Northcoast Research
Investor Meetings
Dallas & Houston, Texas

August 25 - 26, 2015

KELLY® SERVICES

Safe Harbor Statement

The information provided in this presentation (both written and oral) relating to future events are subject to risks and uncertainties, such as competition; changing market and economic conditions; currency fluctuations; changes in laws and regulations, including tax laws, and other factors discussed in the company's SEC filings. These documents contain and identify important factors that could cause actual results to differ materially from those contained in our projections or forward-looking statements.

SNAPSHOT 2015

Nasdaq: KELYA, KELYB

SERVING **97%** of the *Fortune* 100™

4,600 supplier partners across the globe

Global network

- Life Sciences
- Natural Resources
- High Tech
- Consumer Goods and Premier Brands
- Finance and Insurance

Industry focus

$7 BILLION 2014 spend under management

2014 revenue: **$5.6 BILLION**

1 MILLION+ workers in our global talent supply chain

FREE AGENT ADVOCATE

STAFFING

Kelly Girl®

William Russell Kelly pioneers the modern staffing industry by founding the Russell Kelly Office Service in 1946

GLOBAL WORKFORCE SOLUTIONS

Strategic Customer Partnerships

KellyOCG® pioneers applying supply chain strategies to talent

Talent Supply Chain Management

TOP 100 WORKPLACES 2014 — Detroit Free Press, A GANNETT COMPANY

Named one of Michigan's top workplaces **two years in a row** based on employee surveys conducted by WorkplaceDynamics

Kelly Educational Staffing®

2.1 MILLION+ classrooms filled each year

2014 record-setting revenue: **$200 MILLION+**

The world's leading scientific workforce solutions provider—

11,000+ professionals placed each year

IAOP 2015 THE GLOBAL OUTSOURCING 100

4 years in a row on the Global Outsourcing 100® list! 2015 honors include recognition for delivery excellence and programs for innovation, and being listed as a leader in revenue growth.

BEST of Staffing® CLIENT SATISFACTION 2015

Recognized by Inavero for delivering service to clients that is well above industry benchmarks

KELLY® SERVICES

All trademarks are property of their respective owners. © 2015 Kelly Services, Inc. 15-0540

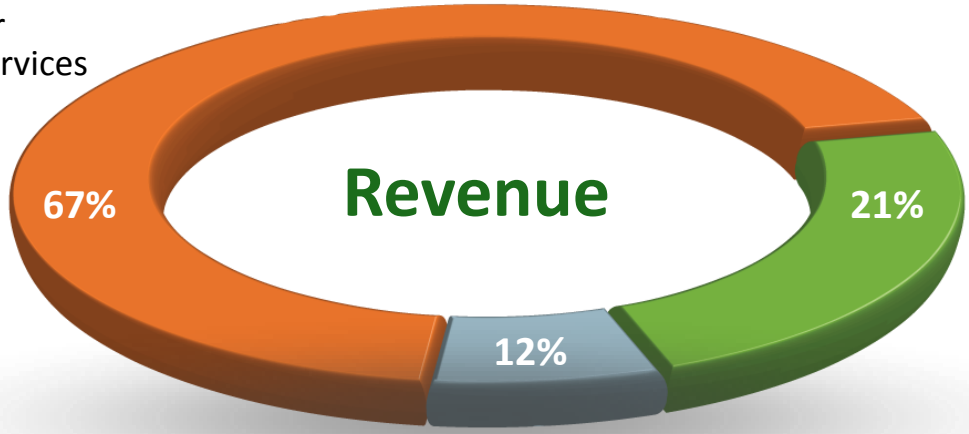
Portfolio of Solutions

Commercial Staffing

- Office Services
- Light Industrial
- Electronic Assembly
- Marketing
- Contact Center
- Educational Services

