,500	2,595,000	2,413,752	2,112,376	1,686,315
Net Service Revenues	\$ 180,000	\$ 177,500	\$ 175,000	\$ 720,000	\$ 712,500	\$ 705,000	\$ 646,561	\$ 546,912	\$ 507,216

The table below presents a reconciliation of net income to Adjusted EBITDA:

	Q1 2017			Year 2017			2016	2015	2014
(in thousands)	High	Mid	Low	High	Mid	Low	Actual	Actual	Actual
Net income	\$ 18,000	\$ 16,500	\$ 15,000	\$ 75,000	\$ 72,000	\$ 69,000	\$ 61,406	\$ 31,695	\$ 15,497
Provision for income taxes	13,500	12,500	11,500	54,000	53,000	52,000	43,046	28,315	17,579
Stock-based compensation	6,500	6,500	6,500	27,000	27,000	27,000	26,497	17,923	10,960
Interest expense and bank fees	4,500	4,500	4,500	18,000	18,000	18,000	20,257	19,449	54,193
Depreciation	6,500	6,500	6,500	29,000	28,000	27,000	19,351	14,612	13,843
Amortization of intangible assets	1,000	1,000	1,000	5,000	5,000	5,000	15,997	39,346	52,302
Secondary offering costs	—	—	—	—	—	—	—	—	945
Adjusted EBITDA	\$ 50,000	\$ 47,500	\$ 45,000	\$ 208,000	\$ 203,000	\$ 198,000	\$ 186,554	\$ 151,340	\$ 165,319

The table below presents a reconciliation of net income to Adjusted Net Income and Adjusted Net Income per share - diluted:

	Q1 2017			Year 2017			2016	2015	2014
(in thousands)	High	Mid	Low	High	Mid	Low	Actual	Actual	Actual
Net income	\$ 18,000	\$ 16,500	\$ 15,000	\$ 75,000	\$ 72,000	\$ 69,000	\$ 61,406	\$ 31,695	\$ 15,497
Effective income tax rate adjustment	1,500	1,500	1,500	3,000	3,000	3,000	(1,346)	3,411	4,514
Stock-based compensation	6,500	6,500	6,500	27,000	27,000	27,000	26,497	17,923	10,960
Amortization of intangible assets	1,000	1,000	1,000	4,000	4,000	4,000	15,997	39,346	52,302
Non-cash interest expense	1,000	1,000	1,000	4,000	4,000	4,000	3,827	3,610	21,880
Debt Prepayment Premium	—	—	—	—	—	—	—	—	3,800
Secondary Offering Costs	—	—	—	—	—	—	—	—	945
Income tax impact of pre-tax adjustments	(4,000)	(4,000)	(4,000)	(13,000)	(13,000)	(13,000)	(19,687)	(25,265)	(35,506)
Adjusted Net Income	\$ 24,000	\$ 22,500	\$ 21,000	\$ 100,000	\$ 97,000	\$ 94,000	\$ 86,694	\$ 70,720	\$ 74,392
Earnings per share	\$ 0.25	\$ 0.23	\$ 0.21	\$ 1.06	\$ 1.01	\$ 0.97	\$ 0.85	\$ 0.44	\$ 0.22
Adjusted Earnings per share	\$ 0.34	\$ 0.32	\$ 0.30	\$ 1.41	\$ 1.37	\$ 1.32	\$ 1.20	\$ 0.97	\$ 1.03

Note This guidance is as of February 28, 2017.

TriNet undertakes no duty to update this guidance in light of new information or future events.

Please see the accompanying Safe Harbor Statement for important information.

Non-GAAP Financial Measures

In addition to our selected financial measures presented in accordance with U.S. Generally Accepted Accounting Principles (GAAP), we monitor other non-GAAP financial measures to manage our business, make planning decisions, allocate resources and as performance measures in our executive compensation plan. These key financial measures provide an additional view of our operational performance over the long term and provide useful information regarding how cash is generated and utilized in order to maintain and grow our business.

These financial measures also provide useful information by eliminating the effect of certain non-cash items that can fluctuate significantly from period to period, as well as certain significant items that are not representative of our business operations such as our initial public offering (IPO) transaction costs. They enhance investors' ability to review our business from the same perspective as the management and facilitate consistent period to period comparisons by excluding items that we do not believe are indicative of our operating performance.

The presentation of the non-GAAP financial measures is 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 GAAP.

