



SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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**FORM 8-K**

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

Date of Report (Date of earliest event reported) **June 10, 2003**

**ABM Industries Incorporated**

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(Exact name of registrant as specified in its charter)

**Delaware**

**1-8929**

**94-1369354**

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(State or other jurisdiction  
of incorporation)

(Commission File  
Number)

(IRS Employer  
Identification No.)

**160 Pacific Avenue, Suite 222, San Francisco, California**

**94111**

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(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code **(415) 733-4000**

**Inapplicable**

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(Former name or former address if changed since last report)

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### Item 5. Other Events and Regulation FD Disclosure.

On June 10, 2003, ABM Industries Incorporated issued a press release announcing that a quarterly dividend of \$.095 per share would be paid on August 4, 2003, to the record holders of common stock as of the close of business on July 14, 2003. A copy of the press release is attached as Exhibit 99.1, which is incorporated into this item by reference.

### Item 7(c). Exhibits.

99.1 Press Release of ABM Industries Incorporated dated June 10, 2003, announcing the declaration of a dividend.

### Item 9. Regulation FD Disclosure.

The following information is furnished pursuant to Item 12, "Results of Operations and Financial Condition," in accordance with the interim guidance provided by the Securities and Exchange Commission in Release No. 33-8216.

On June 10, 2003, ABM Industries Incorporated issued a press release announcing financial results related to the second quarter of fiscal year 2003. A copy of the press release is attached as Exhibit 99.2, which is incorporated into this item by reference.

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**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: June 10, 2003

By: /s/ George B. Sundby

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George B. Sundby

Senior Vice President and  
Chief Financial Officer

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99.1 Press Release of ABM Industries Incorporated dated June 10, 2003, announcing the declaration of a dividend.

99.2 Press Release of ABM Industries Incorporated dated June 10, 2003, announcing its earnings report for the second quarter of 2003.

For more information, please contact our Senior Vice President & Chief Financial Officer, George B. Sundby, at 415/733-4000 (or e-mail gsundby@abm.com).

ABM INDUSTRIES CONTINUES BEST-EVER QUARTERLY DIVIDEND RATE

SAN FRANCISCO, June 10, 2003 - The Board of Directors of ABM Industries Incorporated (NYSE: ABM) has declared an all-time-high third quarter cash dividend of \$0.095 per common share for payment on August 4, 2003 to stockholders of record on July 14, 2003. This will be ABM's 149th consecutive quarterly cash dividend, and is \$0.005 (5.5%) above the \$0.09 per share quarterly dividend rate paid in 2002.

ABM Industries Incorporated is one of the largest facility services contractor listed on the New York Stock Exchange. With fiscal 2002 revenues in excess of \$2.1 billion and more than 62,000 employees, ABM provides janitorial, parking, engineering, security, lighting, elevator, mechanical and network services for thousands of commercial, industrial, institutional and retail facilities in hundreds of cities across North America. The ABM Family of Services includes ABM Janitorial, Ampco System Parking, ABM Engineering, American Commercial Security (ACSS), Amtech Lighting, Amtech Elevator, CommAir Mechanical and ABM Service Network.

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For further information, please contact ABM's Senior Vice President & Chief Financial Officer, George B. Sundby, at 415/733-4000 (or e-mail gsundby@abm.com).

ABM INDUSTRIES ANNOUNCES SECOND QUARTER FINANCIAL RESULTS

SAN FRANCISCO, June 10, 2003 -- ABM Industries Incorporated (NYSE:ABM) today reported net income for the quarter ended April 30, 2003 of \$9.9 million (\$0.20 per diluted share) compared to \$14.0 million (\$0.27 per diluted share) reported for the second quarter of fiscal 2002. Revenues for the second quarter of 2003 were \$589.8 million, up 11% from \$530.2 million in the second quarter of 2002. The quarter ended April 30, 2002 included a \$4.3 million (\$2.7 million after tax, \$.05 per diluted share) gain from the receipt of an initial payment from the World Trade Center insurance claim. Included in the quarter ended April 30, 2003 were revenues and operating profits generated by ABM Lakeside Building Maintenance, which ABM acquired in July 2002, and the Company's acquisition of Horizon's self-performed janitorial operations in January 2003.

