# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**WASHINGTON, D.C. 20549**

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# FORM 8-K

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

**Date of Report (Date of earliest event reported): December 9, 2013**

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# ABM Industries Incorporated
**(Exact name of registrant as specified in its charter)**

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| | | |
|---|---|---|
| **Delaware** | **1-8929** | **94-1369354** |
| **(State or other jurisdiction of incorporation)** | **(Commission File Number)** | **(IRS Employer Identification No.)** |

| | |
|---|---|
| **551 Fifth Avenue, Suite 300**<br>**New York, New York** | **10176** |
| **(Address of principal executive offices)** | **(Zip Code)** |

**Registrant's telephone number, including area code: (212) 297-0200**

**N/A**
**(Former name or former address, if changed since last report)**

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 2.02. Results of Operations and Financial Condition.**

On December 9, 2013, ABM Industries Incorporated (the “Company”) issued a press release announcing financial results related to fiscal year 2013 and the fourth quarter of fiscal year 2013. A copy of the press release is attached as Exhibit 99.1, which is incorporated into this item by reference.

**Item 8.01. Other Events.**

On December 9, 2013, the Company announced that the Board of Directors of the Company declared a quarterly dividend of $0.155 per share, payable on February 3, 2014 to stockholders of record on January 2, 2014. A copy of the press release announcing the declaration of the dividend is attached as Exhibit 99.1, which is incorporated into this item by reference.

As disclosed in the press release attached as Exhibit 99.1, the Company will hold a live web cast on December 10, 2013 relating to the Company’s financial results for the fourth quarter of fiscal year 2013. A copy of the slides to be presented at the Company’s web cast and discussed in the conference call relating to such financial results is being furnished as Exhibit 99.2 to this Form 8-K.

**Item 9.01. Financial Statements and Exhibits.**

(c) Exhibits.

| | |
|---|---|
| 99.1 | Press Release issued by ABM Industries Incorporated, dated December 9, 2013, announcing financial results related to fiscal year 2013 and the fourth quarter of fiscal year 2013, the declaration of a dividend payable February 3, 2014 to stockholders of record on January 2, 2014. |
| 99.2 | Slides of ABM Industries Incorporated dated December 10, 2013. |

## SIGNATURES

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.

| | |
|---|---|
| | ABM INDUSTRIES INCORPORATED |
| Dated: December 9, 2013 | By: /s/ Sarah H. McConnell |
| | Sarah H. McConnell |
| | Senior Vice President and General Counsel |

**EXHIBIT INDEX**

| | |
|---|---|
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| 99.2 | Slides of ABM Industries Incorporated dated December 10, 2013. |

Exhibit 99.1

Press Release

FOR IMMEDIATE RELEASE

# ABM INDUSTRIES ANNOUNCES
# 2013 FOURTH QUARTER FINANCIAL RESULTS

*Acquisitions and Organic Growth Increase Revenue by 14%*

*Reported EPS of $0.43; Adjusted EPS of $0.48*

*Increases Quarterly Dividend*

***New York, NY – December 9, 2013 –*** **ABM (NYSE:ABM),** a leading provider of facility solutions, today announced financial results for the fiscal 2013 fourth quarter that ended October 31, 2013.

| *($ in millions, except per share data)* *(unaudited)* | Three Months Ended October 31, 2013 | Three Months Ended October 31, 2012 | Increase (Decrease) | Year Ended October 31, 2013 | Year Ended October 31, 2012 | Increase (Decrease) |
|---|---|---|---|---|---|---|
| Revenues | $1,236.8 | $1,090.0 | 13.5% | $4,809.3 | $4,300.3 | 11.8% |
| Income from continuing operations | $ 24.2 | $ 27.7 | (12.6)% | $ 72.9 | $ 62.7 | 16.3% |
| Income from continuing operations per diluted share | $ 0.43 | $ 0.50 | (14.0)% | $ 1.30 | $ 1.14 | 14.0% |
| Adjusted income from continuing operations | $ 27.0 | $ 27.7 | (2.5)% | $ 85.0 | $ 76.1 | 11.7% |
| Adjusted income from continuing operations perdiluted share | $ 0.48 | $ 0.50 | (4.0)% | $ 1.52 | $ 1.39 | 9.4% |
| Net income | $ 24.2 | $ 27.7 | (12.6)% | $ 72.9 | $ 62.6 | 16.5% |
| Net income per diluted share | $ 0.43 | $ 0.50 | (14.0)% | $ 1.30 | $ 1.14 | 14.0% |
| Net cash provided by operating activities | $ 51.0 | $ 66.8 | (23.7)% | $ 135.3 | $ 150.6 | (10.2)% |
| Adjusted EBITDA | $ 58.1 | $ 50.2 | 15.7% | $ 205.9 | $ 176.4 | 16.7% |

*(This release refers to non-GAAP financial measures described as "Adjusted EBITDA", "Adjusted income from continuing operations", and "Adjusted income from continuing operations per diluted share" (or "Adjusted EPS"). Refer to the accompanying financial schedules for supplemental financial data and corresponding reconciliation of these non-GAAP financial measures to certain GAAP financial measures.)*

**Executive Summary:**

- Revenues were $1.2 billion in the fourth quarter of fiscal 2013, up 13.5% compared to $1.09 billion last year, due to $110.8 million in contributions from recent acquisitions and $36.0 million, or 3.3%, in organic growth.
- Janitorial and Security segments achieved organic growth of 4.1% and 3.9%, respectively, from new business and increased scope of work with existing clients.

- Building & Energy Solutions segment, excluding government business, delivered strong organic growth of 26.7% due primarily to new bundled energy solutions contracts.
- Adjusted income from continuing operations for the fiscal 2013 fourth quarter was $0.48 per diluted share compared to $0.50 per diluted share in the prior year. In the fiscal 2012 fourth quarter, the Company recognized an $0.11 benefit from a discrete tax item compared to a $0.04 benefit from discrete tax items in the fourth quarter of 2013.
- Adjusted EBITDA increased 15.7% to $58.1 million as a result of contributions from recent acquisitions and new business.
- Outstanding borrowings under the Company's credit facility decreased by $34 million in the fourth quarter to $315 million.

**Fourth Quarter Results and Recent Events**

"The fourth quarter exceeded our expectations and we have delivered an outstanding year of double digit revenue and operating profit growth, driven by acquisitions and strong organic performance across our Janitorial, Facility Services, Security and Building & Energy Solutions segments," said ABM's president and chief executive officer Henrik Slipsager. "Our financial results reflect the success of our strategies to focus on key industry verticals and mobile and on-demand businesses and realign our infrastructure and operations. In the fourth quarter, revenues increased 13.5% and organic revenues, excluding the government business, grew approximately 3.9%. We posted a record fourth quarter in our Janitorial segment, with a 4.1% increase in organic revenues due to significant new business wins and tag sales. Operating profit continued to be impacted by initial costs associated with new contracts, which adversely affected the year-over-year comparison. Our Building & Energy Solutions segment continues to gain sales momentum, with organic growth of 26.7% in the fourth quarter, excluding acquisitions and the government business, as we continue to benefit from our investments in our healthcare vertical and help clients reduce their energy and operating costs through bundled energy solutions. We also continue to be pleased with the companies acquired earlier this fiscal year and all are performing at, or above, expectations. In particular, Air Serv had a strong finish to the year, with top-line growth significantly above our outlook."