Professional & Technical Staffing

- Science
- Engineering
- IT
- Finance
- Law
- Healthcare
- Creative Services



60% of GP

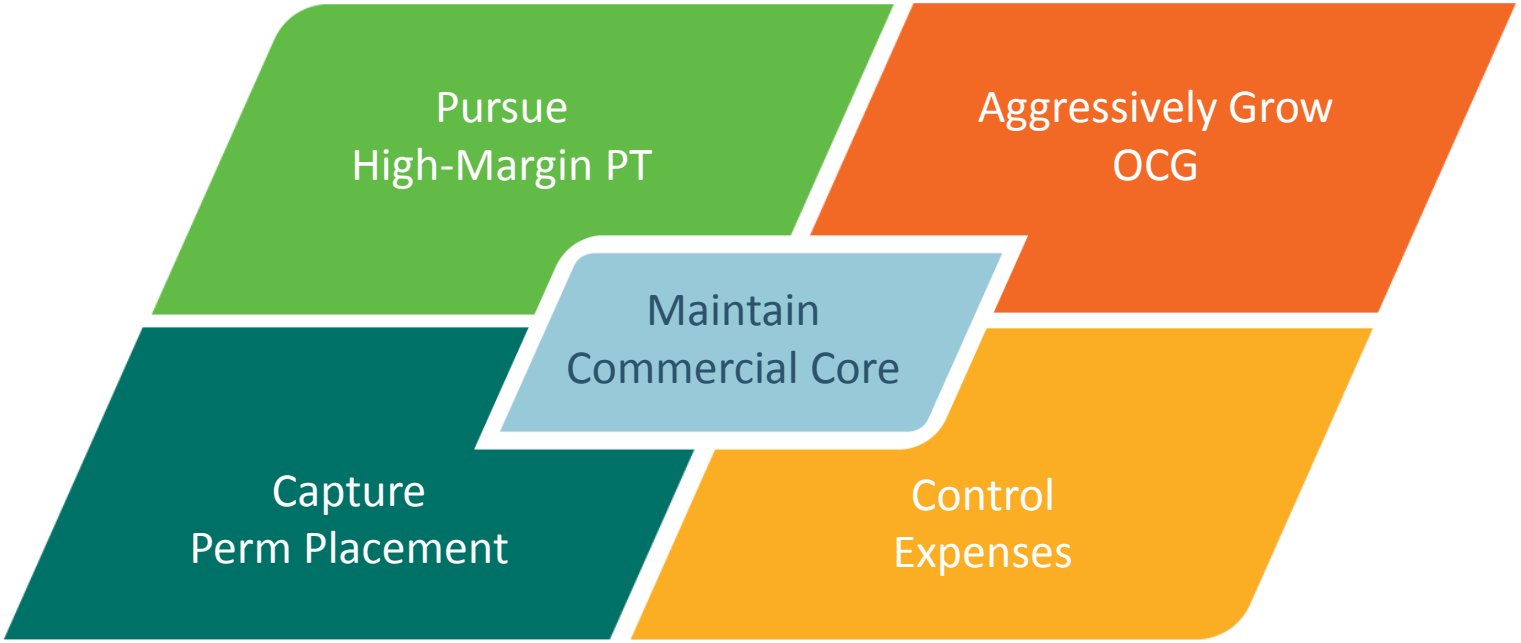
24% of GP

16% of GP

Outsourcing & Consulting

- **Recruitment Solutions**
  - Recruitment Process Outsourcing (RPO)
- **Project Solutions**
  - Business Process Outsourcing (BPO)
- **Managed Solutions**
  - Contingent Workforce Outsourcing (CWO)
- **Executive Coaching and Development**
- **Global Consulting**

Kelly's Strategy



2014 Strategic Investments

U.S. Branch Network

- Created national PT recruiting centers led by specialty recruiters (rather than ops leaders)
- Realigned PT recruiters by niche (rather than geography)
- Hired additional niche PT sales resources
- Implemented customized training and new performance standards for all PT recruiters/sales staff

Centralized Accounts

- Completed transition of targeted large accounts into centralized model
- Increased number of specialty recruiters; additional resources to be added in 2015
- Implemented aggressive performance requirements for recruiters
- Aligned recruiting and sales verticals to drive PT growth in large accounts

Talent Supply Chain

- Expanded IC/Statement of Work solution to meet increased demand for project-based work
- Developed supply chain analytics to provide market insight to customers
- Closed the gap in our ability to design truly global solutions across 50+ countries

GROWTH

Total investment was $21M - ($6M Capital & $15M Expense)

2014 Restructuring Plan

Americas $19.9M

- Streamlined U.S. Operations by closing 52 U.S. branches
- Simplified management structure at all levels
- Optimized large account delivery structure

Corporate $12.0M

- Simplified world headquarters operations

OCG $3.4M

- Continued to align OCG more efficiently against ROI

= $35M taken out of 2015 cost base

2015: Branch Network PT Growth Strategy

- Focus on markets where we're most likely to succeed
- Use niche-specific sales teams to win higher-margin local PT business
- Use national network of specialty recruiters to create higher-skilled talent pipelines in IT, Engineering, Science, Finance

Q2 Highlights

- **Proven, sustained traction from our 2014 investments and new PT recruiting model**
- **Q2 PT revenue up 15% in constant currency YOY in U.S. branch network (compared to 4% in Q1)**
- **Number of new PT orders trending positively in Q3**

2015: Centralized Account PT Growth Strategy

- Leverage relationships with established Kelly clients
- Optimize our centralized model
- Rebalance headcount toward GP-generating roles
- Diversify PT portfolio across centralized accounts
- Increase PT fill rates in vendor-neutral accounts

Q2 Highlights

- **PT revenue down 3% in constant currency YOY due to large project completions**
- **5% sequential growth in PT revenue as demand started to pick up in Q2**
- **Hired roughly 70 PT recruiters**

