

KFORCE®

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Great People = Great Results®

Forward Looking Statements

All of the information presented that is not historical in nature should be considered to be forward-looking statements that are subject to certain risks, uncertainties or assumptions and may be affected by certain other factors, including but not limited to the specific factors discussed in the Firm's periodic filings with the SEC. Should one or more of these risks, uncertainties or other factors materialize, or should underlying assumptions prove incorrect, actual results, performance or achievements expressed or implied by such forward-looking statements may vary materially from any future results, performance or achievements expressed or implied in this presentation. Forward-looking statements are not guarantees of performance and the Firm undertakes no obligation to update publicly any of the information presented in light of new information or future events.

Kforce at a Glance

Company overview

Kforce is a professional staffing solutions firm providing Technology and Finance / Accounting flexible and direct hire staffing services to the commercial and government sectors

- **50+ years operating history – public since August 1995**
- **Q2 '16 Revenue: \$335.0 Million**
- **Market Cap: Approximately \$500 Million**
- **Employees: Approximately 2,900 core associates**
- **Consultants: ~11,400**
- **Clients: 3,000+**
- **Geographic presence: 41 markets with 63 offices**
- **Headquarters: Tampa, Florida**

Key Investment Highlights

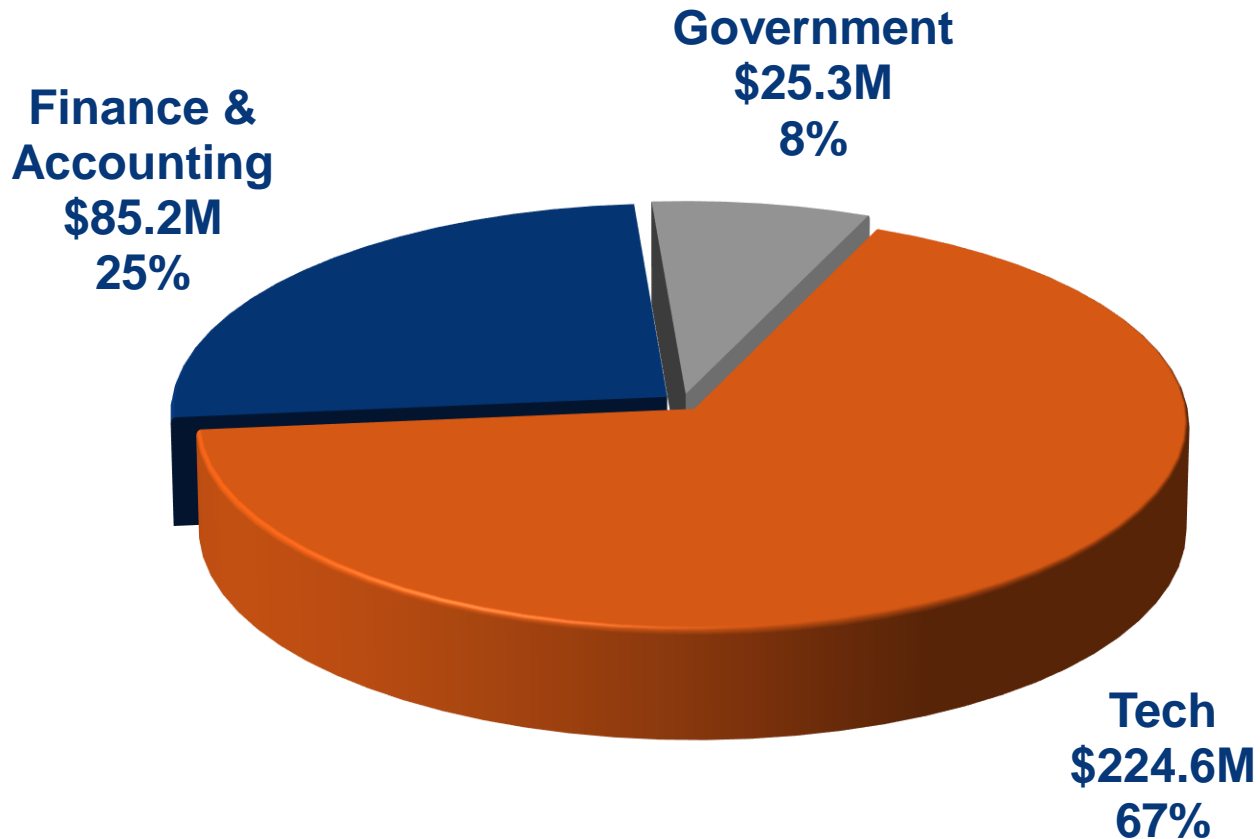
- **Large, attractive end market with positive recent trends**
 - Tech staffing spend projected at \$29 billion in 2016
 - Strong demand for higher skill sets in a temp led recovery
 - Positive long-term secular trends as employers seek a flexible human capital solution against regulatory, economic and healthcare uncertainties
- **Strong position in critical high-end skill sets**
 - Participates in the “sweet spot” of professional staffing (~70% Tech)
 - High-end domestic focus yields higher bill rates, better spreads, longer assignments and long-tenured customers
 - Significant opportunity in Government Solutions with prime VA IDIQ award.
- **Unique business and operating model**
 - Diversified business model serving attractive segments
 - Unique Centralized Delivery (Tampa & Phoenix) and Shared Service support platform
 - Can operate without a physical location
- **Attractive financial model with tangible growth opportunities**
 - Capital efficient model drives strong FCF
 - Stock repurchased at scale
 - Quarterly dividend