Slipsager continued, "Adjusted income of $0.48 from continuing operations for the fourth quarter exceeded our expectations but was down slightly on a year-over-year basis. The contributions from new business and acquisitions were offset by initial costs associated with new contracts in our Janitorial and Air Serv businesses. In addition, the fourth quarter of fiscal 2013, included a $0.04 benefit from discrete tax items, compared to an $0.11 benefit from a discrete tax item in fiscal 2012 fourth quarter. The effective tax rate for the fourth quarter of fiscal 2013 was 33.9%, compared to 21.8% in the prior year. Adjusted EBITDA increased 15.7% to $58.1 million in the quarter, and for the first time in the Company's history, we surpassed $200 million in Adjusted EBITDA with a total of $205.9 million for the fiscal year."

James Lusk, executive vice president and chief financial officer, added, "As a result of our continued strong free cash flow, we reduced debt levels by $33 million from the third quarter despite making two acquisitions, and we continue to reward shareholders through our quarterly cash dividend. We ended fiscal 2013 with $315 million in borrowings under our credit facility and have paid down over $100 million of the approximately $200 million borrowed in early fiscal 2013 to fund acquisitions."

Interest expense for the fourth quarter of fiscal 2013 was $3.2 million, an increase from $2.3 million in the fourth quarter of 2012 due to higher average borrowings on the Company's credit facility to fund acquisitions.

**Fiscal 2013 Results**

The Company reported record revenues of $4.81 billion for the fiscal year ended October 31, 2013, an 11.8% increase compared to year-ago revenues of $4.30 billion as a result of strategic acquisitions and organic growth of 2.1%. Excluding our Government business and acquisitions, revenue grew 3.1% compared to fiscal 2012.

Income from continuing operations for the fiscal year 2013 was $72.9 million, or $1.30 per diluted share, compared to $62.7 million, or $1.14 per diluted share, for the fiscal year 2012.

Adjusted income from continuing operations for the fiscal year 2013 was $85.0 million, or $1.52 per diluted share, compared to $76.1 million, or $1.39 per diluted share, for the fiscal year 2012. The increase of $8.9 million is primarily the result of strong organic growth and solid performances from acquisitions and Building & Energy Solutions as well as lower payroll and payroll related expenses as a result of one less working day, partially offset by higher initial costs on new contracts and sales and marketing costs associated with the Company's growth initiatives as well as lower benefits from discrete tax items.

Slipsager concluded, "We are very pleased with our execution against plan in fiscal 2013 and with the progress we have made in realigning our infrastructure. Operations across all business segments continue to be sharply focused on key verticals and integrating our offerings so that clients can better take advantage of our wide-ranging capabilities. We recently integrated our healthcare businesses under ABM Healthcare Support Services, creating an unmatched breadth of services and enabling our healthcare clients to offer higher quality care at lower costs. We continue to see upside opportunity in these strategies and believe that we are well positioned for next year. Our momentum is strong, and we are excited about the Company's long-term prospects and competitive position in fiscal 2014."

**Dividend**

The Company also announced that the Board of Directors has declared a fourth quarter cash dividend of $0.155 per common share—which is an increase of 3%—payable on February 3, 2014 to stockholders of record on January 2, 2014. This will be ABM's 191st consecutive quarterly cash dividend.

**Guidance**

For fiscal 2014, the Company expects Income from Continuing Operations of $1.38 to $1.48 per diluted share and Adjusted Income from Continuing Operations of $1.58 to $1.68 per diluted share. The adjusted guidance reflects the exclusion of charges primarily related to the Company's rebranding initiative, adjustments to self-insurance reserves for prior years, and the integration of recent acquisitions, as well as the absence of $2.9 million, or $0.05 per diluted share, in retroactive employment-based tax credits realized in the first quarter of fiscal 2013.

**Earnings Webcast**

On Tuesday, December 10, at 9:00 a.m. ET, ABM will host a live webcast of remarks by president and chief executive officer Henrik Slipsager, executive vice president and chief financial officer James Lusk, executive vice president Jim McClure, and executive vice president Tracy Price. A supplemental presentation will accompany the webcast and will be accessible through the Investor Relations portion of ABM's website by clicking on the "Presentations" tab.

The webcast will be accessible at: http://investor.abm.com/eventdetail.cfm?eventid=137408

Listeners are asked to be online at least 15 minutes early to register, as well as to download and install any complimentary audio software that might be required. Following the call, the webcast will be available at this URL for a period of 90 days.

In addition to the webcast, a limited number of toll-free telephone lines will also be available for listeners who are among the first to call (877) 664-7395 within 15 minutes before the event. Telephonic replays will be accessible during the period from two hours to seven days after the call by dialing (855) 859-2056 and then entering ID #12611428.

**Earnings Webcast Presentation**

In connection with the webcast to discuss earnings (see above), a slide presentation related to earnings and operations will be available on the Company's website at www.abm.com and can be accessed through the Investor Relations section of ABM's website by clicking on the "Presentations" tab.

**ABOUT ABM**

ABM (NYSE: ABM) is a leading provider of facility solutions with revenues exceeding $4 billion and 100,000 employees in over 350 offices deployed throughout the United States and various international locations. ABM's comprehensive capabilities include facilities engineering, commercial cleaning, energy solutions, HVAC, electrical, landscaping, parking and security, provided through stand-alone or integrated solutions. ABM provides custom facility solutions in urban, suburban and rural areas to properties of all sizes — from schools and hospitals to the largest and most complex facilities, such as manufacturing plants and major airports. ABM Industries Incorporated, which operates through its subsidiaries, was founded in 1909. For more information, visit www.abm.com.

