

The New Workforce

**ASGN Incorporated Q1 2018 Earnings Release
Supplemental Materials**



Safe Harbor

Certain statements made in this news release are “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and involve a high degree of risk and uncertainty. Forward-looking statements include statements regarding the Company's anticipated financial and operating performance.

All statements in this release, other than those setting forth strictly historical information, are forward-looking statements. Forward-looking statements are not guarantees of future performance, and actual results might differ materially. In particular, the Company makes no assurances that the estimates of revenues, gross margin, SG&A, amortization, effective tax rate, net income, diluted shares outstanding, Adjusted EBITDA, Adjusted Net Income and related per share amounts (as applicable) set forth above will be achieved. Factors that could cause or contribute to such differences include actual demand for our services, our ability to attract, train and retain qualified staffing consultants, our ability to remain competitive in obtaining and retaining clients, the availability of qualified contract professionals, management of our growth, continued performance and improvement of our enterprise-wide information systems, our ability to manage our litigation matters, the successful integration of our acquired subsidiaries, and other risks detailed from time to time in our reports filed with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2017, as filed with the SEC on March 1, 2018. We specifically disclaim any intention or duty to update any forward-looking statements contained in this news release.

Q1 2018 Consolidated Performance

CONSOLIDATED REVENUES

\$685.2M ↑ 9.4%

SIA '18/'17 Growth Estimates:
Industry: 4%
IT: 4%

SELECT FINANCIAL METRICS

GROSS MARGIN

Q1 2018	Q1 2017
31.8%	31.6%

REVENUE MIX

	Q1 2018	Q1 2017
Assignment	94.9%	94.9%
Perm Placement	5.1%	5.1%

ADJUSTED EBITDA

Q1 2018	Q1 2017
\$74.8M	\$64.6M
10.9%	10.3%

EPS (DILUTED)

	Q1 2018	Q1 2017
GAAP	\$0.55	\$0.42
Adjusted	\$0.83	\$0.61

SELECT OPERATING METRICS (Y/Y Growth)

Avg. Staffing Consultants

1.7%

2,442

Avg. Contract Professionals

11.6%

21,463

Avg. Customers

-0.4%

4,634

Avg. Bill Rate

0.9%

\$63.23

Gross Profit Per Staffing Consultant

8.0%

\$89K

GEOGRAPHIC FOOTPRINT

Domestic

\$647.3M

94.5% of Consolidated Revenues

International

\$37.9M

5.5% of Consolidated Revenues

RETURNING CASHFLOW TO INVESTORS

Free Cash Flow

\$49.6M

Year-to-date 3/31/2018
7.2% of revenues in Q1 2018 vs. 5.9% in Q1 2017

Debt Payment

\$50.0M

\$10.0 million in Q1 2018
and an additional \$40.0 million through 4/26/2018

Leverage Ratio

1.80x

As of 3/31/2018

This presentation includes non-GAAP financial measures. A description of these non-GAAP financial measures and the reconciliation from the comparable GAAP measures to the non-GAAP measures are included in our earnings releases.

Q1 2018 Segment Performance

REVENUES

APEX **\$538.5M** **11.6%**
 78.6% of Consolidated Revenues
 GROSS MARGIN 29.5%

OXFORD **\$146.7M** **1.8%**
 21.4% of Consolidated Revenues
 GROSS MARGIN 40.3%

SELECT OPERATING METRICS (Y/Y Growth)