Q2 2016 Highlights

- Revenues of \$335.0 million, which is an increase of 4.0% quarter-over-quarter.
- Adjusted Earnings per share of \$0.41 in Q2 was above our midpoint guidance expectations.
- Board of Directors increased share repurchase authorization to \$75 million.
- Returned \$26.1 million to shareholders through the first half of the year in the form of \$19.8 million in share repurchases and \$6.3 million in quarterly dividends.

Current Revenue Stream

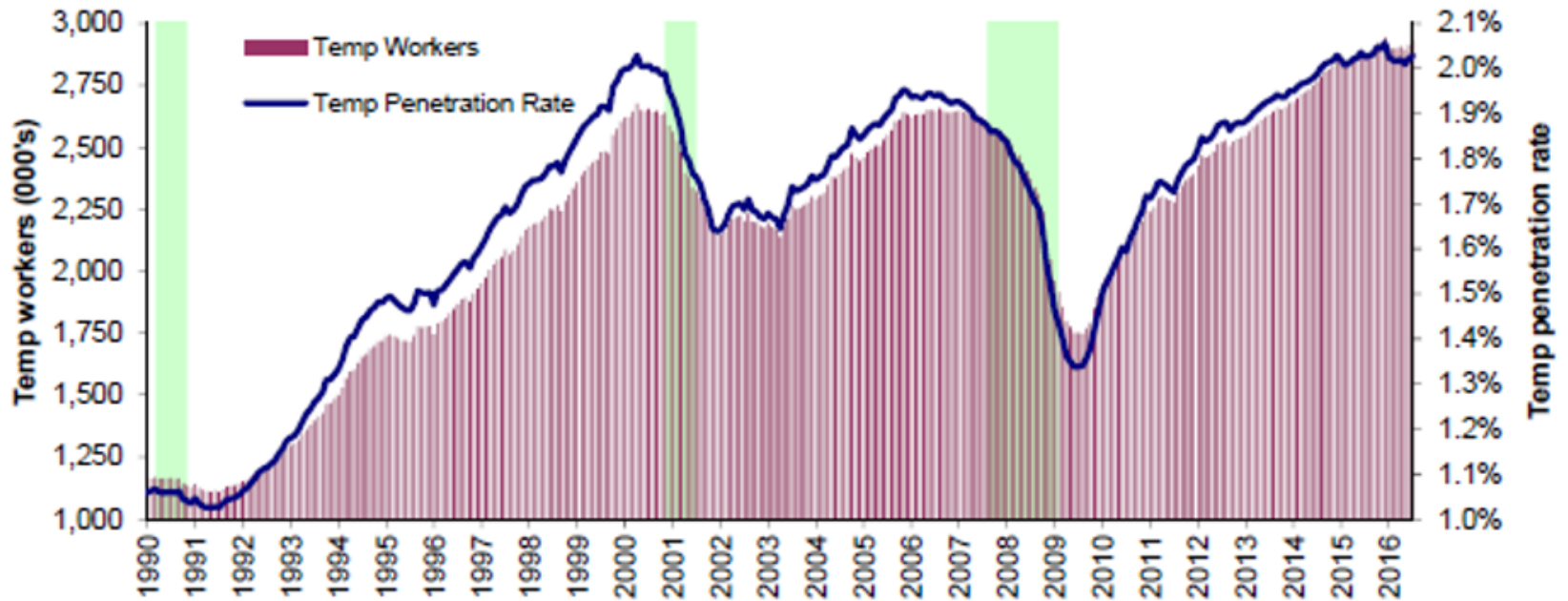
Q2 2016 Revenue – \$335.0M



Secular Staffing Growth Drivers

- As buyers/clients become more sophisticated in managing their workforce, companies are structurally utilizing temporary labor as a larger percentage of their workforce.
- Tepid recovery (low GDP) and regulatory (i.e. healthcare reform) uncertainties have incited companies to pursue shifting more of their workforce to contingent.
- Technology largely project driven (Tech penetration rate estimated at 5%).
- Technology skills are in short supply and becoming increasingly more scarce.
- Jobs in science, technology, engineering and math (“STEM”) are increasing 3x vs. the rest of the US economy.
- Projected shortfall of 230,000 STEM workers by 2018.
- College educated unemployment at 2.5%, about half of overall unemployment rate.

Temporary Penetration Rate near Record Level



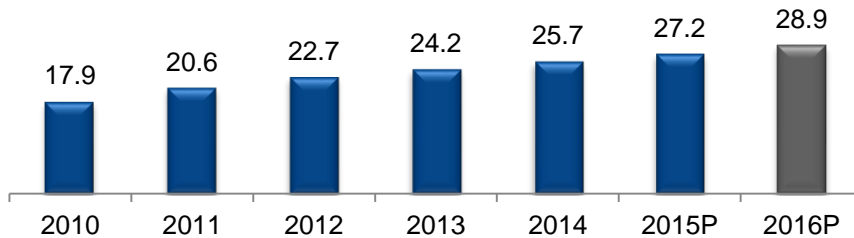
Large End-markets with Significant Growth Opportunities

Technology

- IT staffing sector is expected to grow due to multiple demand drivers:
 - Rapid pace of technological change
 - Growth in the volume of project-based work
 - Supply/demand imbalance for IT professionals
 - New IT investments and ongoing maintenance requirements
 - S.I.A. projects 7% revenue growth in 2016 and 6% in 2017.
 - Kforce Tech 3% domestic market share

Technology historical and projected spending

(\$ in billions)



Source: Staffing Industry Analyst

Finance & Accounting

- F&A staffing sector is expected to grow due to multiple demand drivers:
 - Lack of skilled finance and accounting professionals
 - Increasing levels of projects related to M&A, tax, systems conversions and transaction processing
 - S.I.A. projects 9% revenue growth in 2016 and 7% for 2017.
 - Kforce F&A 4% domestic market share

Finance & Accounting historical and projected spending

(\$ in billions)



Source: Staffing Industry Analyst

Government

- Government staffing sector facing budgetary pressure; however:
 - \$74 billion in U.S. Government domestic consumer spending in technology services
 - Aging technology infrastructure
 - Governments looking for effective recruitment capabilities which is not a core competency for many agencies