***Cautionary Statement under the Private Securities Litigation Reform Act of 1995***

*This press release contains forward-looking statements that set forth management's anticipated results based on management's current plans and assumptions. Any number of factors could cause the Company's actual results to differ materially from those anticipated. These factors include but are not limited to the following: (1) risks relating to our acquisition strategy may adversely impact our results of operations; (2) our strategy of moving to an integrated facility solutions provider platform, which focuses on vertical market strategy, may not generate the growth in revenues or profitability that we expect; (3) we are subject to intense competition that can constrain our ability to gain business, as well as our profitability; (4) increases in costs that we cannot pass on to clients could affect our profitability; (5) we have high deductibles for certain insurable risks, and therefore we are subject to volatility associated with those risks; (6) we primarily provide our services pursuant to agreements that are cancelable by either party upon 30 to 90 days' notice; (7) our success depends on our ability to preserve our long-term relationships with clients; (8) we are at risk of losses and adverse publicity stemming from any accident or other incident involving our airport operations; (9) our international business exposes us to additional risks; (10) we conduct some of our operations through joint ventures, and our ability to do business may be affected by the failure of our joint venture partners to perform their obligations or the improper conduct of joint venture employees, partners, or agents; (11) significant delays or reductions in appropriations for our government contracts may negatively affect our business and could have an adverse effect on our financial position, results of operations, or cash flows; (12) we are subject to a number of procurement rules and regulations relating to our business with the U.S. Government and if we fail to comply with those rules, our business and our reputation could be adversely affected; (13) negative or unexpected tax consequences could adversely affect our results of operations; (14) we are subject to business continuity risks associated with centralization of certain administrative functions; (15) a decline in commercial office building occupancy and rental rates could affect our revenues and profitability; (16) deterioration in economic conditions in general could reduce the demand for facility services and, as a result, reduce our earnings and adversely affect our financial condition; (17) a variety of factors could adversely affect the results of operations of our building and energy services business; (18) financial difficulties or bankruptcy of one or more of our major clients could adversely affect our results; (19) our ability to operate and pay our debt obligations depends upon* *our access to cash; (20) future declines in the fair value of our investments in auction rate securities could negatively impact our earnings; (21) uncertainty in the credit markets may negatively impact our costs of borrowing, our ability to collect receivables on a timely basis, and our cash flow; (22) we incur accounting and other control costs that reduce profitability; (23) sequestration under the Budget Control Act of 2011 or alternative measures that may be adopted in lieu of sequestration may negatively impact our business; (24) any future increase in our level of debt or in interest rates could affect our results of operations; (25) an impairment charge could have a material adverse effect on our financial condition and results of operations; (26) we are defendants in class and representative actions and other lawsuits alleging various claims that could cause us to incur substantial liabilities; (27) federal health care reform legislation may adversely affect our business and results of operations; (28) changes in immigration laws or enforcement actions or investigations under such laws could significantly adversely affect our labor force, operations, and financial results; (29) labor disputes could lead to loss of revenues or expense variations; (30) we participate in multi-employer pension plans which, under certain circumstances, could result in material liabilities being incurred; and (31) natural disasters or acts of terrorism could disrupt services.*

*Additional information regarding these and other risks and uncertainties the Company faces is contained in the Company's Annual Report on Form 10-K for the year ended October 31, 2012 and in other reports the Company files from time to time with the Securities and Exchange Commission. The Company urges readers to consider these risks and uncertainties in evaluating its forward-looking statements. The Company cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. The Company disclaims any obligation or undertaking to publicly release any updates or revisions to any forward-looking statement contained herein (or elsewhere) to reflect any change in the Company's expectations with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.*

**Use of Non-GAAP Financial Information**

To supplement ABM's consolidated financial information, the Company has presented income from continuing operations, as adjusted for items impacting comparability, for the fourth quarter and fiscal years 2013 and 2012. These adjustments have been made with the intent of providing financial measures that give management and investors a better understanding of the underlying operational results and trends as well as ABM's marketplace performance. In addition, the Company has presented earnings before interest, taxes, depreciation and amortization and excluding discontinued operations and items impacting comparability (adjusted EBITDA) for the fourth quarter and fiscal years 2013 and 2012. Adjusted EBITDA is among the indicators management uses as a basis for planning and forecasting future periods. The presentation of these non-GAAP financial measures is not meant to be considered in isolation or as a substitute for financial statements prepared in accordance with accounting principles generally accepted in the United States of America. (See accompanying financial tables for supplemental financial data and corresponding reconciliations to certain GAAP financial measures.)

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**Contact:**


| | | | |
|---|---|---|---|
| Investors & Analysts: | David Farwell<br>(212) 297-9792<br>dfarwell@abm.com | Media: | Chas Strong<br>(770) 953-5072<br>chas.strong@abm.com |

**Financial Schedules**

**ABM INDUSTRIES INCORPORATED AND SUBSIDIARIES**

**CONSOLIDATED INCOME STATEMENT INFORMATION (UNAUDITED)**

| *($ in thousands, except per share data)* | Three Months Ended October 31, 2013 | 2012 | Increase (Decrease) |
|---|---|---|---|
| **Revenues** | $ 1,236,773 | $ 1,090,001 | 13.5% |
| **Expenses** | | | |
| Operating | 1,101,571 | 968,416 | 13.7% |
| Selling, general and administrative | 90,714 | 79,571 | 14.0% |
| Amortization of intangible assets | 7,084 | 5,280 | 34.2% |
| Total expenses | 1,199,369 | 1,053,267 | 13.9% |
| Operating profit | 37,404 | 36,734 | 1.8% |
| Income from unconsolidated affiliates, net | 2,395 | 1,015 | *NM |
| Interest expense | (3,214) | (2,317) | 38.7% |
| Income from continuing operations before income taxes | 36,585 | 35,432 | 3.3% |
| Provision for income taxes | (12,417) | (7,727) | 60.7% |
| Income from continuing operations | 24,168 | 27,705 | (12.8)% |
| Loss from discontinued operations, net of taxes | — | (42) | (100.0)% |
| **Net income** | $ 24,168 | $ 27,663 | (12.6)% |
| **Net income per common share - basic** | | | |
| Income from continuing operations | $ 0.44 | $ 0.51 | (13.7)% |
| Loss from discontinued operations, net of taxes | — | — | — |
| Net income per common share - basic | $ 0.44 | $ 0.51 | (13.7)% |
| **Net income per common share - diluted** | | | |
| Income from continuing operations | $ 0.43 | $ 0.50 | (14.0)% |
| Loss from discontinued operations, net of taxes | — | — | — |
| Net income per common share - diluted | $ 0.43 | $ 0.50 | (14.0)% |

* Not meaningful

| | | |
|---|---|---|
| **Weighted-average common and common equivalent shares outstanding** | | |
| Basic | 55,329 | 54,362 |
| Diluted | 56,686 | 55,200 |
| **Dividends declared per common share** | $ 0.155 | $ 0.150 |

**ABM INDUSTRIES INCORPORATED AND SUBSIDIARIES**

**CONSOLIDATED INCOME STATEMENT INFORMATION (UNAUDITED)**

| *($ in thousands, except per share data)* | Year Ended October 31, 2013 | 2012 | Increase (Decrease) |
|---|---|---|---|
| **Revenues** | $4,809,281 | $4,300,265 | 11.8% |
| **Expenses** | | | |
| Operating | 4,313,429 | 3,854,380 | 11.9% |
| Selling, general and administrative | 348,274 | 327,855 | 6.2% |
| Amortization of intangible assets | 28,553 | 21,464 | 33.0% |
| Total expenses | 4,690,256 | 4,203,699 | 11.6% |
| Operating profit | 119,025 | 96,566 | 23.3% |
| Other-than-temporary impairment credit losses on auction rate security recognized in earnings | — | (313) | (100.0)% |
| Income from unconsolidated affiliates, net | 6,319 | 6,395 | (1.2)% |
| Interest expense | (12,892) | (9,999) | 28.9% |
| Income from continuing operations before income taxes | 112,452 | 92,649 | 21.4% |
| Provision for income taxes | (39,552) | (29,931) | 32.1% |
| Income from continuing operations | 72,900 | 62,718 | 16.2% |
| Loss from discontinued operations, net of taxes | — | (136) | (100.0)% |
| **Net income** | $ 72,900 | $ 62,582 | 16.5% |
| **Net income per common share—basic** | | | |
| Income from continuing operations | $ 1.33 | $ 1.16 | 14.7% |
| Loss from discontinued operations, net of taxes | — | — | — |
| Net income per common share—basic | $ 1.33 | $ 1.16 | 14.7% |
| **Net income per common share—diluted** | | | |
| Income from continuing operations | $ 1.30 | $ 1.14 | 14.0% |
| Loss from discontinued operations, net of taxes | — | — | — |
| Net income per common share—diluted | $ 1.30 | $ 1.14 | 14.0% |
| **Weighted-average common and common equivalent shares outstanding** | | | |
| Basic | 54,877 | 53,987 | |
| Diluted | 56,067 | 54,914 | |
| **Dividends declared per common share** | $ 0.605 | $ 0.585 | |

