

TRUEBLUE, INC.

FORM 8-K (Current report filing)

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Address	1015 A STREET TACOMA, WA 98402
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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES AND EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported) **February 4, 2003**

LABOR READY, INC.

(Exact name of Registrant as specified in its charter)

Washington
(State or other jurisdiction of
incorporation or organization)

91-1287341
(IRS Employer Identification No.)

**1015 A Street
Tacoma, Washington 98402**
(Address of principal executive offices, including zip code)

(253) 383-9101
(Registrant's telephone number, including area code)

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

(c) Exhibits

Exhibit Number	Description
99.1	Press Release of Labor Ready, Inc. (the "Company"), dated February 4, 2003.
99.2	Company Summary Consolidated Statements of Income for years ended December 31, 2002 and 2001 and Company Summary Consolidated Balance Sheets as of December 31, 2002 and 2001.

ITEM 9. REGULATION FD DISCLOSURE

On February 4, 2003, the Company issued a press release (the "Press Release") reporting its financial results for the quarter ended December 31, 2002, a copy of which is attached hereto as Exhibit 99.1 and the contents of which are incorporated herein by this reference. On February 4, 2003, the Company also released its Summary Consolidated Statements of Income for years ended December 31, 2002 and 2001 and its Summary Consolidated Balance Sheets as of December 31, 2002 and 2001 (collectively, the "Financial Statements"), a copy of which is attached hereto as Exhibit 99.2 and the contents of which are incorporated herein by this reference. In accordance with General Instruction B.2. of Form 8-K, the information contained in the Press Release and the Financial Statements shall not be deemed "Filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the

Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

February 4, 2003

LABOR READY, INC.

By: /s/ JOSEPH P. SAMBATARO, JR.

Chief Executive Officer

EXHIBIT INDEX

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FOR IMMEDIATE RELEASE:

LABOR READY ANNOUNCES 4th QUARTER 2002 EARNINGS RESULTS
Revenue Increased 4% and Net Income Doubled

TACOMA, WA, February 4, 2003 —Labor Ready, Inc. (NYSE: LRW) reported today that revenue for the fourth quarter ended December 31, 2002 increased 3.9% to \$222.6 million as compared to revenue of \$214.3 million for the fourth quarter of 2001. Net income for the quarter more than doubled to \$3.3 million, or \$0.08 per diluted share, as compared to net income of \$1.5 million, or \$0.04 per diluted share, for the fourth quarter of 2001.

Revenue for 2002 was \$862.7 million with net income of \$11.6 million, or \$0.28 per diluted share, as compared to revenue of \$917.0 million and net income of \$9.2 million, or \$0.23 per diluted share, a year earlier.

"We are pleased with the quarter's strong income results and our performance for the year overall," said Labor Ready President and CEO Joe Sambataro. "Despite the difficult economic conditions of 2002, Labor Ready improved its income from operations by 46%, generated free cash flow and strengthened its balance sheet. We have significant operating leverage as a result of solid expense controls and are in a good position to capitalize on increasing demand for temporary labor as the economy improves and we launch new strategic and marketing initiatives.

"During 2003, we plan to build on that strong operational foundation by increasing our focus on customer service, expanding our market share as the only true day labor provider on a national scale, and continuing our strategy of selective international expansion," Sambataro continued. "We plan to open approximately 40 new branch offices during 2003, including about 15 in the United Kingdom and about 25 in smaller markets in the United States and Canada."

Commenting further on the Company's 2003 outlook, Sambataro said: "While we recognize uncertainties in the marketplace, we remain optimistic about 2003. We will continue to prepare for increasing demand for our services as the economy recovers, while diligently managing costs.

"With this disciplined approach, we anticipate revenues for 2003 between \$900 million and \$920 million, and net income per share for the year between \$0.30 and \$0.35. For the first quarter of 2003, which is historically a loss quarter due to the seasonality of our business mix, we are estimating revenues between \$170 million and \$175 million, with net loss per share for the quarter between \$0.08 and \$0.10."