Technology

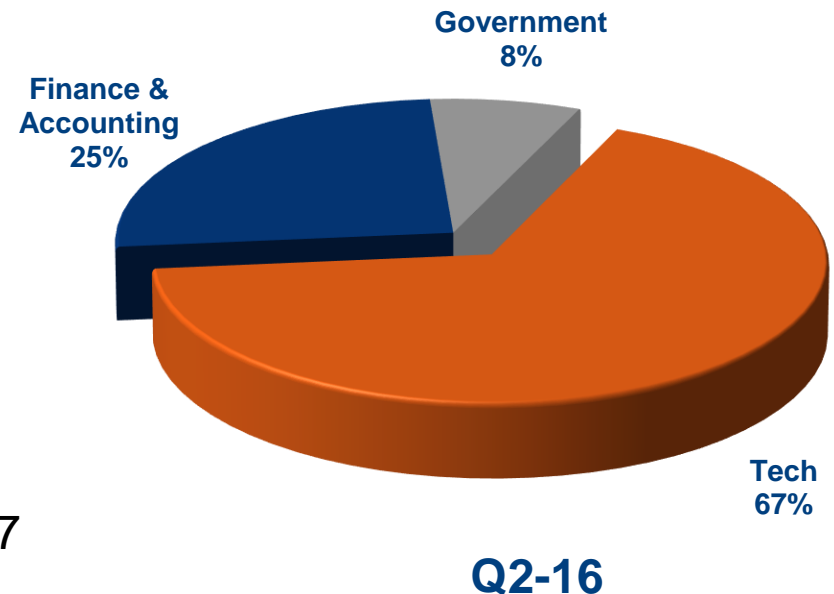
\$224.6M; 67% of Q2 '16 revenue

Key Trends:

- Obsolescence, deferred maintenance and upgrades are driving current spending coupled with systems of engagement where the customer directly interacts through mobile applications
- \$29 billion domestic market for Tech staffing projected in 2016
- Tech penetration rate estimated at 5%

Key Statistics:

- Average bill rate: ~\$68.00
- Assignment length: approximately 6 to 7 months
- Billable Head Count: ~5,950



Finance and Accounting

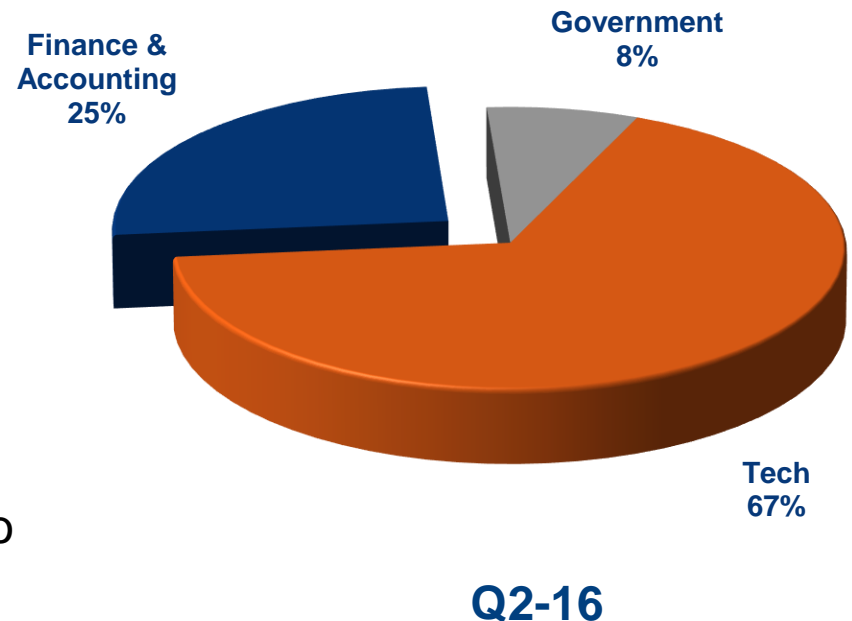
\$85.2M; 25% of Q2 '16 revenue

Key Trends:

- Skilled F&A professionals
- Projects related to general accounting, financial services transaction processing and rev cycle
- \$8 billion domestic market for F&A staffing projected in 2016

Key Statistics:

- Average bill rate: ~\$32.50
- Assignment length: approximately 3 to 4 months
- Billable Head Count: ~5,000