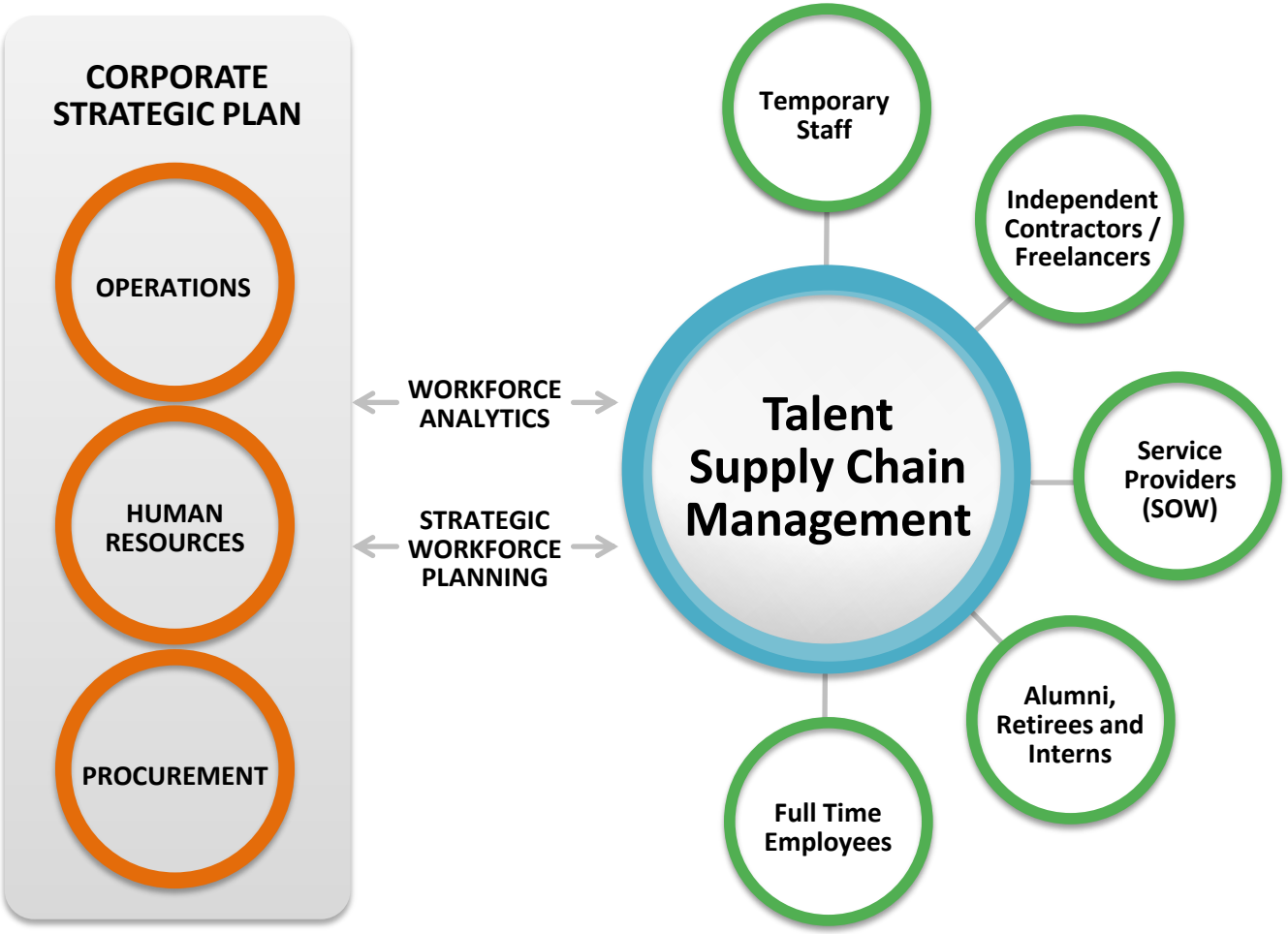
2015: OCG Growth Strategy

- Expand talent supply chain solutions
  - Meet increased demand for project-based work
  - Provide customers market insights into labor supply & demand
  - Customize solutions across regulatory requirements of 50+ countries
- Leverage opportunities within existing centralized accounts
- Invest in areas that will deliver rapid ROI

Q2 Highlights

- **Operating earnings up almost 90% over last year**
- **Revenue up 22% in constant currency YOY (compared to 13% YOY increase in Q1)**
- **Gross profit increased 11% in constant currency YOY**
- **Investments in Q2 prepare us for anticipated revenue ramp-up in KellyConnect in 2H2015**
- **15-20% OCG growth expected in 2015**

Talent Supply Chain Management



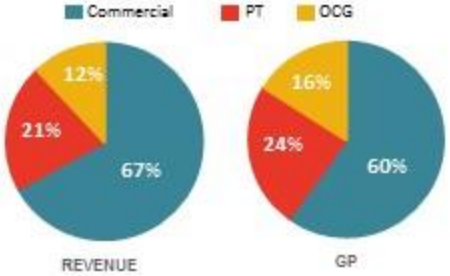
© 2012 – 2015 Kelly Services, Inc.

Q2/2015 FINANCIAL REVIEW

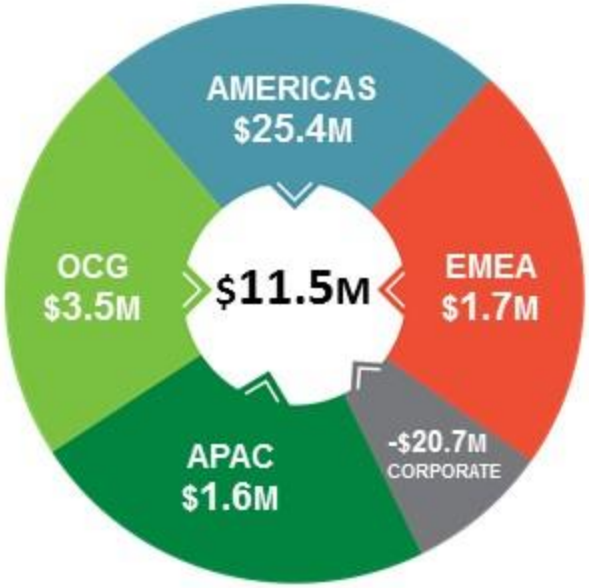
PROGRESS REPORT ON KELLY'S SECOND QUARTER*

Kelly delivered good performance and solid operating leverage in Q2. Revenue grew at nearly 10 times the rate of expenses, excluding restructuring, dropping more than half of Kelly's GP growth to the bottom line. Last year's investments in PT and OCG are yielding results, and Kelly is delivering on a strategic plan that clearly aligns with market trends and customer needs.

GLOBAL REVENUE & GP MIX



Q2 OPERATING EARNINGS



EXPENSE UPDATE

Q2 RESULT:
94.8% OF GP

Expenses were nearly flat YOY, which reflects the impact of cost savings generated by Kelly's Management Simplification Plan and continued focus on cost discipline.

GLOBAL COMMERCIAL GP

Q2 GP $ TOTALED $134M

- AMER GP $ UP 1%
- EMEA GP $ DOWN 6%
- APAC GP $ UP 8%

GLOBAL PT GP

Q2 PT GP $ TOTALED $54M

- AMER GP $ UP 8%
- EMEA GP $ DOWN 1%
- APAC GP $ DOWN 8%

GLOBAL OCG GP

Q2 OCG GP $ TOTALED $36M

OCG's strong YOY performance was driven by growth in BPO (revenue up 29%, GP up 15%) and CWO (revenue up 23%, GP up 25%). Overall OCG earnings increased $1.7M, up nearly 90% YOY.

REVENUE UP 22%

GLOBAL PERM STAFFING FEES

Q2 FEES TOTALED $17M

Americas perm fee performance strengthened in Q2 with a YOY increase of 19% overall. Commercial fees in the region were up 7%, and PT fee revenue grew 30%.

REVENUE	$1.4B ▲3.9%
GROSS PROFIT	16.1% ▼10 BASIS PTS
EXPENSES	$211M FLAT†
EARNINGS FROM OPS	$11.5M ▲$3.8M†
EPS	$0.18 ▲80%†
ROS (FROM OPERATIONS)	.8% ▲40 BASIS PTS

