SCHEDULE 14A
(RULE 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES
EXCHANGE ACT OF 1934

Filed by the Registrant [X]

Filed by a Party other than the Registrant [ ]

Check the appropriate box:

[ ] Preliminary Proxy Statement

[ ] Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

[X] Definitive Proxy Statement
[ ] Definitive Additional Materials
[ ] Soliciting Material Pursuant to Rule 14a-11(c) or Rule 14a-12

ABM INDUSTRIES, INCORPORATED

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

[X] No fee required.

[ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

N/A

---

(2) Aggregate number of securities to which transaction applies:

N/A

---

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

N/A

---

(4) Proposed maximum aggregate value of transaction:

N/A

---

(5) Total fee paid:

N/A

[ ] Fee paid previously with preliminary materials:

[ ] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:

N/A

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(2) Form, Schedule or Registration Statement no.:

N/A

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(3) Filing Party:

N/A

- ---

(4) Date Filed:

N/A

- ---

[ABM INDUSTRIES INCORPORATED LOGO]
160 Pacific Avenue, Suite 222
San Francisco, California 94111

NOTICE OF THE 2002 ANNUAL MEETING OF STOCKHOLDERS

TUESDAY, MARCH 12, 2002
10:00 A.M.

To Our Stockholders:

The 2002 Annual Meeting of Stockholders of ABM Industries Incorporated (the "2002 Annual Meeting") will be held at the Concordia-Argonaut Club, 1142 Van Ness Avenue, San Francisco, California 94109, on Tuesday, March 12, 2002 at 10:00 a.m. for the following purposes:

(1) to elect three directors;

(2) to approve the Company's 2002 Price-Vested Performance Stock Option Plan as set forth and further described in the attached Proxy Statement; and

(3) to transact such other business as may properly come before the meeting or any adjournments thereof.

Only stockholders of the Company at the close of business on January 18, 2002 (the "Stockholders") will be entitled to vote at the 2002 Annual Meeting and any adjournments thereof. A complete list of the Company's Stockholders entitled to vote at the 2002 Annual Meeting will be available for examination by any Stockholder for ten days prior to the meeting during normal business hours at the Company's corporate headquarters.

By Order of the Board of Directors

/s/ HARRY H. KAHN, ESQ.
Harry H. Kahn, Esq.
Senior Vice President, General Counsel
& Corporate Secretary

San Francisco, California
February 11, 2002

WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING
IN PERSON, PLEASE VOTE AS PROMPTLY AS POSSIBLE,
TELEPHONE AND INTERNET VOTING ARE AVAILABLE.

[ABM INDUSTRIES INCORPORATED LOGO]
160 Pacific Avenue, Suite 222
San Francisco, California 94111

PROXY STATEMENT

The accompanying proxy is solicited on behalf of the Board of Directors (the "Board") of ABM Industries Incorporated, a Delaware corporation (the "Company"), for use at the 2002 Annual Meeting of Stockholders of the Company (the "2002 Annual Meeting") to be held at the Concordia-Argonaut Club, 1142 Van Ness Avenue, San Francisco, California 94109, on Tuesday, March 12, 2002 at 10:00 a.m. and at any adjournments of the 2002 Annual Meeting, for the purposes set forth in the accompanying notice.

Only Stockholders of record of the Company (the "Stockholders") at the close of business on January 18, 2002 will be entitled to vote at the 2002 Annual Meeting. At the close of business on that date, there were outstanding 24,520,144 shares of the Company's common stock ("ABM Common Stock"). Each share of ABM Common Stock is entitled to one vote on each of the matters to be presented at the 2002 Annual Meeting.

A majority of the Company's outstanding shares as of the record date must be present at the meeting in order to hold the meeting and conduct business. Shares are counted as present at the meeting if the Stockholder: (a) is present and votes in person at the meeting, or (b) has properly given his or her proxy to vote using the enclosed proxy card, or using the telephone or Internet procedures. Abstentions and broker non-votes are counted as present in determining whether the quorum requirement is satisfied. With regard to the election of directors, votes may be cast "For" or "Withhold Authority." Votes that are withheld and broker non-votes are excluded entirely from the vote and have no effect on the outcome of the election of directors. An abstention may be specified on Item 2. Abstentions and broker non-votes on Item 2 will have the effect of a vote against this proposal because approval requires the affirmative vote of the majority of shares present in person or by proxy and entitled to vote.