SERVICE OFFERINGS



Provides mission critical IT skills and solutions



Provides Clinical and Scientific skills and solutions



Provides Creative/Digital skills and solutions



Provides high-end IT and Engineering skills and solutions



Provides Permanent Placement solutions

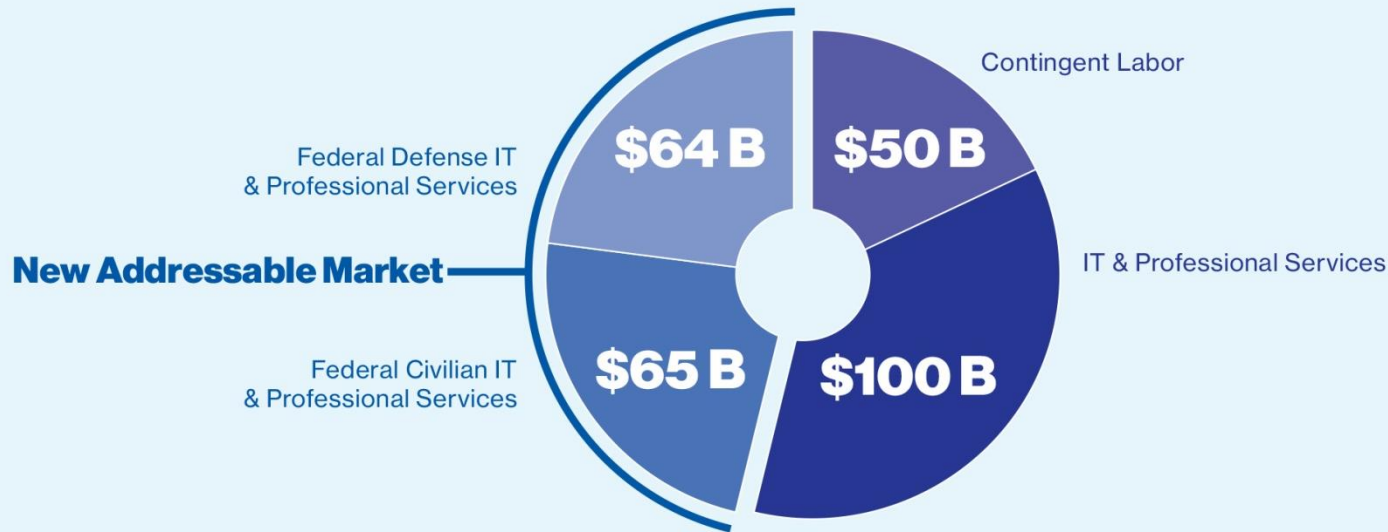


Provides Clinical and Scientific skills and solutions in Europe

Go-To-Market Strategy

- Entry into Federal IT and professional services demonstrates ASGN's commitment to executing domestic, non-commodity technology services opportunities
- The acquisition of ECS provides ASGN with access to the ~\$129 billion Federal IT and professional services sector
- The Federal IT & Professional Services sector consists of both Civilian and Defense and is estimated to be \$65 and \$64 billion, respectively, in 2018
- Nearly doubles ASGN's addressable market to \$279 billion and ECS' highly specialized skill sets reinforce the Company's positioning as a premium human capital provider and complements its highly technical IT offerings

Addressable Market \$279 Billion



Note: Staffing includes the IT/Engineering, Creative/Marketing and Clinical/Scientific markets
Source: Staffing Industry Analysts (April 2018), IBIS World, AdAge and third party independent research

Q2 2018 Financial Estimates and Key Takeaways

(In millions, except per share amounts)

	Low	High
Revenues	\$860.0	\$870.0
<i>YoY pro forma growth rate</i>	7.7%	9.0%
Gross Margin	29.5%	30.0%
SG&A Expenses	\$174.1	\$177.1
Amortization of Intangible Assets	\$18.4	
Net Income:		
<i>GAAP</i>	\$31.1	\$34.8
<i>Adjusted</i> ¹	\$53.6	\$57.3
EPS (Diluted):		
<i>GAAP</i>	\$0.59	\$0.66
<i>Adjusted</i> ¹	\$1.01	\$1.08
Adjusted EBITDA ²	\$100.0	\$105.0
Diluted Shares	52.9	

- **Effective tax rate of 26.5 percent**
- **Estimating leverage ratio of 3.34x to 1 at 6/30/18**

¹ Adjusted Net Income, a non-GAAP financial measure, is defined as net income adjusted for (i) acquisition, integration and strategic planning expenses, (ii) amortization of identifiable intangible assets and (iii) credit facility amendment expenses. Does not include the "Cash Tax Savings on Indefinite-lived Intangible Assets." These savings total \$6.8 million each quarter, or \$0.13 per diluted share, and represent the economic value of the tax deduction that we receive from the amortization of goodwill and trademarks.

² Adjusted EBITDA, a non-GAAP financial measure, is defined as EBITDA (earnings before interest, income taxes, depreciation and amortization) adjusted for, among other things, acquisition, integration and strategic planning expenses. Includes \$2.7 million in depreciation related to an ECS project that is included in cost of services.

Apex & Oxford Segment Billable Days

	Q1	Q2	Q3	Q4	Full Year
Business Days^{1,3}					
2018	64.0	64.0	63.0	61.0	252.0
2017	64.0	64.0	63.0	60.0	251.0
2016	64.0	64.0	64.0	61.0	253.0
<i>2018/17</i>	0.0	0.0	0.0	1.0	1.0
<i>2017/16</i>	0.0	0.0	-1.0	-1.0	-2.0
Billable Days^{2,3}					
2018 Est.	62.8	63.7	62.4	60.2	249.1
2017	63.0	63.8	62.6	60.0	249.4
2016	63.3	63.9	63.1	60.2	250.5
<i>2018/17</i>	-0.3	-0.1	-0.2	0.2	-0.3
<i>2017/16</i>	-0.4	-0.1	-0.5	-0.2	-1.1

1. Observable holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, day after Thanksgiving and Christmas.

2. Besides weekends and holidays, Billable Days consider other factors, such as the day of the week a holiday occurs, additional time taken off around holidays, year-end client furloughs and inclement weather.

3. These Business and Billable Days pertain to our Apex and Oxford segments only.



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