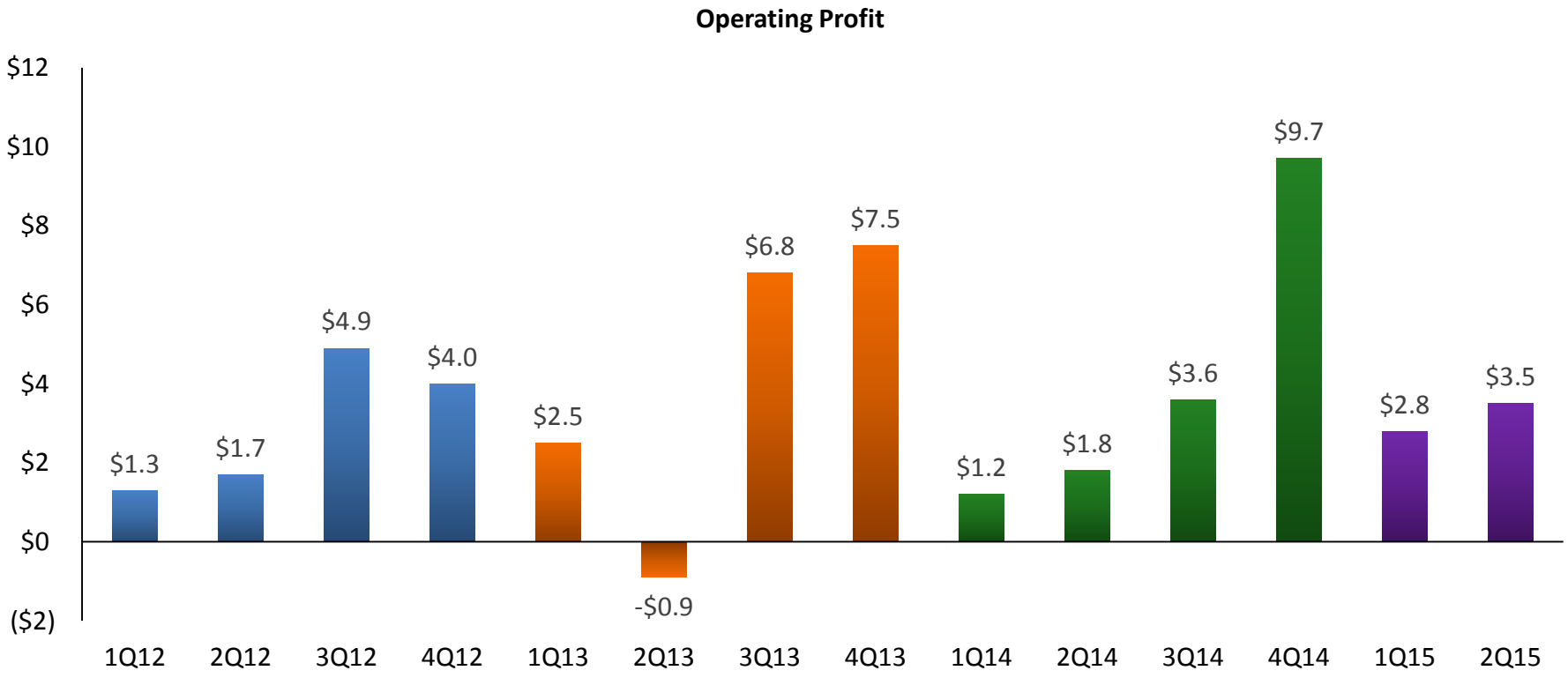
*All comparisons are year over year, and percentages are in constant currency with the exception of EPS, which is represented in nominal currency.
†Comparison excludes 2014 restructuring charges.

© 2015 Kelly Services, Inc. R7/28/15

KELLY

OCG Growth

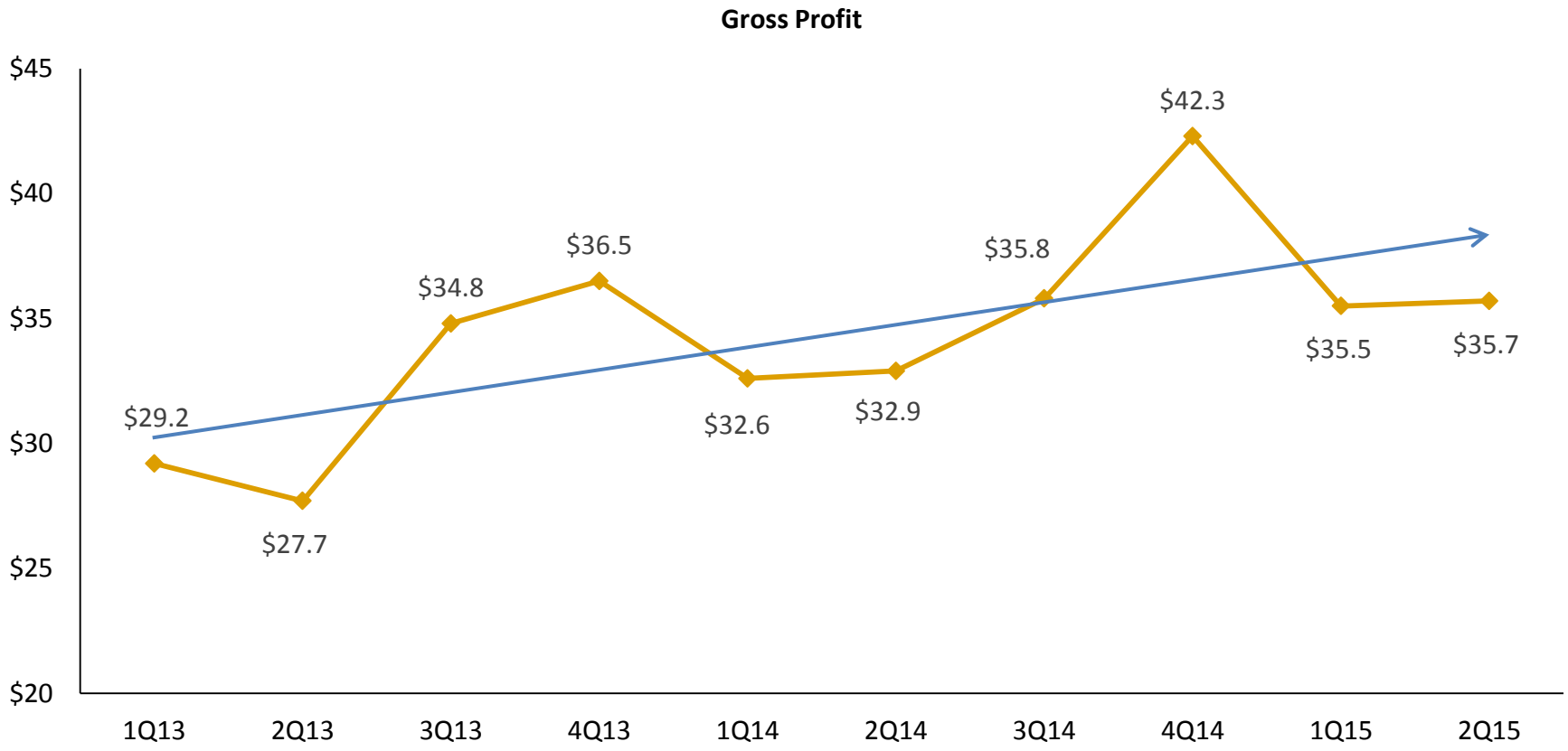
($ in millions)