If the enclosed form of proxy is properly signed and returned, or telephone and Internet instructions are properly followed, the shares represented thereby will be voted at the 2002 Annual Meeting in accordance with the instructions specified thereon. If no choice is specified, the proxy holders will vote the shares represented: (i) "For" the election of the nominees as directors, (ii) "For" Item 2, and (iii) in their discretion on other matters. Full instructions for voting by mail, telephone and Internet are included on the proxy card. A proxy may be revoked by submitting a proxy with a later date signed as the stockholder's name appears on the account. Telephone or Internet votes can be revoked by a subsequent vote using the assigned control number shown on the proxy card.

The expense of soliciting proxies will be paid by the Company. The Company will request brokers, custodians, nominees and other record holders to forward copies of the proxies and soliciting materials to persons for whom they hold shares of ABM Common Stock and to request authority for the exercise of proxies; in such cases, the Company will reimburse such entities for their reasonable expenses. Following the original mailing of the proxies and soliciting materials, employees of the Company may, for no additional compensation, solicit proxies by mail, electronically or personally.

This proxy statement ("Proxy Statement") and the accompanying proxy card were first sent to Stockholders on or about February 11, 2002.

ITEM I -- ELECTION OF DIRECTORS

The Company's Certificate of Incorporation divides the Board into three classes, with each class serving a three-year term. Currently, the total number of directors comprising the Board is set by the Company's Bylaws at ten. Three members of the current Board have terms expiring at the 2002 Annual Meeting, four have terms expiring at the 2003 Annual Meeting of Stockholders, and three have terms expiring at the 2004 Annual Meeting.

In the absence of instructions to the contrary, shares represented by valid proxies will be voted "For" the election of the persons nominated by the Board, who are named in the following table. The nominees receiving the highest number of votes will be elected.

The Company has no reason to believe that the nominees for election will be unable or unwilling to serve if elected as directors. However, if any nominee is unable or unwilling to be a candidate for the office of director at the date of the 2002 Annual Meeting, or any adjournment thereof, the proxy holders will vote for such substitute nominee as they shall in their discretion determine.

The Nominating, Governance & Succession Committee of the Board will consider nominees recommended by Stockholders. The Company's Bylaws provide that Stockholders intending to nominate candidates for election as directors at an Annual Meeting of Stockholders must give the prescribed notice to the Secretary of the Company at least sixty days prior to the first anniversary of the mailing of the Proxy Statement in connection with the previous year's Annual Meeting. No such notice has been given with respect to the 2002 Annual Meeting.

The following table contains information about the nominees and the Company's other directors based on data furnished by them.

NOMINEES FOR ELECTION AS DIRECTORS FOR A TERM ENDING AT THE 2005 ANNUAL MEETING

NAME	AGE	PRINCIPAL OCCUPATIONS AND BUSINESS EXPERIENCE DURING PAST FIVE YEARS	SERVED AS DIRECTOR SINCE
Maryellen C. Herringer	58	Attorney-at-law; Retired Executive Vice President & General Counsel of APL Limited, an international provider of transport and logistics services(1)	1993
Charles T. Horngren	75	Edmund J. Littlefield Professor of Accounting, Emeritus, Stanford Business School; author and consultant(2)	1973
Martinn H. Mandles	61	Chairman of the Board of the Company since December 1997; Chief Administrative Officer since November	

1991;
Executive
Vice
President
from November
1991 to
December 1997
1991

- ---------------
(1) Maryellen C. Herringer is a member of the Board of Directors of Golden West Financial Corporation, a publicly-held company; and World Savings Bank, a wholly-owned subsidiary of Golden West Corporation.

(2) Charles T. Horngren is a member of the Board of Directors of Interplast, Inc., a privately-held company.

DIRECTORS CONTINUING IN OFFICE FOR A TERM ENDING AT THE 2003 ANNUAL MEETING

SERVED AS
PRINCIPAL
OCCUPATIONS
AND
BUSINESS
DIRECTOR
NAME AGE
EXPERIENCE
DURING PAST
FIVE YEARS
SINCE ----
--- -------

----- -----
---- Linda
L. Chavez
54
President
of the
Center for
Equal
Opportunity;
1997 author
and
nationally
syndicated
columnist
and
television
commentator
Henrik C.
Slipsager
47
President &
Chief
Executive
Officer of
the Company
2000 since
November
2000;
Executive
Vice
President
of the
Company,
and
President
of the
Janitorial
Services
Division,
from
November
1999 to
October
2000;
Senior Vice
President
of the
Company,
and
Executive
Vice
President
of the
Janitorial
Services
Division,
from
January
1997 to
October
1999.
Theodore T.
Rosenberg
93 Vice
Chairman of
the
Company's
Executive
Committee
1962 since