Government

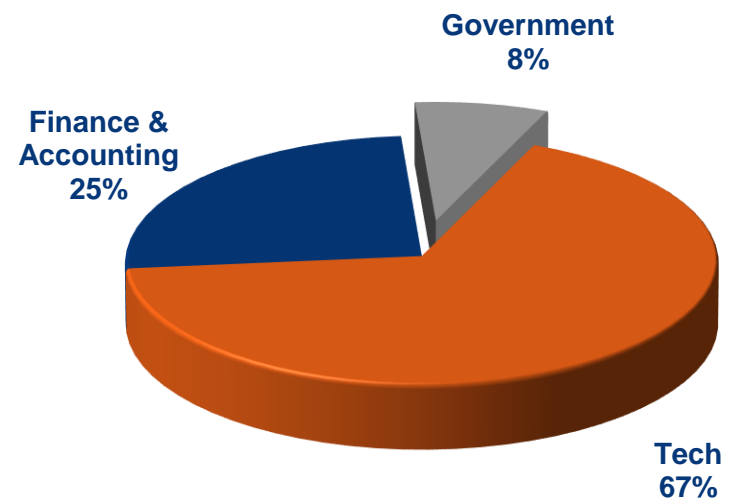
\$25.3M; 8% of Q2 '16 revenue

Key Trends:

- Government provides clients with integrated solutions across the finance, accounting and technology disciplines
- Long-term contract profile
- Low cost procurement environment
- 40% of business mix in the V.A.

Key Statistics:

- Billable Headcount: ~500
- Defense / civilian split: 51/49
- Services of 85% and Product of 15%