Excluding Restructuring & Impairment Charges

OCG Growth

($ in millions)



2015 Outlook

- Revenue up 5% - 6% YOY in constant currency
- Gross Profit Rate up modestly YOY
- SG&A up about 1.5% - 2.5% YOY
- Annual tax rate expected to be in the low 40% range, excluding Work Opportunity Credits; If WOC is renewed, our rate is expected to be 20 percentage points lower
- Expect continued impact on Earnings from Operations from negative currency fluctuations

($ in millions)

2014 Total Expenses	$	875
<u>Change</u>		
Management Simplification Initiative	$	(35)
US PT Investments (2014 and 2015)		7
Revenue Related Cost:		35
$17M in Staffing		
$18M in OCG		
Other Expenses	$	10
2015 Total Forecasted Expenses	$	892
Total Year-over-Year Increase		2%

Excluding Restructuring
In Constant Currency

Q3 2015 Outlook

- Revenue up 4% - 5% YOY in constant currency
- Gross Profit Rate up modestly both YOY and sequentially
- SG&A up about 2% - 3% YOY (roughly 50% of our GP growth)

Second Quarter 2015 Highlights

- Earnings from Operations up 51% YOY, excluding 2014 restructuring charges
  - 80% of GP growth drops to the bottom line
  - Positive momentum going into second half of year
- Americas Perm Fees improve 19% in constant currency YOY
- U.S. Field operations deliver double-digit PT revenue growth
- APAC revenue increases 18% in constant currency YOY
- OCG revenue growth accelerates 22% in constant currency YOY, up from 13% in Q1

Second Quarter 2015 Financial Summary

	Actual Results	Change[(1), (3)]	Constant Currency Change[(2), (3)]
Revenue	$1.39B	-1.8%	3.9%
GP %	16.1%	-10 bps	
Earnings from Operations	$11.5M	99.9%	73.1%
ROS %	0.8%	0.4%	
EPS	$0.18	$0.11	

Second quarter results represent solid revenue performance and significant improvement in leverage

(1) Change from 2014 Actual results
(2) Change that results from translating to USD at 2014 exchange rates
(3) Excludes the impact of 2014 Restructuring charges

Second Quarter 2015 Operations Summary

($ in millions)

Kelly Services

Sales	$1,385
GP	$222
Expenses	$211
Profit	$12
ROS	0.8%

Americas

Sales	$898
GP	$138
Expenses	$113
Profit	$25
ROS	2.8%

EMEA

Sales	$239
GP	$36
Expenses	$34
Profit	$2
ROS	0.7%

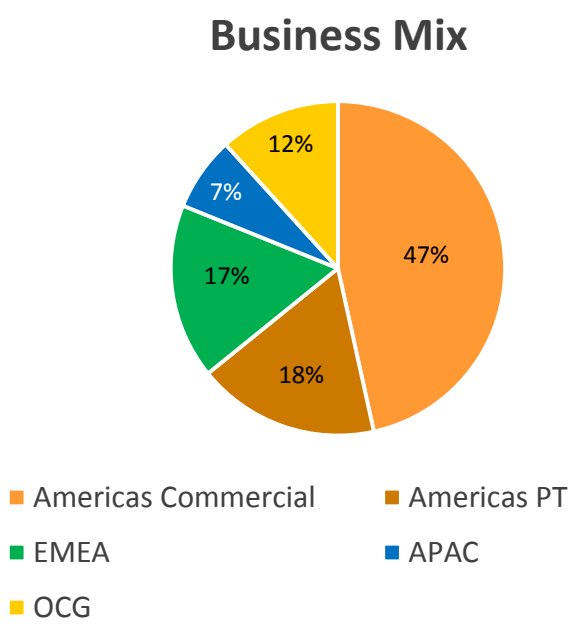
APAC

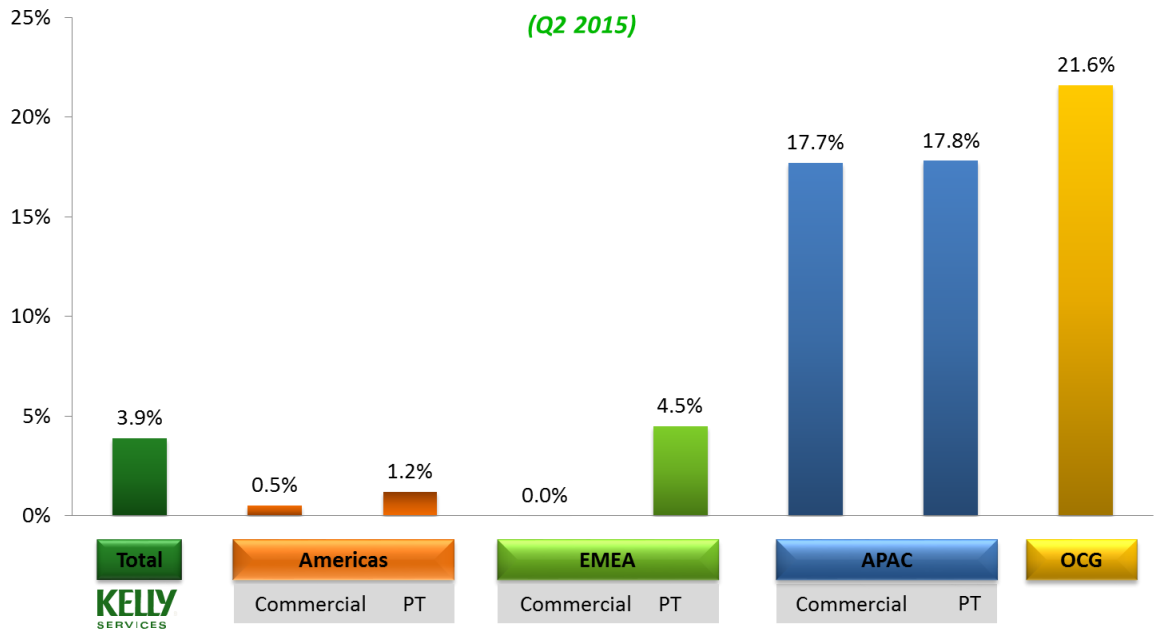
Sales	$101
GP	$14
Expenses	$12
Profit	$2
ROS	1.6%