November 2000; Chairman of the Executive Committee from January 1990 to October 2000(3)
William W. Steele 65 Chairman of the Company's Executive Committee 1988 since November 2000; President & Chief Executive Officer of the Company from November 1994 to October 2000(4)

DIRECTORS CONTINUING IN OFFICE FOR A TERM ENDING AT THE 2004 ANNUAL MEETING

SERVED AS PRINCIPAL OCCUPATIONS AND BUSINESS DIRECTOR NAME AGE EXPERIENCE DURING PAST FIVE YEARS SINCE - -- -- --- --- ---------- ---------- ---------- - --------
- Luke S. Helms 58 Managing Partner, Sonata Capital Management since 1995 June 2000; Vice Chairman of KeyBank from April 1998 to March 2000; Vice Chairman of BankAmerica Corporation and Bank of America NT&SA from May 1993 to October 1996 Henry L. Kotkins, Jr. 53 President & Chief Executive Officer of Skyway 1995 Luggage Company(5)

William E. Walsh 70 Consultant to the San Francisco 49ers since June 1993 2001; General Manager of the San Francisco 49ers from January 1999 to May 2001; author and management consultant from January 1993 to December 1998

- ---------------

(3) Theodore Rosenberg retired as an officer and employee of the Company as of December 31, 1989 after sixty-one years of service. He also serves as a consultant to the Company.

(4) William W. Steele retired as an officer and employee of the Company effective as of October 31, 2000 after forty-three years of service. He is also a director of Labor Ready, Inc., a publicly-held company.

(5) Henry L. Kotkins, Jr. is a member of the Board of Directors of Skyway Luggage Company, a privately-held company.

FURTHER INFORMATION CONCERNING THE BOARD OF DIRECTORS

COMMITTEES OF THE BOARD

The standing committees of the Board are the Audit Committee, Executive Committee, Executive Officer Compensation & Stock Option Committee, and the Nominating, Governance & Succession Committee. The members and functions of these committees are as follows:

Audit Committee. The Audit Committee oversees the corporate financial reporting process and the internal and external audits of the Company, and ensures that there is effective communication among the Board, management and outside auditors. The responsibilities of the Audit Committee include: (1) recommending outside auditors for approval by the Board, (2) approving fees for the annual audit and related services, (3) ensuring the independence of the outside auditors, (4) reviewing the Company's system of internal accounting controls, (5) reviewing the Company's quarterly and annual financial statements, and discussing them with management and the independent auditors, and (6) making inquiries into matters within the scope of the Audit Committee's functions, and retaining outside counsel if deemed appropriate in connection with such inquiries. The current members of the Audit Committee are Charles T. Horngren, Chairman; Luke S. Helms and Maryellen C. Herringer.

Executive Committee. The Executive Committee has the authority to exercise all power and authority of the Board in the management of the business and affairs of the Company, except for: (1) any functions delegated to other committees of the Board, and (2) any powers which, under Delaware law, may only be exercised by the full Board. The current members of the Executive Committee are William W. Steele, Chairman; Theodore T. Rosenberg, Vice Chairman and Henrik C. Slipsager. Martinn H. Mandles is a non-voting member.

Executive Officer Compensation & Stock Option Committee. The Executive Officer Compensation & Stock Option Committee is responsible for: (1) reviewing and recommending to the Board the compensation and other contractual terms and conditions for employment of the Company's executive officers, and any and all former executive officers of the Company who continue or resume service to the Company as non-officer employees or independent contractors, (2) reviewing the compensation and other contractual terms of other corporate or subsidiary employees whose annual cash compensation exceeds $250,000, (3) administering the Company's stock option plans and authorizing grants thereunder, and (4) administering the Company's employee stock purchase plan. The current members of the Executive Officer Compensation & Stock Option Committee are: Maryellen C. Herringer, Chairman; Henry L. Kotkins, Jr. and William E. Walsh.

Nominating, Governance & Succession Committee. The Nominating, Governance & Succession Committee is responsible for: (1) making recommendations to the Board as to the optimal number of directors on the Board, (2) reviewing and recommending criteria and candidates for selection of new directors and the reelection of incumbent directors, (3) reviewing and recommending management succession plans, and (4) all matters of corporate governance. The current members of the Nominating, Governance & Succession Committee are: Luke S. Helms, Chairman; Linda Chavez and Henry L. Kotkins, Jr.