**ABM INDUSTRIES INCORPORATED AND SUBSIDIARIES**

**SELECTED CONSOLIDATED CASH FLOW INFORMATION (UNAUDITED)**

| *(in thousands)* | Three Months Ended October 31, 2013 | Three Months Ended October 31, 2012 |
|---|---|---|
| Net cash provided by continuing operating activities | $ 51,012 | $ 66,790 |
| Net cash provided by discontinued operating activities | — | 42 |
| **Net cash provided by operating activities** | $ 51,012 | $ 66,832 |
| Purchase of businesses, net of cash acquired | (7,982) | (323) |
| Other | (11,289) | (2,295) |
| **Net cash used in investing activities** | $ (19,271) | $ (2,618) |
| Proceeds from exercises of stock options (including income tax benefit) | $ 3,520 | $ 2,442 |
| Dividends paid | (8,623) | (7,884) |
| Borrowings from line of credit | 238,000 | 169,000 |
| Repayments of borrowings from line of credit | (271,611) | (206,000) |
| Changes in book cash overdrafts | 1,514 | 37 |
| Other | (590) | — |
| **Net cash used in financing activities** | $ (37,790) | $ (42,405) |

| *(in thousands)* | Year Ended October 31, 2013 | Year Ended October 31, 2012 |
|---|---|---|
| Net cash provided by continuing operating activities | $ 135,313 | $ 148,947 |
| Net cash provided by discontinued operating activities | — | 1,665 |
| **Net cash provided by operating activities** | $ 135,313 | $ 150,612 |
| Purchase of businesses, net of cash acquired | (199,326) | (5,963) |
| Other | (26,562) | (23,875) |
| **Net cash used in investing activities** | $ (225,888) | $ (29,838) |
| Proceeds from exercises of stock options (including income tax benefit) | $ 13,297 | $ 12,496 |
| Dividends paid | (32,873) | (31,309) |
| Deferred financing costs paid | — | (14) |
| Borrowings from line of credit | 1,006,000 | 773,000 |
| Repayment of borrowings from line of credit | (906,130) | (858,000) |
| Changes in book cash overdrafts | 2,968 | 45 |
| Other | (3,507) | — |
| **Net cash provided by (used in) financing activities** | $ 79,755 | $(103,782) |

**ABM INDUSTRIES INCORPORATED AND SUBSIDIARIES**

**CONDENSED CONSOLIDATED BALANCE SHEET INFORMATION (UNAUDITED)**

| *(in thousands)* | October 31, 2013 | October 31, 2012 |
|---|---|---|
| **Assets** | | |
| Cash and cash equivalents | $ 32,639 | $ 43,459 |
| Trade accounts receivable, net | 672,525 | 561,317 |
| Notes receivable and other | 36,623 | 40,343 |
| Prepaid expenses | 59,645 | 50,289 |
| Prepaid income taxes | 5,081 | 385 |
| Deferred income taxes, net | 47,051 | 43,671 |
| Insurance recoverables | 11,068 | 9,870 |
| Total current assets | 864,632 | 749,334 |
| Insurance deposits | 28,466 | 31,720 |
| Other investments and long-term receivables | 5,005 | 5,666 |
| Investments in unconsolidated affiliates, net | 17,952 | 14,863 |
| Investments in auction rate securities | 12,994 | 17,780 |
| Property, plant and equipment, net | 77,241 | 59,909 |
| Other intangible assets, net | 144,401 | 109,138 |
| Goodwill | 872,396 | 751,610 |
| Noncurrent deferred income taxes, net | — | 17,610 |
| Noncurrent insurance recoverables | 57,636 | 54,630 |
| Other assets | 38,513 | 38,898 |
| Total assets | $2,119,236 | $1,851,158 |
| **Liabilities** | | |
| Trade accounts payable | $ 157,806 | $ 130,410 |
| Accrued liabilities | | |
| Compensation | 138,430 | 121,855 |
| Taxes—other than income | 25,737 | 19,437 |
| Insurance claims | 84,546 | 80,192 |
| Other | 101,860 | 95,473 |
| Income taxes payable | 145 | 8,450 |
| Total current liabilities | 508,524 | 455,817 |
| Noncurrent income taxes payable | 50,426 | 27,773 |
| Line of credit | 314,870 | 215,000 |
| Retirement plans and other | 41,417 | 38,558 |
| Deferred income tax liability, net | 13,074 | — |
| Noncurrent insurance claims | 273,418 | 263,612 |
| Total liabilities | 1,201,729 | 1,000,760 |
| **Stockholders' equity** | 917,507 | 850,398 |
| Total liabilities and stockholders' equity | $2,119,236 | $1,851,158 |

**ABM INDUSTRIES INCORPORATED AND SUBSIDIARIES**

**REVENUES AND OPERATING PROFIT BY SEGMENT (UNAUDITED)**

| *($ in thousands)* | Three Months Ended October 31, 2013 | 2012 | Increase (Decrease) |
|---|---|---|---|
| **Revenues** | | | |
| Janitorial | $ 628,727 | $ 604,098 | 4.1% |
| Facility Services | 152,854 | 151,948 | 0.6% |
| Parking | 152,214 | 154,022 | (1.2)% |
| Security | 97,060 | 93,452 | 3.9% |
| Building & Energy Solutions | 114,766 | 86,241 | 33.1% |
| Other | 90,924 | — | *NM |
| Corporate | 228 | 240 | (5.0)% |
| **Total revenues** | $ 1,236,773 | $ 1,090,001 | 13.5% |
| **Operating Profit** | | | |
| Janitorial | $ 34,047 | $ 37,115 | (8.3)% |
| Facility Services | 8,127 | 6,810 | 19.3% |
| Parking | 8,476 | 7,579 | 11.8% |
| Security | 5,126 | 3,016 | 70.0% |
| Building & Energy Solutions | 8,609 | 4,718 | 82.5% |
| Other | 3,928 | — | *NM |
| Corporate | (28,829) | (21,410) | (34.7)% |
| Adjustment for income from unconsolidated affiliates, net included in Building & Energy Solutions | (2,080) | (1,094) | 90.1% |
| **Total operating profit** | 37,404 | 36,734 | 1.8% |
| Income from unconsolidated affiliates, net | 2,395 | 1,015 | *NM |
| Interest expense | (3,214) | (2,317) | 38.7% |
| Income from continuing operations before income taxes | 36,585 | 35,432 | 3.3% |
| Provision for income taxes | (12,417) | (7,727) | 60.7% |
| **Income from continuing operations** | $ 24,168 | $ 27,705 | (12.8)% |