OCG

Sales	$165
GP	$36
Expenses	$32
Profit	$4
ROS	2.1%

Constant Currency Revenue Growth by Segment

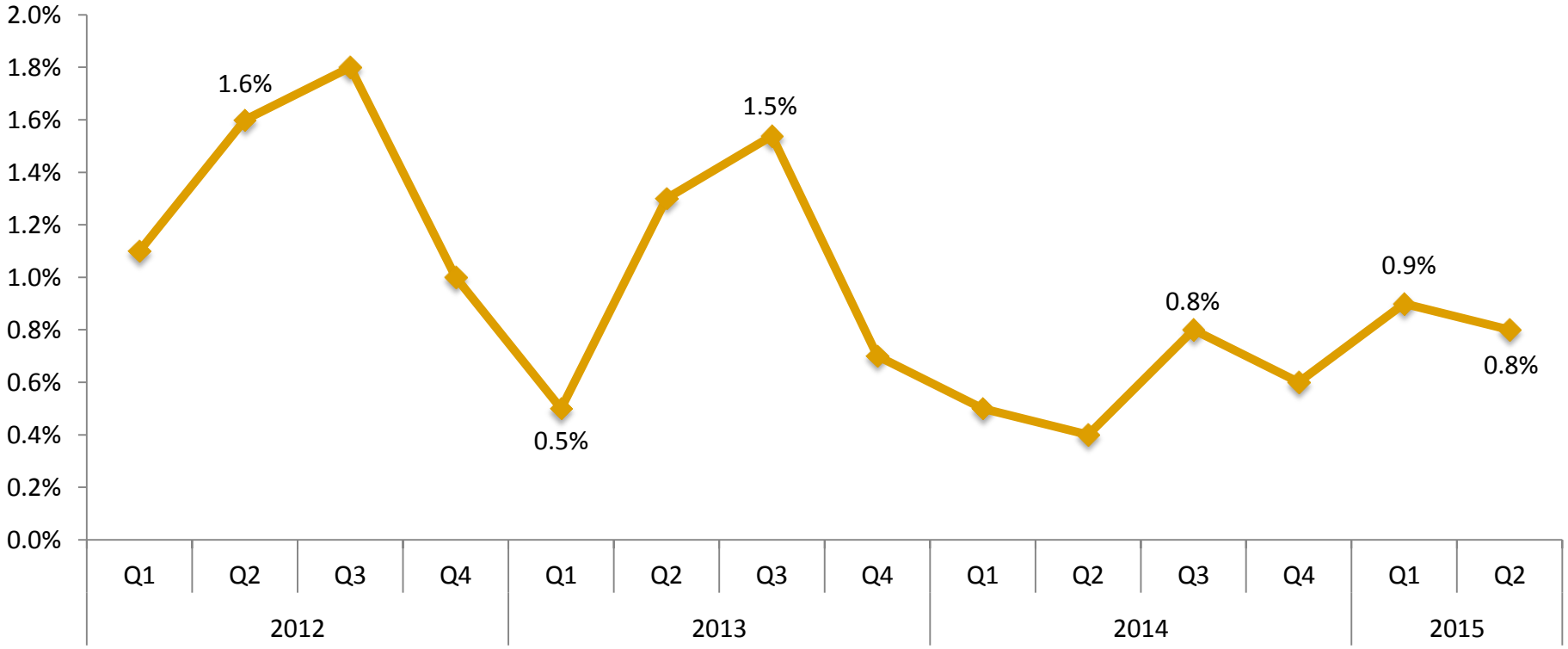




- OCG Revenue growth at 22% is a return to long-term growth expectations
- APAC reflects strong growth in Australia, Singapore, Malaysia and India
- US PT growth is a sequential improvement over Q1 2015

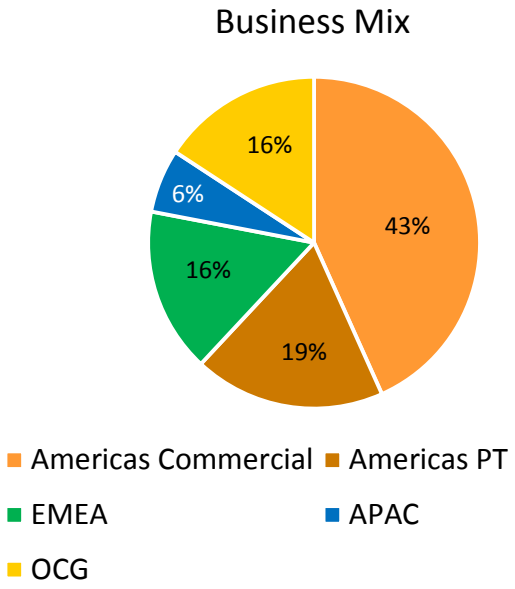
Return on Sales by Quarter

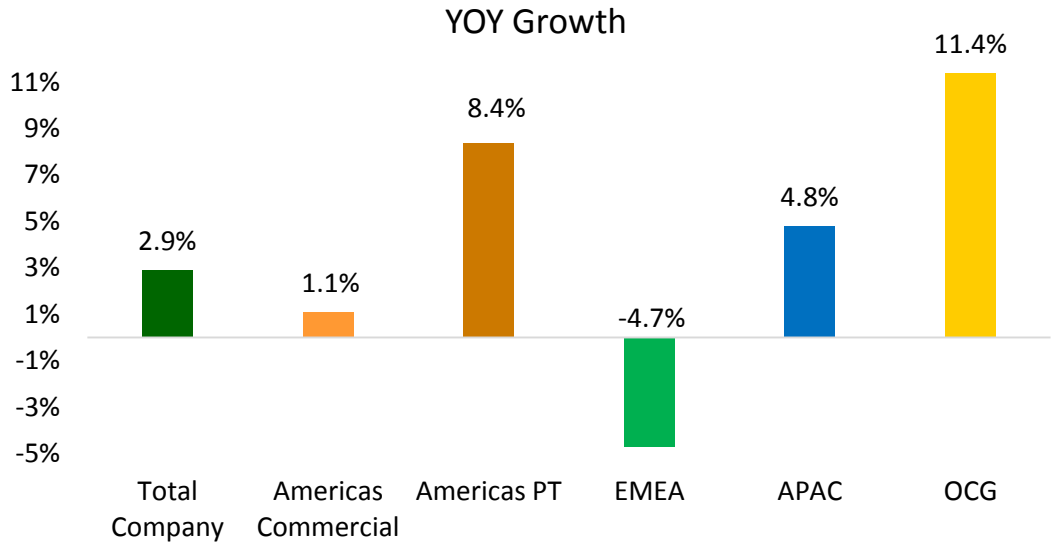
($ in millions)



Excluding Restructuring, Impairment & Certain Litigation Charges.