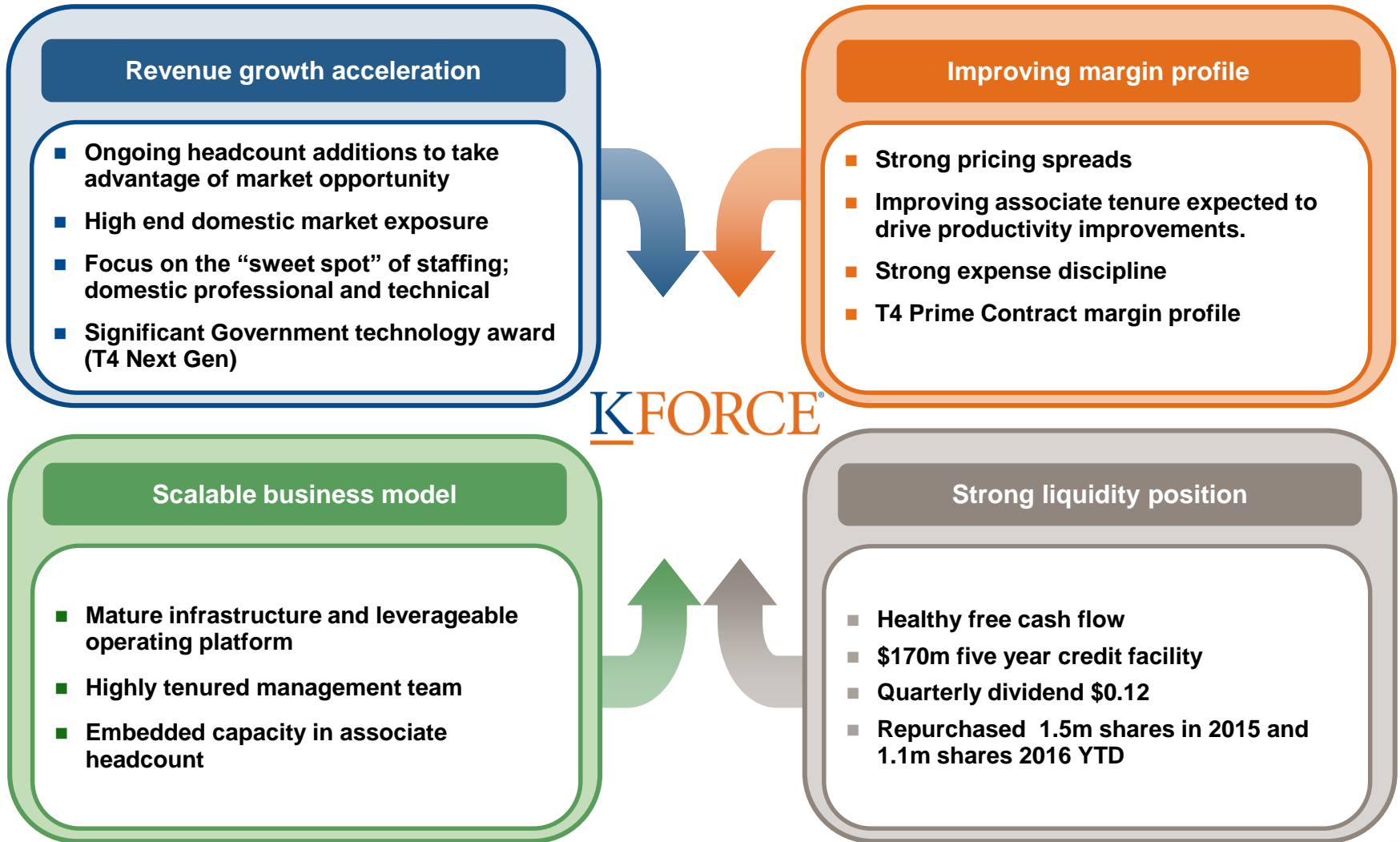


KGS T4 Next Generation

- KGS Awarded Prime Contract:
 - 20 year relationship with the V.A.
 - Staffing capability is the differentiator
- Primary contract for purchasing IT solutions for the VA over the next 10 years
- \$22 billion multiple award IDIQ contract; 24 awardees (12 large and 12 small businesses)
- Statistics on original \$7.5 billion T4 project (5 year term):
 - KGS win rate as a subcontractor on current T4 project was 44%, with \$125 million in contract value
 - Smallest award for any prime contractor was \$83 million
 - Largest award for any contractor was \$1.4 billion
- Expectation of initial task order awards in September'16 and revenue opportunity in Q4-16 and beyond

Financial Overview

Strong Financial Model



Income Statement – Continuing Operations

Q2 2016

	Three Months Ended (000's)		
	Jun. 30, 2016	Mar. 31, 2016 *	Jun. 30, 2015
Revenue	\$335,047	\$ 322,201	\$ 337,353
GP %	31.7%	30.2%	31.4%
Flex GP%	28.8%	27.3%	28.4%
SG&A %	25.5%	26.0%	24.7%
Operating Income	18,443	11,036	20,417
Operating Income %	5.5%	3.4%	6.1%
Net Income	10,864	6,366	11,593
EPS	\$ 0.41	\$ 0.24	\$ 0.41