* Not meaningful

| *($ in thousands)* | Year Ended October 31, 2013 | 2012 | Increase (Decrease) |
|---|---|---|---|
| **Revenues** | | | |
| Janitorial | $ 2,465,312 | $ 2,394,344 | 3.0% |
| Facility Services | 609,435 | 576,136 | 5.8% |
| Parking | 609,082 | 615,132 | (1.0)% |
| Security | 381,472 | 365,926 | 4.2% |
| Building & Energy Solutions | 401,536 | 348,279 | 15.3% |
| Other | 341,516 | — | *NM |
| Corporate | 928 | 448 | *NM |
| **Total revenues** | $ 4,809,281 | $ 4,300,265 | 11.8% |
| **Operating Profit** | | | |
| Janitorial | $ 134,600 | $ 135,967 | (1.0)% |
| Facility Services | 27,431 | 23,083 | 18.8% |
| Parking | 27,537 | 26,189 | 5.1% |
| Security | 12,943 | 7,835 | 65.2% |
| Building & Energy Solutions | 18,662 | 12,340 | 51.2% |
| Other | 12,606 | — | *NM |
| Corporate | (108,579) | (105,390) | (3.0)% |
| Adjustment for income from unconsolidated affiliates, net included in Building & Energy Solutions | (6,175) | (3,458) | 78.6% |
| **Total operating profit** | 119,025 | 96,566 | 23.3% |
| Other-than-temporary impairment credit losses on auction rate security recognized in earnings | — | (313) | (100.0)% |
| Income from unconsolidated affiliates, net | 6,319 | 6,395 | (1.2)% |
| Interest expense | (12,892) | (9,999) | 28.9% |
| Income from continuing operations before income taxes | 112,452 | 92,649 | 21.4% |
| Provision for income taxes | (39,552) | (29,931) | 32.1% |
| **Income from continuing operations** | $ 72,900 | $ 62,718 | 16. 2% |

* Not meaningful

**ABM Industries Incorporated and Subsidiaries**
**Reconciliations of Non-GAAP Financial Measures**
**(Unaudited)**

(in thousands, except per share data)

| | Three Months Ended October 31, 2013 | Three Months Ended October 31, 2012 | Year Ended October 31, 2013 | Year Ended October 31, 2012 |
|---|---|---|---|---|
| **Reconciliation of Adjusted Income from Continuing Operations to Net Income** | | | | |
| Adjusted income from continuing operations | $ 26,995 | $ 27,730 | $ 85,007 | $ 76,122 |
| Items impacting comparability, net of taxes | (2,827) | (25) | (12,107) | (13,404) |
| Income from continuing operations | 24,168 | 27,705 | 72,900 | 62,718 |
| Loss from discontinued operations, net of taxes | — | (42) | — | (136) |
| Net income | $ 24,168 | $ 27,663 | $ 72,900 | $ 62,582 |
| **Reconciliation of Adjusted Income from Continuing Operations to Income from Continuing Operations** | | | | |
| Adjusted income from continuing operations | $ 26,995 | $ 27,730 | $ 85,007 | $ 76,122 |
| Items impacting comparability: | | | | |
| Corporate initiatives and other (a) | — | (27) | — | (2,482) |
| Rebranding (b) | (1,522) | (672) | (3,671) | (2,755) |
| U.S. Foreign Corrupt Practices Act investigation (c ) | (419) | (182) | (775) | (3,504) |
| Gain from equity investment (d) | — | (63) | — | 2,925 |
| Auction rate security credit loss | — | — | — | (313) |
| Self-insurance adjustment | (607) | 2,182 | (10,556) | (7,278) |
| Linc purchase accounting | — | — | — | — |
| Acquisition costs | (116) | (1,010) | (1,116) | (1,329) |
| Litigation and other settlements | — | (270) | (63) | (7,830) |
| Restructuring (e) | (2,001) | — | (3,797) | — |
| Total items impacting comparability | (4,665) | (42) | (19,978) | (22,566) |
| Benefit from income taxes | 1,838 | 17 | 7,871 | 9,162 |
| Items impacting comparability, net of taxes | (2,827) | (25) | (12,107) | (13,404) |
| Income from continuing operations | $ 24,168 | $ 27,705 | $ 72,900 | $ 62,718 |
| **Reconciliation of Adjusted EBITDA to Net Income** | | | | |
| Adjusted EBITDA | $ 58,148 | $ 50,189 | $205,926 | $176,353 |
| Items impacting comparability | (4,665) | (42) | (19,978) | (22,566) |
| Loss from discontinued operations, net of taxes | — | (42) | — | (136) |
| Provision for income taxes | (12,417) | (7,727) | (39,552) | (29,931) |
| Interest expense | (3,214) | (2,317) | (12,892) | (9,999) |
| Depreciation and amortization | (13,684) | (12,398) | (60,604) | (51,139) |
| Net income | $ 24,168 | $ 27,663 | $ 72,900 | $ 62,582 |

**Reconciliation of Adjusted Income from Continuing Operations per Diluted Share to Income from Continuing Operations per Diluted Share (Unaudited)**

| | Three Months Ended October 31, 2013 | Three Months Ended October 31, 2012 | Year Ended October 31, 2013 | Year Ended October 31, 2012 |
|---|---|---|---|---|
| Adjusted income from continuing operations per diluted share | $ 0.48 | $ 0.50 | $ 1.52 | $ 1.39 |
| Items impacting comparability, net of taxes | (0.05) | — | (0.22) | (0.25) |
| Income from continuing operations per diluted share | $ 0.43 | $ 0.50 | $ 1.30 | $ 1.14 |
| Diluted shares | 56,686 | 55,200 | 56,067 | 54,914 |

(a) Corporate initiatives and other includes the integration costs associated with The Linc Group acquisition on December 1, 2010 and data center consolidation costs.
(b) Represents costs related to the Company's branding initiative.
(c) Includes legal and other costs incurred in connection with an internal investigation into a foreign entity affiliated with a former joint venture partner.
(d) The Company's share of a gain associated with property sales completed by one of its investments in a low income housing partnership.
(e) Restructuring costs associated with realignment of our infrastructure and operations.

**Reconciliation of Estimated Adjusted Income from Continuing Operations per Diluted Share to Income from Continuing Operations per Diluted Share for the Year Ending October 31, 2014**

| | Year Ending October 31, 2014 | |
|---|---|---|
| | Low Estimate | High Estimate |
| | (per diluted share) | |
| Adjusted income from continuing operations per diluted share | $ 1.58 | $ 1.68 |
| Adjustments to income from continuing operations (a) | $ (0.20) | $ (0.20) |
| Income from continuing operations per diluted share | $ 1.38 | $ 1.48 |

(a) Adjustments to income from continuing operations include rebranding costs, restructuring costs associated with realignment of our infrastructure and operations, certain legal settlements, adjustments to self-insurance reserves pertaining to prior year's claims and other unique items impacting comparability.