MEETINGS AND ATTENDANCE

During the fiscal year ended October 31, 2001 ("Fiscal 2001"), the Board met four times; the Executive Committee met twenty-five times; the Audit Committee met five times; the Executive Officer Compensation & Stock Option Committee met five times; and the Nominating, Governance & Succession Committee met twice. During this period, no director attended less than seventy-five percent of the total number of meetings of the Board and of the Committees of which he or she was a member.

COMPENSATION OF DIRECTORS

During Fiscal 2001, Directors who were not current employees of the Company ("Outside Directors") were paid retainer fees of $24,000 per year and $2,000 for each Board or Committee meeting attended. Outside Directors who served as chairpersons of the standing committees of the Board received an additional retainer fee of $2,000 per year. Pursuant to the terms of the Company's Time-Vested Incentive Stock Option Plan adopted in 1987, as amended, each Outside Director also received an annual grant of stock options in the amount of 5,000 shares of ABM Common Stock on the first day of Fiscal 2001. In addition, each Outside Director was entitled to receive $350 per hour for each hour of other services rendered to the Company. In Fiscal 2001, the aggregate amount paid to Outside Directors for additional services was $23,450. The Company reimbursed its Outside Directors for expenses incurred in attending Board and Committee meetings, and for certain other out-of-pocket expenses.

Since June 1992, the Company has entered into Director Retirement Benefit Agreements with all Outside Directors. These agreements provide that, upon the retirement of such Outside Directors from the Board, the Company will pay them the monthly retainer they were receiving at the time of their retirement (subject to a ten percent reduction for every year of service as an outside director less than ten) for a maximum period of ten years. The retired Director may elect to receive such payment monthly, or in a lump sum discounted to present value at the time of retirement. However, Directors under 72 years of age who retire with fewer than five years of service as Outside Directors, are not entitled to any benefits under these agreements. The Company has also entered into Director Indemnification Agreements with each of its directors. These agreements, among other things, require the Company to indemnify its directors against certain liabilities that may arise by reason of their status of service as Directors, to the fullest extent provided by Delaware state law.

Theodore Rosenberg, an Outside Director of the Company since November 1990, retired as an officer and employee of the Company in December 1989. Since January 1990, Theodore Rosenberg has provided consulting services to the Company on a month-to-month basis, for which services he currently receives a fee of $8,333.33 per month in addition to the compensation set forth above for Outside Directors in general. The late Sydney J. Rosenberg retired as a director, officer and employee of the Company in December 1997. Pursuant to his previous employment contract, the Company began making payments to Sydney J. Rosenberg and will continue making payments of $8,333.33 per month to his estate for a period of ten years ending November 2007. The Company also provides medical benefits to the widow of Sydney J. Rosenberg in an amount not to exceed $6,000 per year. William W. Steele, an Outside Director of the Company since November 2000, retired as an officer and employee of the Company in October 2000. Pursuant to his previous employment contract, the Company has begun making payments of $8,333,33 per month to Mr. Steele for a period of ten years ending May 2011. The Company will also provide limited medical and dental benefits for William W. Steele and his wife until each is age seventy-five, and for their minor child until such time as he is no longer an eligible dependent. The current estimated cost of these benefits is $901.26 per month. Since November 2000, William W. Steele has served as Chairman of the Executive Committee of the Board, for which services he currently receives a retainer fee of $8,333.33 a month in addition to the compensation set forth above for Outside Directors.

ITEM 3 -- APPROVAL OF THE COMPANY'S 2002 PRICE-VESTED PERFORMANCE STOCK OPTION PLAN

On December 11, 2001, the Board adopted the 2002 Price-Vested Performance Stock Option Plan (the "2002 Plan"). Adoption of the 2002 Plan is subject to Stockholder approval at the 2002 Annual Meeting. The following discussion provides a summary of the 2002 Plan.

PURPOSE OF THE PLAN

The 2002 Plan is intended to help recruit, motivate, retain and reward senior executives. The 2002 Plan is also intended to provide the Company and its subsidiaries with the ability to utilize incentives which are more directly linked to increases in the price per share of ABM Common Stock.

ADMINISTRATION

The 2002 Plan will be administered by the Executive Officer Compensation & Stock Option Committee (the "Committee"). Members of the Committee must qualify as "nonemployee directors" under Rule l6b-3 of the Securities and Exchange Act of 1934, and as "outside directors" under Section 162(m) of the Code.