Management will discuss fourth quarter 2002 earnings results on a conference call at 8 a.m. (PT) Wednesday, February 5, 2003. The conference call can be accessed on Labor Ready's web site at www.LaborReady.com.

This news release contains forward-looking statements, such as statements about the ranges of revenues and profits anticipated for future periods, expansion of business operations and market share, the success of cost-control measures, and other factors that may affect our financial results and operations in the future. Our actual results are, however, subject to a number of risks, including: 1) national and global economic conditions; 2) our ability to continue to attract and retain customers and maintain profit margins in the face of new and existing competition; 3) potential new laws and regulations that could have a materially adverse effect on our operations and financial results; 4) significant labor disturbances which could disrupt industries we serve; 5) increased costs and collateral requirements in connection with our insurance obligations, including workers' compensation insurance; 6) the adequacy of our financial reserves; 7) our continuing ability to comply with financial covenants in our lines of credit and other financing agreements; 8) our ability to attract and retain competent employees in key positions; and 9) other risks described in our filings with the Securities and Exchange Commission, including the Report on Form 10-Q filed November 12, 2002.

About Labor Ready

Labor Ready is the nation's leading provider of temporary manual labor to the light industrial and small business markets. Labor Ready serves more than 275,000 customers by providing a flexible, dependable workforce to such industries as freight handling, warehousing, landscaping, construction and light manufacturing. In 2002, the Company put nearly 600,000 people to work. Labor Ready operates more than 750 locations in 50 states, Puerto Rico, Canada, and the United Kingdom. For additional information, visit Labor Ready's website at www.LaborReady.com

For more information, contact:

Steve Cooper, CFO
253-680-8213

Stacey Burke, Director of Public Relations
253-680-8291

QuickLinks

[EXHIBIT 99.1](#)

[LABOR READY ANNOUNCES 4th QUARTER 2002 EARNINGS RESULTS Revenue Increased 4% and Net Income Doubled](#)

LABOR READY, INC.
SUMMARY CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share amounts)

	Quarter Ended December 31,		Year Ended December 31,	
	2002	2001	2002	2001
	(unaudited)			
Revenues from services	\$ 222,626	\$ 214,297	\$ 862,733	\$ 916,965
Cost of services	157,345	150,666	612,661	641,911
Gross profit	65,281	63,631	250,072	275,054
Selling, general and administrative expenses	57,443	59,473	220,216	252,739
Depreciation and amortization	2,170	2,003	9,144	8,203
Income from operations	5,668	2,155	20,712	14,112
Interest and other income (expense)	(1,168)	215	(2,810)	755
Income before provision for income taxes	4,500	2,370	17,902	14,867
Taxes on income	1,249	902	6,316	5,652
Net income	\$ 3,251	\$ 1,468	\$ 11,586	\$ 9,215
Basic net income per share	\$ 0.08	\$ 0.04	\$ 0.28	\$ 0.23
Diluted net income per share	\$ 0.08	\$ 0.04	\$ 0.28	\$ 0.23
Weighted average shares outstanding:				
Basic	40,985	40,536	41,017	40,573
Diluted	41,697	40,789	41,771	40,702

LABOR READY, INC.
SUMMARY CONSOLIDATED BALANCE SHEETS

	As of December 31,	
	2002	2001
Assets		
Current assets		
Cash, cash equivalents, and marketable securities	\$ 84,874	\$ 48,865
Accounts receivable, net	66,987	62,912
Other current assets	19,726	22,164
Total current assets	171,587	133,941
Property and equipment, net	31,217	36,894
Other assets	114,396	43,608
Total assets	\$ 317,200	\$ 214,443
Liabilities and shareholders' equity		
Current liabilities	\$ 57,836	\$ 53,198
Long-term liabilities	127,253	41,552
Total liabilities	185,089	94,750
Shareholders' equity	132,111	119,693
Total liabilities and shareholders' equity	\$ 317,200	\$ 214,443

EXHIBIT 99.2

LABOR READY, INC. SUMMARY CONSOLIDATED STATEMENTS OF INCOME (in thousands, except per share amounts)
LABOR READY, INC. SUMMARY CONSOLIDATED BALANCE SHEETS