Second Quarter 2015 Gross Profit by Segment



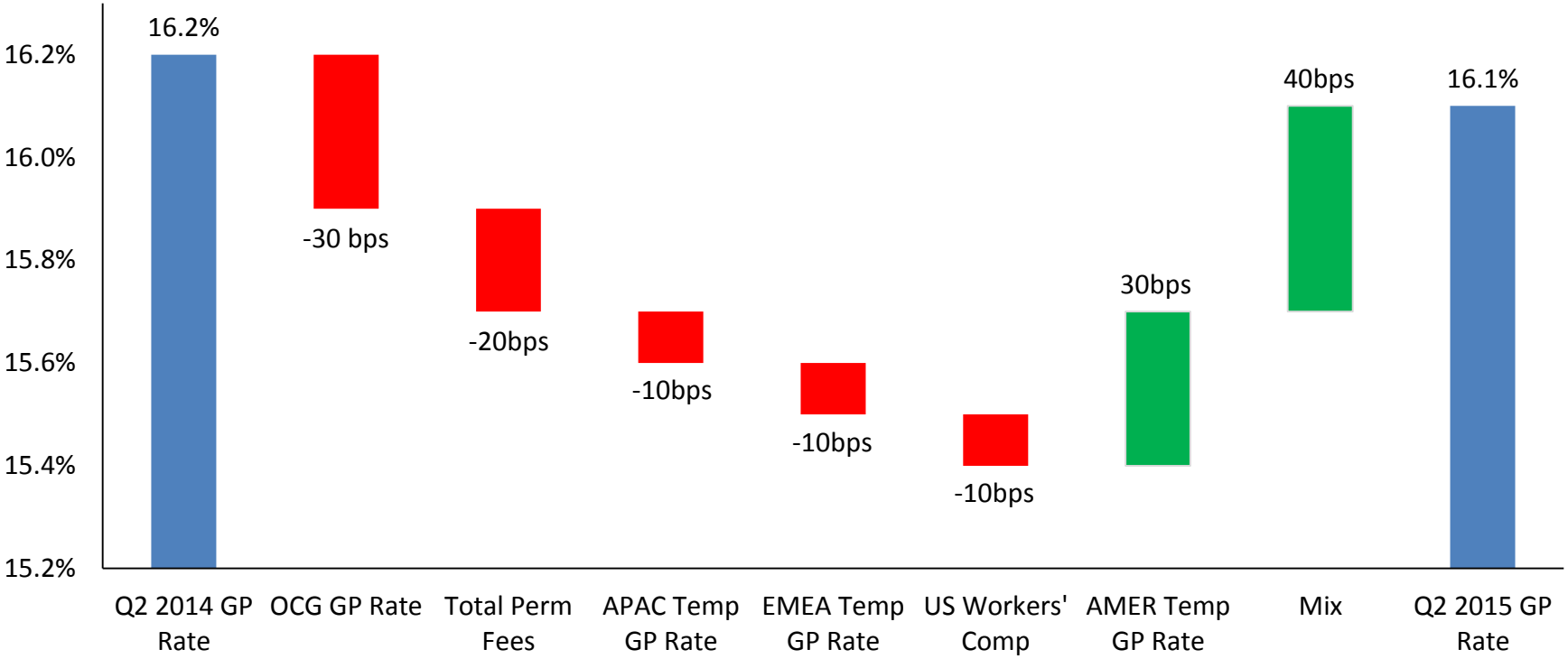


- Americas Commercial Staffing, Americas PT, and OCG comprise 78% of total Company GP
- Americas PT GP growth reflects improved perm fees and customer mix
- GP Growth in the Americas represents increasing GP rate on relatively flat revenue growth
- OCG GP growth, while steady, was temporarily negatively impacted by investments in KellyConnect programs ahead of implementation
- EMEA GP decline reflects continued softness in Perm Fees