Non-GAAP Measure	Definition	How We Use The Measure
<i>Net Service Revenues</i>	<ul style="list-style-type: none"> Sum of professional service revenues and Net Insurance Service Revenues, or total revenues less insurance costs. 	<ul style="list-style-type: none"> Provides a comparable basis of revenues on a net basis. Professional service revenues are represented net of client payroll costs whereas insurance service revenues are presented gross of insurance costs for financial reporting purposes. Acts as the basis to allocate resources to different functions and evaluates the effectiveness of our business strategies by each business function, and Provides a measure, among others, used in the determination of incentive compensation for management.
<i>Net Insurance Service Revenues</i>	<ul style="list-style-type: none"> Insurance revenues less insurance costs. 	<ul style="list-style-type: none"> Is a component of Net Service Revenues, and Provides a comparable basis of revenues on a net basis. Professional service revenues are represented net of client payroll costs whereas insurance service revenues are presented gross of insurance costs for financial reporting purposes. Promotes an understanding of our insurance services business by evaluating insurance service revenues net of our WSE related costs which are substantially pass-through for the benefit of our WSEs. Under GAAP, insurance service revenues and costs are recorded gross as we have latitude in establishing the price, service and supplier specifications.
<i>Adjusted EBITDA</i>	<ul style="list-style-type: none"> Net income, excluding the effects of: <ul style="list-style-type: none"> income tax provision, interest expense, depreciation, amortization of intangible assets, and stock-based compensation expense 	<ul style="list-style-type: none"> Provides period-to-period comparisons on a consistent basis and an understanding as to how our management evaluates the effectiveness of our business strategies by excluding certain non-cash charges such as depreciation and amortization that have fluctuated significantly over the past five years, and stock-based compensation recognized based on the estimated fair values. We believe these charges are not directly resulting from our core operations or indicative of our ongoing operations. Enhances comparisons to prior periods and, accordingly, facilitates the development of future projections and earnings growth prospects, and Provides a measure, among others, used in the determination of incentive compensation for management.
<i>Adjusted Net Income</i>	<ul style="list-style-type: none"> Net income, excluding the effects of: <ul style="list-style-type: none"> effective income tax rate⁽¹⁾, stock-based compensation, amortization of intangible assets, non-cash interest expense⁽²⁾, debt prepayment premium, and the income tax effect (at our effective tax rate⁽¹⁾) of these pre-tax adjustments. 	<ul style="list-style-type: none"> Provides information to our stockholders and board of directors to understand how our management evaluates our business, to monitor and evaluate our operating results, and analyze profitability of our ongoing operations and trends on a consistent basis by excluding certain non-cash charges as described above, debt payment premiums and our secondary offering costs as these are not directly resulting from our core operations or indicative of our ongoing operations.

(1) For purposes of our non-GAAP financial presentation, our effective tax rate assumption for 2017 is 42.5%. As a result of a 2015 increase in New York City tax rates and an increase in blended state rates, we adjusted our 2016 effective tax rate to 42.5% from 41.5% in 2015. Each of these effective tax rates exclude income tax on non-deductible stock-based compensation and discrete items including the cumulative effect of state legislative changes.

(2) Non-cash interest expense represents amortization and write-off of our debt issuance costs.

Safe Harbor Statement

"Safe Harbor" Statement: Statements in this presentation relating to TriNet's future plans, expectations, beliefs, intentions and prospects are "forward-looking statements" and are subject to material risks and uncertainties. Many factors could affect our current expectations and our actual results, and could cause actual results to differ materially. We presently consider the following to be among the important factors that could cause actual results to differ materially from expectations: risks associated with the market acceptance of outsourcing the HR function, and the anticipated benefits associated with the use of a bundled HR solution; changes to and our ability to comply with laws and regulations, including both those applicable to the co-employment relationship as well as those applicable to our clients' businesses and their employees; the amendment, repeal, replacement or continuing implementation of the Affordable Care Act and other health care reform, which may be more challenging in a changing political environment; our ability to maintain the security of our information technology (IT) infrastructure against cyber-attacks and security breaches; our ability to manage unexpected changes in workers' compensation and health insurance claims by worksite employees; the unpredictable nature of our costs and operating expenses, in particular our workers' compensation and health insurance costs; our ability to remediate the material weaknesses in our internal controls over financial reporting; our ability to effectively acquire and integrate new businesses; our ability to gain new clients, and our clients' ability to grow and gain more employees; our ability to effectively acquire and integrate new businesses; volatility in the financial and economic environment to small and mid-sized businesses; our ability to effectively manage our growth; the effects of increased competition and our ability to compete effectively; and our ability to comply with the restrictions of our credit facility and meet our debt obligations. A detailed discussion of these factors and other risks that affect our business is contained in our SEC filings, including our most recent reports on Form 10-K and Form 10-Q, particularly under the heading "Risk Factors." Copies of these filings are available online from the SEC or by contacting TriNet Corporation's Investor Relations Department at (510) 875-7201 or by clicking on the links under SEC Filings on TriNet's Investor Relations website at <http://investor.trinet.com>. All information set forth in this presentation is current as of February 28, 2017. TriNet undertakes no duty to update any statement in light of new information or future events.