* Q1 2016 normalized for severance of \$1.7M (\$1.1M after tax) and one-time income tax adjustments of \$1.7M.

Return of Capital

	2013	2014	2015	Q2 2016 YTD	2013-2016
Shares Purchased (000's)	1,812	4,883	1,487	1,120	9,302
Average Price	\$15.07	\$21.07	\$24.69	\$17.63	\$20.07
Amount Purchased (000's)	\$27,313	\$102,886	\$36,712	\$19,751	\$ 186,662
Dividends (000's)	\$3,297	\$12,776	\$12,545	\$6,298	\$34,915
Total Return to Shareholders (000's)	\$30,610	\$115,662	\$49,257	\$26,049	\$221,577

Balance Sheet / Cash Flow

(Millions)

	Qtr2 2016	Qtr1 2016*	Qtr2 2015
Working Capital	\$137.2	\$136.5	\$132.9
AR Gross Balance	\$217.9	\$212.9	\$217.8
AR % Over 90 Days	3.0%	3.5%	2.1%
Long Term Debt	\$99.7	\$107.0	\$94.1
Debt/Equity Ratio	77.1%	89.1%	68.7%
Adjusted EBITDA	\$22.5	\$15.3	\$24.0

* Q1 2016 normalized for severance of \$1.7M.

Summary

- Professional domestic staffing sector experiencing strong secular and cyclical growth drivers
- Domestic revenue stream with market share of 3% Tech and 4% FA
- Tech and FA flex well positioned to gain market share
- Efficient use of cash to benefit shareholders
- Investing in long-term sustained growth:
 - Accelerated hiring in Tech Flex to capture market share
 - Technology Infrastructure/Tools