2013 Second Quarter Unaudited Reconciliation of non-GAAP Financial Measures



Unaudited Reconciliation of non-GAAP Financial Measures

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

(in thousands)

	Three Months Ended April 30,			Six	Six Months Ended April 30,			
		2013		2012		2013		2012
Reconciliation of Adjusted Income from Continui Operations to Net Income	ng							
Adjusted income from continuing operations Items impacting comparability, net of taxes	\$	20,159 (885)	\$	16,251 (4,504)	\$	34,851 (2,195)	\$	28,037 (5,650)
Income from continuing operations		19,274		11,747		32,656		22,387
Loss from discontinued operations, net of taxes		-		(35)		-		(45)
Net income	\$	19,274	\$	11,712	\$	32,656	\$	22,342
Reconciliation of Adjusted Income from Continuing Operations to Income from Continuing Operations								
Adjusted income from continuing operations	\$	20,159	\$	16,251	\$	34,851	\$	28,037
Items impacting comparability:								
Corporate initiatives and other (a)		-		(945)		-		(2,371)
Rebranding (b)		(349)		(759)		(709)		(1,490)
U.S. Foreign Corrupt Practices Act investigation (c)		(135)		(855)		(356)		(2,728)
Gain from equity investment (d)		-		846		-		2,927
Auction rate security credit loss		-		(313)		-		(313)
Acquisition costs		(428)		(147)		(748)		(147)
Litigation and other settlements		-		(5,390)		(63)		(5,390)
Restructuring (e)		(538)		-		(1,722)		
Total items impacting comparability		(1,450)		(7,563)		(3,598)		(9,512)
Benefit from income taxes		565		3,059		1,403		3,862
Items impacting comparability, net of taxes		(885)		(4,504)		(2,195)		(5,650)
Income from continuing operations	\$	19,274	\$	11,747	\$	32,656	\$	22,387

(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 April 30,			Six Months Ended April 30,				
	2013		2012		2013		2012	
Adjusted EBITDA	\$	52,014	\$	40,500	\$	90,607	\$	76,413
Items impacting comparability Loss from discontinued operations, net of taxes		(1,450) -		(7,563) (35)		(3,598) -		(9,512) (45)
Provision for income taxes		(12,443) (3,033)		(5,863) (2,441)		(16,252) (6,343)		(13,317) (5,275)
Interest expense Depreciation and amortization		(15,814)		(12,886)		(31,758)		(3,273) (25,922)
Net income	\$	19,274	\$	11,712	\$	32,656	\$	22,342

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

	Three Months Ended April 30,			Six Months Ended April 30,				
		2013		2012		2013		2012
Adjusted income from continuing								
operations per diluted share	\$	0.36	\$	0.30	\$	0.63	\$	0.51
Items impacting comparability, net of taxes Income from continuing operations		(0.01)		(0.09)		(0.04)		(0.10)
per diluted share	\$	0.35	\$	0.21	\$	0.59	\$	0.41
Diluted shares		55,804		54,963		55,650		54,728



Unaudited Reconciliation of non-GAAP Financial Measures

ABM Industries Incorporated and Subsidiaries 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, 2013

	Yea	Year Ending October 31, 2013					
	Low Estimate			High Estimate			
		e)					
Adjusted income from continuing operations per diluted share	\$	1.40	\$	1.50			
Adjustments to income from continuing operations (a)	\$	(0.19)	\$	(0.19)			
Income from continuing operations per diluted share	\$	1.21	\$	1.31			

(a) Adjustments to income from continuing operations include rebranding costs, restructuring costs associated with realignment of our infrastructure and operations, certain legal settlements and other unique items impacting comparability.