Exhibit 99.2


# Agenda

1. Introduction & Overview | Henrik Slipsager, CEO
2. Fourth Quarter & Fiscal Year 2013 Financial Review | Jim Lusk, CFO
3. **Fourth Quarter 2013 Operational Review | Jim McClure, EVP, Tracy Price, EVP & Henrik Slipsager, CEO**
4. Fiscal 2014 Outlook | Henrik Slipsager, CEO
5. Questions and Answers

*Forward-Looking Statements and Non-GAAP Financial Information:*

Our discussions during this conference call will include forward-looking statements. Actual results could differ materially from those projected in the forward-looking statements. The factors that could cause actual results to differ are discussed in the Company's 2012 Annual Report on Form 10-K and in our 2013 reports on Form 10-Q and Form 8-K. These reports are available on our website at http://investor.abm.com/ under "SEC Filings". A description of factors that could cause actual results to differ is also set forth at the end of this presentation.

Also, the discussion during this conference call will include certain financial measures that were not prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). Reconciliations of those non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures can be found on the Investor Relations portion of our website at http://investor.abm.com and at the end of this presentation.

# Fourth Quarter 2013
# Review of Financial Results

## Fiscal Q4 & Fiscal Year 2013 Overview

- Achieved revenue of $1.24 billion, up ~14% Y-o-Y for the fourth quarter
  - *Organic growth in Janitorial and Security businesses of 4.1% and 3.9%, respectively*
  - *Consolidated organic growth of approximately 3.3% for the quarter*
  - *BES achieved organic growth of 26.7%, excluding acquisitions and Government*
- Reported EPS of $0.43; adjusted EPS of $0.48
- For FY2013, reported EPS of $1.30; adjusted EPS of $1.52 up 9.4% compared to FY12
- Adjusted EBITDA growth of 15.7% compared to Q4 2012 and 16.7% compared to FY12
- Reduced outstanding debt by $34 million in Q4
- Free cash flow[1] of $102.7 million for the twelve months ended October 31st 2013
- Increased dividend by over 3%

[1] Free cash flow is net cash provided by operating activities less additions to property, plant and equipment.

# Fourth Quarter Results Synthesis – Key Financial Metrics

Net Income

- Net Income of $24.2 million, or $0.43 per diluted share, down 12.6% compared to $27.7 million in fiscal 2012. The decrease of $3.5 million is primarily due to lower contributions from discrete tax benefits.

Adjusted Income from Continuing Operations[1]

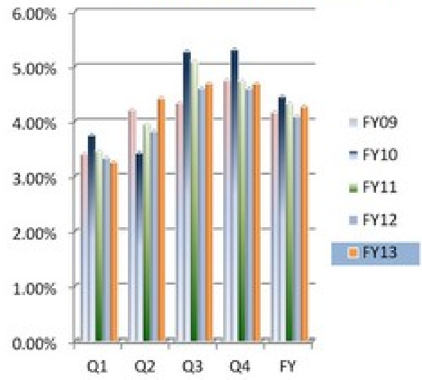
- Adjusted Income from Continuing Operations of $27.0 million was down $0.7 million or 2.5% for the quarter compared to the fourth quarter of fiscal 2012, as contributions from acquisitions and new business was offset by a lower net benefit from discrete tax items.

Adjusted EBITDA[1]

- Adjusted EBITDA of $58.1 million was up $7.9 million or 15.7% for the quarter compared to the fourth quarter of fiscal 2012, primarily from acquisitions and new business.

| ($ in millions, except per share data) (unaudited) | Three Months Ended October 31, 2013 | Three Months Ended October 31, 2012 | Increase (Decrease) | Year Ended October 31, 2013 | Year Ended October 31, 2012 | Increase (Decrease) |
|---|---|---|---|---|---|---|
| Revenues | $ 1,236.8 | $ 1,090.0 | 13.5 % | $ 4,809.3 | $ 4,300.3 | 11.8 % |
| Income from continuing operations | $ 24.2 | $ 27.7 | (12.6)% | $ 72.9 | $ 62.7 | 16.3 % |
| Income from continuing operations per diluted share | $ 0.43 | $ 0.50 | (14.0)% | $ 1.30 | $ 1.14 | 14.0 % |
| Adjusted income from continuing operations | $ 27.0 | $ 27.7 | (2.5)% | $ 85.0 | $ 76.1 | 11.7 % |
| Adjusted income from continuing operations per diluted share | $ 0.48 | $ 0.50 | (4.0)% | $ 1.52 | $ 1.39 | 9.4 % |
| Net income | $ 24.2 | $ 27.7 | (12.6)% | $ 72.9 | $ 62.6 | 16.5 % |
| Net income per diluted share | $ 0.43 | $ 0.50 | (14.0)% | $ 1.30 | $ 1.14 | 14.0 % |
| Net cash provided by operating activities | $ 51.0 | $ 66.8 | (23.7)% | $ 135.3 | $ 150.6 | (10.2)% |
| Adjusted EBITDA | $ 58.1 | $ 50.2 | 15.7 % | $ 205.9 | $ 176.4 | 16.7 % |

Adjusted EBITDA Margins




[1] Reconciliation of Adjusted Income from Continuing Operations and Adjusted EBITDA in the appendix of this presentation



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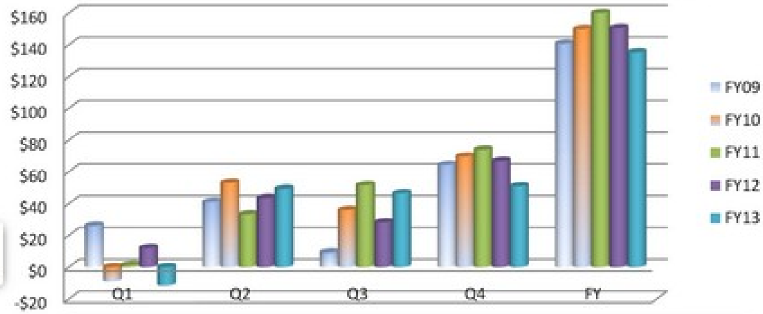
# Select Balance Sheet Items

- Days sales outstanding (DSO) for the fourth quarter were 52 days
- DSO was up 3 days year-over-year and up 1 day sequentially

Cash Flows from Operating Activities (in millions)

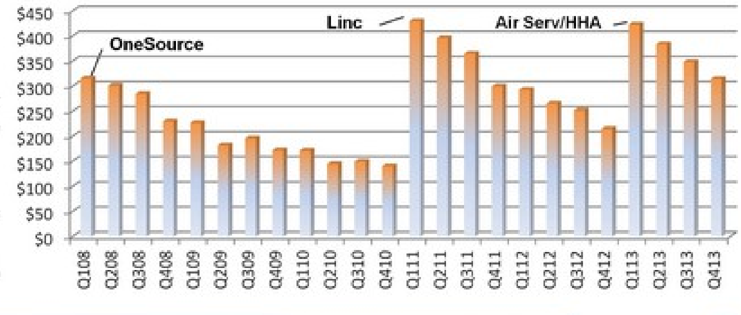



Insurance Claims – Balance Sheet & Claims Paid Data (in thousands)

| | October 31, 2013 | October 31, 2012 |
|---|---|---|
| Short-term Insurance claim liabilities | $ 84,546 | $ 80,192 |
| Long-term Insurance claim liabilities | 273,418 | 263,612 |
| Total insurance claims | $ 357,964 | $ 343,804 |

| | October 31, 2013 | October 31, 2012 |
|---|---|---|
| Q4 Self-insurance claims paid | $ 25,130 | $ 22,488 |