Subject to the terms of the 2002 Plan, the Committee has the sole discretion to determine the participants in the Plan, the number of shares of ABM Common Stock to be covered by each stock option ("Option") granted, and the terms and conditions of such grants, except that during the life of the 2002 Plan, no participant may be granted Options for more than 100,000 shares. The Committee also has the authority to adopt, alter and repeal administrative rules, guidelines and practices, to interpret the terms and provisions of the 2002 Plan and any Option issued thereunder and to otherwise supervise the administration of the 2002 Plan.

GENERAL

The number of shares authorized for issuance under the 2002 Plan is 2,000,000. If an Option granted under the 2002 Plan terminates without being exercised, shares subject to such Option will be available for future grants under the Plan. None of the Options will be "incentive stock options" within the meaning of Section 422 of the Code.

In the event of a merger, reorganization, consolidation, recapitalization, stock split, extraordinary distribution with respect to the ABM Common Stock or other similar event affecting ABM Common Stock, the Committee or the Board will make adjustments or substitutions, as appropriate, in the number, class and option price of shares authorized or outstanding as Options,

ELIGIBILITY

The Committee has established that senior executives who are full-time employees of the Company or its subsidiaries, and who are responsible for, or contribute to, the profitable growth of the Company or its subsidiaries are eligible to receive Options under the 2002 Plan.

TERM OF OPTIONS

The term of each Option will be ten years, unless earlier terminated under the circumstances described below.

EXERCISE PRICE OF OPTIONS

In general, the exercise price of each Option will be the fair market value ("Fair Market Value") per share of ABM Common Stock on the date of grant. Fair Market Value means, as of any given date, the average of the highest and lowest reported trades of ABM Common Stock on the New York Stock Exchange Composite Tape for that date or, if there were no trades on that date, the Fair Market Value per share on the nearest trading day after that date. The exercise price of each Option must be paid in full in cash at the time of exercise.

EXERCISABILITY AND VESTING OF OPTIONS

Each Option is exercisable only if such Option has vested. Each Option will vest on the business day immediately preceding the eighth (8th) anniversary of its grant; provided that it has not terminated prior to that date. The vesting of any Option can also accelerate and become immediately exercisable if prior to the fourth (4th) anniversary of its grant, the Fair Market Value of a share of ABM Common Stock equals or exceeds a "Vesting Price" assigned to such Option by the Committee at the date of its grant. In order for accelerated vesting to occur, the Fair Market Value of a share of ABM Common Stock must equal or exceed the Vesting Price of the Option for a period of at least ten (10) trading days in any period of thirty (30) consecutive trading days. It is expected that the Vesting Prices assigned by the Committee to the grants of Options will be: $35, $40, $45 and $50. However, actual Vesting Prices may be higher or lower than those amounts. In no event, however, may any Option be exercised sooner than the first anniversary of its grant date.

If the optionee's employment terminates by reason of death or disability, or if such employment is terminated by the Company without cause, those Options will be exercisable only within ninety days of termination, and only if those Options are then vested. If the optionee's employment terminates by reason of retirement or other "voluntary quit" prior to the vesting of an Option, those Options will terminate immediately. If the optionee's employment is terminated by the Company for cause prior to the vesting of an Option, those unexercised Options will terminate immediately. If the optionee's employment is terminated for any reason after an Option has vested, those Options will be exercisable only within ninety days of such termination.

The right of any participant to exercise an Option may not be transferred in any way other than: (1) pursuant to a beneficiary designation satisfactory to the Committee, or (2) by will or the laws of descent and distribution. All Options are exercisable by an Optionee during his or her lifetime only by the Optionee, or any guardian or legal representative or permitted transferee.

2002 PLAN AWARDS

As described earlier, the Committee has discretion to determine the number of Options to be granted to any individual under the 2002 Plan. Accordingly, the actual number of Options to be granted to any individual is not determinable. Subject to Stockholder approval of the 2002 Plan, the Committee may grant Options to eligible senior executives at a future date.

CHANGE IN CONTROL

Options will become fully vested and exercisable upon a Change in Control (as defined in the 2002 Plan) during the ninety-day period from and after a Change in Control. The 2002 Plan also provides that during the ninety-day period following a Change in Control, the holder of an Option has the right to surrender such Options for cash in an amount equal to the difference between the "Change in Control Price" (as defined in the 2002 Plan) and the exercise price.

AMENDMENT AND TERMINATION

The 2002 Plan will terminate on December 11, 2011. The Committee may amend or terminate the 2002 Plan as of any earlier date.