Net income for the six months ended April 30, 2003 was \$14.2 million (\$0.29 per diluted share) compared to \$22.0 million (\$0.43 per diluted share) reported for the first half of fiscal 2002. Revenues for the first half of 2003 were \$1,170.5 million, up 11% from \$1,057.7 million in the first half of 2002.

"Given the tough economic environment, our second quarter performance was solid," said Henrik C. Slipsager, ABM's President and Chief Executive Officer. "High vacancies in office buildings, the downturn in travel related to SARS and the Iraqi war,



and customers' continued tightening of budgets that reduced higher margin capital project work and extra services, all made a difference in our results today," said Slipsager.

"We are pleased that the changes we implemented to improve the performance of both our Lighting and Janitorial Northeast Region, which had disappointing first quarters, are showing positive returns. Furthermore, the integration of Horizon's self-performed janitorial acquisition is on schedule and we are very excited about the recently completed acquisition of the southern California operations of Valet Parking Service," said Slipsager. "Despite this progress, we anticipate that the difficult economic environment will continue for the remainder of 2003. We expect 2003 diluted earnings per share to be approximately \$0.85 per share. We are fundamentally well-positioned for internal growth when the economy improves," he added.

Wednesday morning, June 11, at 6:00 a.m. (Pacific Standard Time), ABM will host a live webcast of remarks by President & Chief Executive Officer Henrik C. Slipsager and Senior Vice President & Chief Financial Officer George B. Sundby, who will also answer questions from a panel of financial analysts who will join Slipsager and Sundby on the conference call. The webcast will be accessible at [www.irconnect.com/primecast/03/q2/abm\\_2q2003.mhtml](http://www.irconnect.com/primecast/03/q2/abm_2q2003.mhtml) by clicking on ABM at that site. Listeners are requested to be online at least fifteen minutes early to register, as well as to download and install any complimentary audio software that might be required. The webcast will be archived at this URL for the next year. In addition to the webcast, a

limited number of toll-free telephone lines will be available for listeners who are among the first to call 877/440-9648 within fifteen minutes before the event. Telephonic replays will be accessible for 48 hours beginning two hours after the call ends by dialing 800/642-1687, and then entering ID #923689.

ABM Industries Incorporated is one of the largest facility services contractor listed on the New York Stock Exchange. With fiscal 2002 revenues in excess of \$2.1 billion and more than 62,000 employees, ABM provides janitorial, parking, engineering, security, lighting, elevator, mechanical and network services for thousands of commercial, industrial, institutional and retail facilities in hundreds of cities across North America. The ABM Family of Services includes ABM Janitorial, Ampco System Parking, ABM Engineering, American Commercial Security (ACSS), Amtech Lighting, Amtech Elevator, CommAir Mechanical and ABM Service Network.

#### SAFE HARBOR STATEMENT

Cautionary Safe Harbor Disclosure for Forward Looking Statements under the Private Securities Litigation Reform Act of 1995: Because of the factors set forth below, as well as other variables affecting the Company's operating results, past financial performance should not be considered a reliable indicator of future performance, and investors should not use historical trends to anticipate results or trends in future periods. The statements contained herein which are not historical facts are forward-looking statements that are subject to meaningful risks and uncertainties, including but not limited to: (1) significant decreases in commercial real estate occupancy, resulting in reduced demand and pricing pressures on building maintenance and other facility services in the Company's major markets, (2) inability to pass through cost increases in a timely manner, or at all, or to reduce expenses when sales decline, (3) loss or bankruptcy of one or more of the Company's major customers, which could adversely affect the Company's ability to collect its accounts receivable or recover its deferred costs as well as having an adverse impact on future revenue, (4) major collective bargaining issues that may cause loss of revenues or cost increases that non-union competitors can use to their advantage in gaining market share, (5) significant shortfalls in adding additional customers in existing and new territories and markets, (6) inability to successfully integrate acquisitions into