Line of Credit (in millions)



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# Q4 2013 Results Synthesis - Revenues

- Consolidated revenues up 13.5% at $1.24 billion – A Q4 Record

**Janitorial Services**
- Revenues of $628.7 million, up $24.6 million or 4.1% compared to 2012 Q4
- Significant improvement in South Central & Midwest regions

**Facility Services**
- Revenues of $152.9 million, up $1.0 million or nearly 1% compared to 2012 Q4
- Growth in new business and increases in the scope of work for existing clients

**Parking Services**
- Revenues of $152.2 million, a decrease of 1.2% compared to 2012 Q4
- Management reimbursement revenues were $74.8 million

**Security Services**
- Revenues of $97.1 million, up $3.6 million or nearly 4% compared to 2012 Q4
- New client wins continue to drive solid revenue growth

**Building & Energy Solutions**
- Revenues of $114.8 million, up $28.6 million or 33.1.% compared to 2012 Q4
- Revenues from November acquisitions contributed $18.7 million; Best IR - $1.2 million

**Other**
- Revenues of $90.9 million
- $85.6 million from Air Serv and $5.3 million from Blackjack

Note: In the first fiscal quarter of 2013, ABM revised its reportable segments. The previous Facility Solutions segment has been separated into two new segments: Facility Services, and Building & Energy Solutions (includes energy services, government services, and the franchise network). The recently acquired HHA Services, Inc. and Calvert-Jones Company business are included in the Building & Energy Solutions segment. In addition, Building & Energy Solutions includes the results of certain investments in unconsolidated affiliates that provide facility solutions primarily to the U.S. Government. Air Serv Corporation, which was acquired in November 2012, is reported in the new segment "Other".



# Q4 2013 Results Synthesis - Total Profits[1]

| (in thousands) | Fourth Quarter | | |
|---|---|---|---|
| | 2013 | 2012 | Change |
| Janitorial | $ 34,047 | $ 37,115 | (8.3%) |
| Facility Services | 8,127 | 6,810 | 19.3% |
| Parking | 8,476 | 7,579 | 11.8% |
| Security | 5,126 | 3,016 | 70.0% |
| Building & Energy Solutioi | 8,609 | 4,718 | 82.5% |
| Other | 3,928 | - | *NM |
| Total Profit[1] | $ 68,313 | $ 59,238 | 15.3% |

[1]Excludes Corporate
* Not meaningful

- Janitorial's profit of $34.0 million, decreased $3.1 million or 8.3%. Higher expenses associated with new jobs was the primary reason for the year-over-year decline
- Profit for Facility Services increased 19.3% to $8.1 million, primarily from cost control measures
- Parking's profit of $8.5 million was up $0.9 million from prior year comparable period
- Profit for Security was up by $2.1 million or 70.0% to $5.1 million from higher revenues and cost control measures. First time Security's quarterly operating profit exceeded $5 million
- Building & Energy Solutions profit of $8.6 million, an increase of 82.5% was the result of new projects, contributions from acquisitions, and improved margins on certain government business
- Other profit, which represents the results of the Air Serv and Blackjack acquisitions, includes $1.6 million of amortization expense and $0.3 million of depreciation related to Air Serv

# Q4 2013 Business & Marketing Highlights

- Continue to be on schedule with reorganized operational structure: Onsite, Mobile and On-demand. This realignment will continue during 2014 and should improve the Company's long-term growth prospects as well as provide higher margin opportunities in the future
- Announced selection by BMW as preferred electric vehicle (EV) charging station installation and services partner for U.S. and Canada
- Successfully commissioned a 1.2 MW solar in Baltimore, Md. Will be responsible for construction and will maintain the 4,150 panel array on behalf of Washington Gas Energy Systems
- ABM Building Solutions has been selected by the Harris County, GA Public School District to implement energy and facility improvements including lighting retrofits, control systems, and water conservation




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# Outlook

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# Fiscal 2014 Outlook

- Leveraging our fiscal 2013 performance and current initiatives, the Company is providing the following guidance for fiscal 2014:
  - $1.38 to $1.48 for Income from Continuing Operations per diluted share
  - $1.58 to $1.68 for Adjusted Income from Continuing Operations per diluted share
- Labor work days for FY14 are 261. This is identical to fiscal 2013 on both a quarterly and annual basis
- Depreciation and amortization expense, is expected to remain consistent with fiscal 2013. The range is $60 million to $62 million
- Effective tax rate[1] in the range of 36 percent to 38 percent, which is an increase over fiscal 2013's effective tax rate of 35.2%
- Interest expense anticipated to be in the range of $10 million to $12 million
- Capital expenditures are expected to be in the range of $43 million to $47 million
- Cash taxes are expected to be in the range of $37 million to $40 million

[1] Assumes Workers Opportunity Tax Credits are extended for 2014



# Forward-Looking Statement

*This press release contains forward-looking statements that set forth management's anticipated results based on management's current plans and assumptions. Any number of factors could cause the Company's actual results to differ materially from those anticipated. These factors include but are not limited to the following: (1) risks relating to our acquisition strategy may adversely impact our results of operations; (2) our strategy of moving to an integrated facility solutions provider platform, which focuses on vertical market strategy, may not generate the growth in revenues or profitability that we expect; (3) we are subject to intense competition that can constrain our ability to gain business, as well as our profitability; (4) increases in costs that we cannot pass on to clients could affect our profitability; (5) we have high deductibles for certain insurable risks, and therefore we are subject to volatility associated with those risks; (6) we primarily provide our services pursuant to agreements that are cancelable by either party upon 30 to 90 days' notice; (7) our success depends on our ability to preserve our long-term relationships with clients; (8) we are at risk of losses and adverse publicity stemming from any accident or other incident involving our airport operations; (9) our international business exposes us to additional risks; (10) we conduct some of our operations through joint ventures, and our ability to do business may be affected by the failure of our joint venture partners to perform their obligations or the improper conduct of joint venture employees, partners, or agents; (11) significant delays or reductions in appropriations for our government contracts may negatively affect our business and could have an adverse effect on our financial position, results of operations, or cash flows; (12) we are subject to a number of procurement rules and regulations relating to our business with the U.S. Government and if we fail to comply with those rules, our business and our reputation could be adversely affected; (13) negative or unexpected tax consequences could adversely affect our results of operations; (14) we are subject to business continuity risks associated with centralization of certain administrative functions; (15) a decline in commercial office building occupancy and rental rates could affect our revenues and profitability; (16) deterioration in economic conditions in general could reduce the demand for facility services and, as a result, reduce our earnings and adversely affect our financial condition; (17) a variety of factors could adversely affect the results of operations of our building and energy services business; (18) financial difficulties or bankruptcy of one or more of our major clients could adversely affect our results; (19) our ability to operate and pay our debt obligations depends upon our access to cash; (20) future declines in the fair value of our investments in auction rate securities could negatively impact our earnings; (21) uncertainty in the credit markets may negatively impact our costs of borrowing, our ability to collect receivables on a timely basis, and our cash flow; (22) we incur accounting and other control costs that reduce profitability; (23) sequestration under the Budget Control Act of 2011 or alternative measures that may be adopted in lieu of sequestration may negatively impact our business; (24) any future increase in our level of debt or in interest rates could affect our results of operations; (25) an impairment charge could have a material adverse effect on our financial condition and results of operations; (26) we are defendants in class and representative actions and other lawsuits alleging various claims that could cause us to incur substantial liabilities; (27) federal health care reform legislation may adversely affect our business and results of operations; (28) changes in immigration laws or enforcement actions or investigations under such laws could significantly adversely affect our labor force, operations, and financial results; (29) labor disputes could lead to loss of revenues or expense variations; (30) we participate in multiemployer pension plans which, under certain circumstances, could result in material liabilities being incurred; and (31) natural disasters or acts of terrorism could disrupt services.*