---

in Constant Currency

Second Quarter 2015 Gross Profit



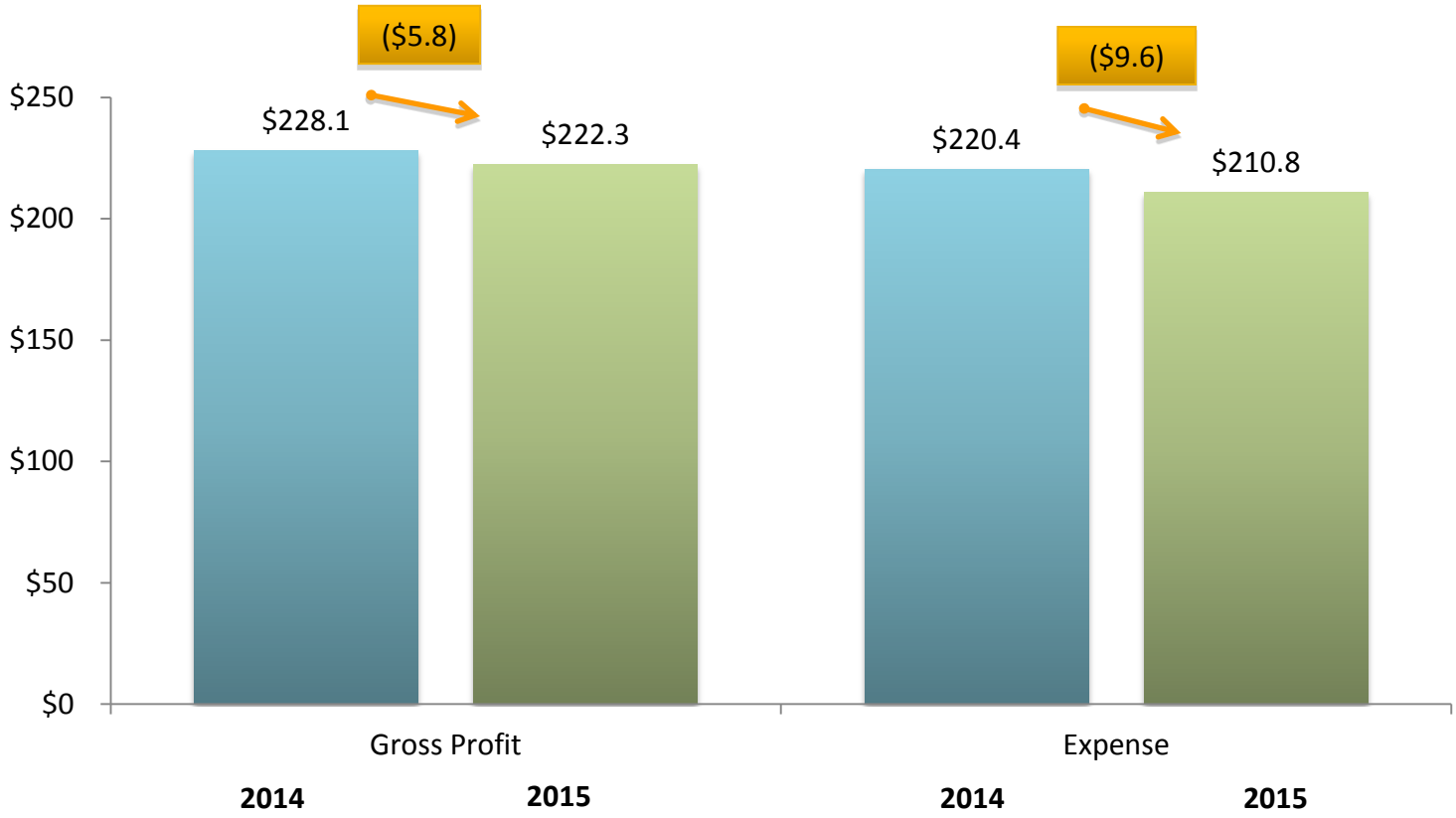
- OCG GP rate was negatively impacted by KellyConnect investments ahead of expected Q3 and Q4 revenue growth
- Americas GP rate reflects pricing improvement and favorable business mix.

---

in Constant Currency

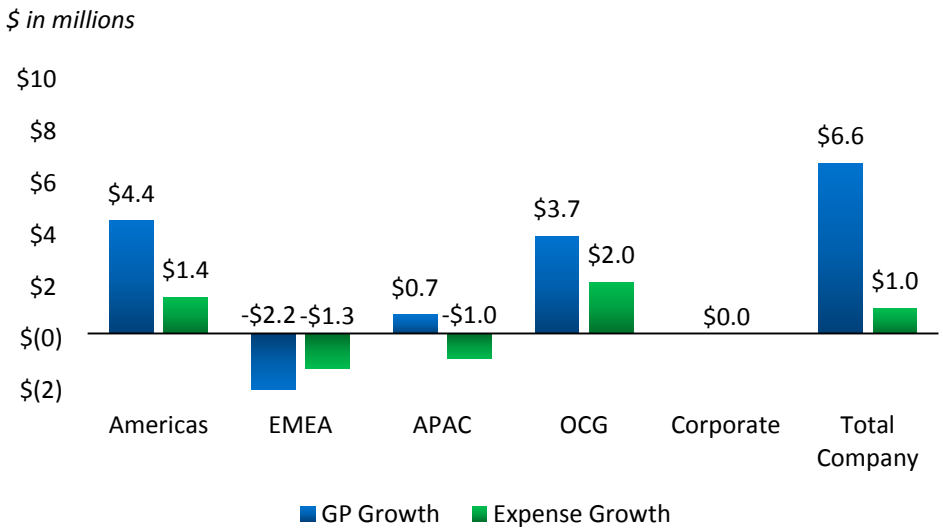
Second Quarter 2015
Comparison of Gross Profit & Expense

(in millions)



Excluding Restructuring
in Nominal Currency

Second Quarter 2015 Segment Results



	GP Growth	Expense Growth	Leverage
Americas	**3.2%**	**1.2%**	**68%**
EMEA	**-4.7%**	**-3.1%**	**n/a**
APAC	**4.8%**	**-6.6%**	**237%**
OCG	**11.4%**	**6.4%**	**47%**
Corporate		**0.0%**	
Total Company	**2.9%**	**0.4%**	**85%**

---

excludes 2014 Restructuring charges

- Q2 Results reflect good leverage performance across all operating segments

---

in Constant Currency

Cash Flows: as of June 28, 2015

($ in millions)

	2015	2014
Net Income	$ 10.5	$ 5.3
Other Cash used in Operating Activities	(37.0)	(112.8)
Capital Expenditures	(6.7)	(8.9)
Free Cash Flow	$ (33.2)	$ (116.4)
Borrowing	(1.4)	61.2
Available Cash Flow	$ (34.6)	$ (55.2)
Dividends	(3.8)	(3.8)
Other	(0.6)	(5.0)
Cash used	$ (39.0)	$ (64.0)
Effect of Exchange Rates	4.6	1.1
Net Change in Cash	$ (34.4)	$ (62.9)
Cash at Period End	$ 48.7	$ 62.8

Balance Sheet: at June 28, 2015

($ in millions)

	2015	2014
Cash	$ 48.7	$ 62.8
Accounts Receivable	1,152.3	1,132.9
Other Current Assets	86.4	89.1
Total Current Assets	$1,287.4	$1,284.8
Long Term Assets	645.2	608.2
Total Assets	$1,932.6	$1,893.0
Short Term Debt	$ 89.9	$ 89.5
Other Current Liabilities	766.8	729.0
Total Current Liabilities	$ 856.7	$ 818.5
Other Long Term Liabilities	231.4	234.0
Equity	844.5	840.5
Total Liabilities and Equity	$1,932.6	$1,893.0
Working Capital	$ 430.7	$ 466.3
Net Cash	$ (41.2)	$ (26.7)
Debt-to-Total Capital	9.6%	9.6%

Kelly Services: Company Contacts

Olivier Thirot
Senior Vice President and Acting Chief Financial Officer
248 244-4727

James Polehna
Vice President, Investor Relations &
Corporate Secretary
248 244-4586

kellyservices.com