the Company, (7) a protracted slowdown in the Company's acquisition activities, (8) legislation or other governmental action that severely impacts one or more of the Company's lines of business, such as price controls that could restrict price increases, or the unrecovered cost of any universal employer-paid health insurance, as well as government investigations that adversely affect the Company, (9) reduction or revocation of the Company's line of credit, which would increase interest expense or the cost of capital, (10) cancellation or nonrenewal of the Company's primary insurance policies, as many customers contract out services based on the contractor's ability to provide adequate insurance coverage and limits, (11) catastrophic uninsured or underinsured claims against the Company, the inability of the Company's insurance carriers to pay otherwise insured claims, or inadequacy in the Company's reserve for self-insured claims, (12) inability to employ entry level personnel at competitive wage rates due to labor shortages, (13) resignation, termination, death or disability of one or more of the Company's key executives, which could adversely affect customer retention and day-to-day management of the Company, and (14) other material factors that are disclosed from time to time in the Company's public filings with the United States Securities and Exchange Commission, such as reports on Forms 8-K, 10-Q and 10-K.

## BALANCE SHEET SUMMARY (UNAUDITED)

	APRIL 30, 2003 ----	APRIL 30, 2002 ----	INCREASE (DECREASE) -----
<b>ASSETS</b>			
Current assets	\$441,020,000	\$444,112,000	-0.7%
Goodwill	185,540,000	124,465,000	49.1%
All other assets	103,330,000	99,529,000	3.8%
Total assets	\$729,890,000	\$668,106,000	9.2%
<b>LIABILITIES</b>			
Current liabilities	\$246,796,000	\$213,272,000	15.7%
Other non-current liabilities	92,626,000	86,111,000	7.6%
Total liabilities	\$339,422,000	\$299,383,000	13.4%
STOCKHOLDERS' EQUITY	\$390,468,000	\$368,723,000	5.9%
Total liabilities and stockholders' equity	\$729,890,000	\$668,106,000	9.2%

## SELECTED CASH FLOW INFORMATION (UNAUDITED)

	THREE MONTHS ENDED 2003 ----	APRIL 30, 2002 ----	INCREASE (DECREASE) -----
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 5,429,000	\$ 27,850,000	-80.5%
NET CASH USED IN INVESTING ACTIVITIES	\$ (4,511,000)	\$ (9,122,000)	-50.5%
Common stock issued	\$ 3,115,000	\$ 5,753,000	-45.9%
Stock buyback	--	(16,670,000)	--
Dividends paid	(4,670,000)	(4,463,000)	4.6%
Net debt payments	--	(942,000)	--
Decrease in bank overdraft	--	(7,299,000)	--
NET CASH USED IN FINANCING ACTIVITIES	\$ (1,555,000)	\$ (23,621,000)	-93.4%

	SIX MONTHS ENDED 2003 ----	APRIL 30, 2002 ----	INCREASE (DECREASE) -----
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 23,243,000	\$ 40,311,000	-42.3%
NET CASH USED IN INVESTING ACTIVITIES	\$ (21,222,000)	\$ (14,698,000)	44.4%
Common stock issued	\$ 7,674,000	\$ 9,740,000	-21.2%
Stock buyback	(9,297,000)	(16,670,000)	-44.2%
Dividends paid	(9,310,000)	(8,878,000)	4.9%
Net debt payments	--	(11,819,000)	--
Increase in bank overdraft	--	1,687,000	--
NET CASH USED IN FINANCING ACTIVITIES	\$ (10,933,000)	\$ (25,940,000)	-57.9%

SUMMARY INCOME STATEMENT (UNAUDITED)

	THREE MONTHS ENDED 2003 ----	APRIL 30, 2002 ----	INCREASE (DECREASE) -----
Sales and other income	\$589,829,000	\$525,850,000	12.2%
Gain on insurance claim	--	4,300,000	--
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Total revenues	589,829,000	530,150,000	11.3%
Operating expenses and cost of goods sold	526,613,000	468,563,000	12.4%
Selling, general and administrative expenses	47,460,000	38,791,000	22.3%
Interest expense	178,000	232,000	-23.3%
Income before income taxes	\$ 15,578,000	\$ 22,564,000	-31.0%
Net income	\$ 9,892,000	\$ 13,989,000	-29.3%
Net income per common share:			
Basic	\$ 0.20	\$ 0.28	28.6%
Diluted	\$ 0.20	\$ 0.27	25.9%
Average common shares outstanding:			
Basic	48,994,000	49,256,000	-0.5%
Diluted	49,877,000	51,494,000	-3.1%

