

Reconciliation of GAAP to Non-GAAP Measures

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

(in thousands)	Q2 2017			Year 2017		
	Low	Mid	High	Low	Mid	High
Total revenues	\$ 780,000	\$ 790,000	\$ 800,000	\$ 3,300,000	\$ 3,350,000	\$ 3,400,000
Less: Insurance costs	615,000	622,000	630,000	2,595,000	2,637,500	2,680,000
Net Service Revenues	\$ 165,000	\$ 168,000	\$ 170,000	\$ 705,000	\$ 712,500	\$ 720,000

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

(in thousands)	Q2 2017			Year 2017		
	Low	Mid	High	Low	Mid	High
Net income	\$ 11,000	\$ 12,500	\$ 14,000	\$ 72,000	\$ 75,000	\$ 78,000
Provision for income taxes	8,500	9,500	10,500	48,000	50,000	52,000
Stock-based compensation	8,500	8,500	8,500	28,000	28,000	28,000
Interest expense and bank fees	4,500	4,500	4,500	19,000	19,000	19,000
Depreciation	6,500	6,500	6,500	26,000	26,000	26,000
Amortization of intangible assets	1,000	1,000	1,000	5,000	5,000	5,000
Adjusted EBITDA	\$ 40,000	\$ 42,500	\$ 45,000	\$ 198,000	\$ 203,000	\$ 208,000

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

(in thousands)	Q2 2017			Year 2017		
	Low	Mid	High	Low	Mid	High
Net income	\$ 11,000	\$ 12,500	\$ 14,000	\$ 72,000	\$ 75,000	\$ 78,000
Effective income tax rate adjustment	(500)	(500)	(500)	3,000	3,000	3,000
Stock-based compensation	8,500	8,500	8,500	28,000	28,000	28,000
Amortization of intangible assets	1,000	1,000	1,000	5,000	5,000	5,000
Non-cash interest expense	1,000	1,000	1,000	4,000	4,000	4,000
Income tax impact of pre-tax adjustments	(4,000)	(4,000)	(4,000)	(15,000)	(15,000)	(15,000)
Adjusted Net Income	\$ 17,000	\$ 18,500	\$ 20,000	\$ 97,000	\$ 100,000	\$ 103,000
Earnings per share	\$ 0.15	\$ 0.18	\$ 0.20	\$ 1.01	\$ 1.06	\$ 1.10
Adjusted Earnings per share	\$ 0.24	\$ 0.26	\$ 0.28	\$ 1.37	\$ 1.41	\$ 1.45

Note This guidance is as of May 2, 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 financial measures presented in accordance with U.S. Generally Accepted Accounting Principles (GAAP), we monitor other non-GAAP financial measures that we use 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 that we use in order to maintain and grow our business.

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 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, 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⁾, 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.

(1) We have adjusted the non-GAAP effective tax rate to 40.5% for 2017, from 42.5% for 2016 due to a decrease in state income taxes from an increase in excludable income for state income tax purposes. These non-GAAP effective tax rates exclude the income tax impact from stock-based compensation and changes in uncertain tax positions.

(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 changes in, uncertainty regarding, or adverse application of complex laws our business is subject to; risks associated with our co-employment relationship with our worksite employees; our ability to be recognized as an employer of worksite employees under federal and state regulations; 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; our ability to manage changes in client unemployment tax rates; our ability to effectively manage any failure in our business systems; our ability to remediate the material weaknesses in our internal controls over financial reporting; 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; our ability to execute our vertical strategy; risks associated with current and future legal proceedings; risks associated with potential changes in our income tax position; risks associated with potential adverse changes in our relationship with key vendors; volatility in client attrition; our ability to comply with the restrictions of our credit facility and meet our debt obligations; risks associated with the effects of client concentration in certain geographies and industries; and the effects of increased competition and our ability to compete effectively. 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 May 2, 2017. TriNet undertakes no duty to update any statement in light of new information or future events.