*Additional information regarding these and other risks and uncertainties the Company faces is contained in the Company's Annual Report on Form 10-K for the year ended October 31, 2012 and in other reports the Company files from time to time with the Securities and Exchange Commission. The Company urges readers to consider these risks and uncertainties in evaluating its forward-looking statements. The Company cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. The Company disclaims any obligation or undertaking to publicly release any updates or revisions to any forward-looking statement contained herein (or elsewhere) to reflect any change in the Company's expectations with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.*

## Appendix - Unaudited Reconciliation of non-GAAP Financial Measures

## Unaudited Reconciliation of non-GAAP Financial Measures (in thousands)

| ABM Industries Incorporated and Subsidiaries | Three Months Ended October 31, 2013 | Three Months Ended October 31, 2012 | Year Ended October 31, 2013 | Year Ended October 31, 2012 |
|---|---|---|---|---|
| **Reconciliation of Adjusted Income from Continuing Operations to Net Income** | | | | |
| Adjusted income from continuing operations | $ 26,995 | $ 27,730 | $ 85,007 | $ 76,122 |
| Items impacting comparability, net of taxes | (2,827) | (25) | (12,107) | (13,404) |
| Income from continuing operations | 24,168 | 27,705 | 72,900 | 62,718 |
| Loss from discontinued operations, net of taxes | - | (42) | - | (136) |
| Net income | $ 24,168 | $ 27,663 | $ 72,900 | $ 62,582 |
| **Reconciliation of Adjusted Income from Continuing Operations to Income from Continuing Operations** | | | | |
| Adjusted income from continuing operations | $ 26,995 | $ 27,730 | $ 85,007 | $ 76,122 |
| Items impacting comparability: | | | | |
| Corporate initiatives and other (a) | - | (27) | - | (2,482) |
| Rebranding (b) | (1,522) | (672) | (3,671) | (2,755) |
| U.S. Foreign Corrupt Practices Act investigation (c ) | (419) | (182) | (775) | (3,504) |
| Gain from equity investment (d) | - | (63) | - | 2,925 |
| Auction rate security credit loss | - | - | - | (313) |
| Self-insurance adjustment | (607) | 2,182 | (10,556) | (7,278) |
| Acquisition costs | (116) | (1,010) | (1,116) | (1,329) |
| Litigation and other settlements | - | (270) | (63) | (7,830) |
| Restructuring (e) | (2,001) | - | (3,797) | - |
| Total items impacting comparability | (4,665) | (42) | (19,978) | (22,566) |
| Benefit from income taxes | 1,838 | 17 | 7,871 | 9,162 |
| Items impacting comparability, net of taxes | (2,827) | (25) | (12,107) | (13,404) |
| Income from continuing operations | $ 24,168 | $ 27,705 | $ 72,900 | $ 62,718 |

(a) Corporate initiatives and other includes the integration costs associated with The Linc Group acquisition on December 1, 2010 and data center consolidation costs.

(b) Represents costs related to the Company's branding initiative.

(c ) Includes legal and other costs incurred in connection with an internal investigation into a foreign entity affiliated with a former joint venture partner.

(d) The Company's share of a gain associated with property sales completed by one of its investments in a low income housing partnership.

(e) Restructuring costs associated with realignment of our infrastructure and operations.

# Unaudited Reconciliation of non-GAAP Financial Measures (in thousands, except per share data)

**ABM Industries Incorporated and Subsidiaries**

**Reconciliation of Adjusted EBITDA to Net Income**

| | Three Months Ended October 31, 2013 | Three Months Ended October 31, 2012 | Year Ended October 31, 2013 | Year Ended October 31, 2012 |
|---|---|---|---|---|
| Adjusted EBITDA | $ 58,148 | $ 50,189 | $ 205,926 | $ 176,353 |
| Items impacting comparability | (4,665) | (42) | (19,978) | (22,566) |
| Loss from discontinued operations, net of taxes | - | (42) | - | (136) |
| Provision for income taxes | (12,417) | (7,727) | (39,552) | (29,931) |
| Interest expense | (3,214) | (2,317) | (12,892) | (9,999) |
| Depreciation and amortization | (13,684) | (12,398) | (60,604) | (51,139) |
| Net income | $ 24,168 | $ 27,663 | $ 72,900 | $ 62,582 |

**Reconciliation of Adjusted Income from Continuing Operations per Diluted Share to Income from Continuing Operations per Diluted Share (Unaudited)**

| | Three Months Ended October 31, 2013 | Three Months Ended October 31, 2012 | Year Ended October 31, 2013 | Year Ended October 31, 2012 |
|---|---|---|---|---|
| Adjusted income from continuing operations per diluted share | $ 0.48 | $ 0.50 | $ 1.52 | $ 1.39 |
| Items impacting comparability, net of taxes | (0.05) | - | (0.22) | (0.25) |
| Income from continuing operations per diluted share | $ 0.43 | $ 0.50 | $ 1.30 | $ 1.14 |
| Diluted shares | 56,686 | 55,200 | 56,067 | 54,914 |



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# Unaudited Reconciliation of non-GAAP Financial Measures

**Reconciliation of Estimated Adjusted Income from Continuing Operations per Diluted Share to Income from Continuing Operations per Diluted Share for the Year Ending October 31, 2014**

| | Year Ending October 31, 2014 Low Estimate (per diluted share) | Year Ending October 31, 2014 High Estimate (per diluted share) |
|---|---|---|
| Adjusted income from continuing operations per diluted share | $ 1.58 | $ 1.68 |
| Adjustments to income from continuing operations (a) | $ (0.20) | $ (0.20) |
| Income from continuing operations per diluted share | $ 1.38 | $ 1.48 |

(a) Adjustments to income from continuing operations include rebranding costs, restructuring costs associated with realignment of our infrastructure and operations, certain legal settlements, adjustments to self-insurance reserves pertaining to prior year's claims and other unique items impacting comparability.



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