	SIX MONTHS ENDED 2003 ----	APRIL 30, 2002 ----	INCREASE (DECREASE) -----
Sales and other income	\$1,170,455,000	\$1,053,402,000	11.1%
Gain on insurance claim	--	4,300,000	--
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Total revenues	1,170,455,000	1,057,702,000	10.7%
Operating expenses and cost of goods sold	1,052,996,000	943,346,000	11.6%
Selling, general and administrative expenses	95,066,000	78,407,000	21.2%
Interest expense	303,000	497,000	-39.0%
Income before income taxes	\$ 22,090,000	\$ 35,452,000	-37.7%
Net income	\$ 14,230,000	\$ 21,980,000	-35.3%
Net income per common share:			
Basic	\$ 0.29	\$ 0.45	-35.6%
Diluted	\$ 0.29	\$ 0.43	-32.6%
Average common shares outstanding:			
Basic	49,023,000	49,110,000	-0.2%
Diluted	49,925,000	51,086,000	-2.3%

## SALES AND OPERATING PROFIT BY SEGMENT (UNAUDITED)

	THREE MONTHS ENDED APRIL 30, 2003 ----	2002 ----	INCREASE (DECREASE) -----
SALES AND OTHER INCOME			
Janitorial	\$ 343,505,000	\$ 284,229,000	20.9%
Parking	91,659,000	88,353,000	3.7%
Engineering	43,945,000	42,667,000	3.0%
Security	39,008,000	34,631,000	12.6%
Lighting	33,577,000	32,071,000	4.7%
Elevator	27,292,000	28,234,000	-3.3%
Other	10,741,000	15,532,000	-30.8%
Corporate	102,000	133,000	-23.3%
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	\$ 589,829,000	\$ 525,850,000	12.2%
OPERATING PROFIT			
Janitorial	\$ 15,570,000	\$ 16,327,000	-4.6%
Parking	1,022,000	1,783,000	-42.7%
Engineering	2,586,000	2,339,000	10.6%
Security	1,160,000	1,065,000	8.9%
Lighting	1,813,000	2,095,000	-13.5%
Elevator	1,043,000	608,000	71.5%
Other	70,000	74,000	-5.4%
Corporate expenses	(7,508,000)	(5,795,000)	29.6%
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OPERATING PROFIT	15,756,000	18,496,000	-14.8%
Gain on insurance claim	--	4,300,000	--
Interest expense	(178,000)	(232,000)	-23.3%
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Income before income taxes	\$ 15,578,000	\$ 22,564,000	-31.0%

	SIX MONTHS ENDED APRIL 30, 2003 ----	2002 ----	INCREASE (DECREASE) -----
SALES AND OTHER INCOME			
Janitorial	\$ 674,357,000	\$ 571,029,000	18.1%
Parking	186,074,000	177,839,000	4.6%
Engineering	89,572,000	86,337,000	3.7%
Security	76,797,000	66,794,000	15.0%
Lighting	66,723,000	64,638,000	3.2%
Elevator	55,474,000	54,727,000	1.4%
Other	21,225,000	31,688,000	-33.0%
Corporate	233,000	350,000	-33.4%
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	\$ 1,170,455,000	\$ 1,053,402,000	11.1%
OPERATING PROFIT			
Janitorial	\$ 23,377,000	\$ 27,170,000	-14.0%
Parking	1,612,000	2,831,000	-43.1%
Engineering	4,616,000	4,660,000	-0.9%
Security	2,502,000	2,260,000	10.7%
Lighting	2,493,000	4,004,000	-37.7%
Elevator	1,994,000	1,524,000	30.8%
Other	(53,000)	772,000	-106.9%
Corporate expenses	(14,148,000)	(11,572,000)	22.3%
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OPERATING PROFIT	22,393,000	31,649,000	-29.2%
Gain on insurance claim	--	4,300,000	--
Interest expense	(303,000)	(497,000)	-39.0%
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Income before income taxes	\$ 22,090,000	\$ 35,452,000	-37.7%