TAX ASPECTS

The following discussion is intended to provide an overview of the U.S. federal income tax laws which are generally applicable to awards granted under the 2002 Plan as of the date of this Proxy Statement. People in differing circumstances may have different tax consequences, and federal tax laws may change in the future. This discussion is not to be construed as tax advice.

A participant will not realize income at the time an Option is granted. Instead, upon exercise of the Option, the participant will recognize ordinary income equal to the difference between the Fair Market Value of the shares on the date of exercise and the exercise price. Any price gain or loss recognized upon any later disposition of the shares generally will be capital gain or loss.

The Company generally will be entitled to a tax deduction for an award in an amount equal to the ordinary income realized by the participant at the time the participant exercises an Option. In addition, Section 162(m) of the Code contains special rules regarding the federal income tax deductibility of compensation paid to the Company's Chief Executive Officer and to each of the other four most highly compensated executive officers. The general rule is that annual compensation paid to any of these specified executives will be deductible only to the extent that it does not exceed $1 million. However, the Company can preserve the deductibility of certain compensation in excess of $1 million if it complies with conditions imposed by Section 162(m), including the establishment of a maximum number of shares with respect to which Options may be granted to any one employee. The 2002 Plan has been designed so that Options granted thereunder will qualify as performance-based compensation, thereby preserving the deductibility.

The affirmative vote of the majority of the shares represented at the 2002 Annual Meeting and entitled to vote on this proposal will be necessary to approve the 2002 Plan. The Board believes that the 2002 Plan will be valuable to the Company in attracting and retaining the services of key executives upon whom the Company's success depends.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE PROPOSAL TO APPROVE THE 2002 PLAN

EXECUTIVE COMPENSATION

COMPENSATION OF EXECUTIVE OFFICERS

The compensation of the Chief Executive Officer and the four other most highly compensated executive officers of the Company serving as such as of the end of the fiscal year as well as one officer who retired during the fiscal year, for all services in all capacities rendered to the Company and its subsidiaries during the fiscal years ended October 31, 2001, 2000 and 1999 is set forth below. Columns regarding "Other Annual Compensation," "Restricted Stock Awards," and "Long-Term Incentive Plan Payouts" are excluded because no reportable payments in those categories were made to these executive officers in or for the relevant years.

LONG TERM COMPENSATION AWARDS ------------ ANNUAL COMPENSATION(L) SECURITIES ALL FISCAL ---------------------- UNDERLYING OTHER NAME AND THEN CURRENT TITLE(S) YEAR SALARY($) BONUS($) OPTIONS(#) COMPENSATION ----------------- ------------- ------ ---------- - --------- ------------ ----- ------- Henrik C. Slipsager.................... 2001 $650,000 $195,356(2) 62,500 -0- President & Chief Executive Officer 2000 401,322 189,047 -0- -0- since November 2000; Executive Vice 1999 383,673 118,870 -0- -0- President of the Company, and President of the Janitorial Services Division, since November 1999; Senior Vice President of the Company, and Executive Vice President of the Janitorial Services Division, from January 1997 to October 1999 Martinn H. Mandles..................... 2001 $445,232 $140,562 -0- -0- Chairman of the Board since December 2000 424,840 128,436 -0- -0- 1997; Chief Administrative Officer 1999 406,157 248,233 -0- -0- since November 1991 Jess E. Benton......................... 2001 $450,000 $ 94,791 -0- -0- Chief Operating Officer since 2000 355,059 151,002 -0- -0- November 2000; Executive Vice 1999 339,445 145,291 -0- -0- President since November 1999; Senior Vice President from July 1994 through October 1999 Harry H. Kahn.......................... 2001 $278,625 $ 80,754 -0- -0- Senior Vice President since November 2000 265,864 115,544 32,500 -0- 1999; General Counsel & Corporate 1999 254,172 111,174 -0- -0- Secretary since May 1988; Vice President from November 1985 through October 1999 Donna M. Dell.......................... 2001 $224,244 $ 52,392 -0- -0- Senior Vice President of Human 2000 196,638 36,902 32,500 -0- Resources since November 1999; Chief 1999 187,990 35,506 -0- -0- Employment Counsel since April 1997; Vice President of Human Resources from July 1994 through October 1999 David H. Hebble........................ 2001 $229,143 $ 49,987 -0- $122,967(3) Senior Vice President from November 2000 327,972 108,323 32,500 -0- 1999 until his retirement in June 1999 313,549 104,226 -0-

-0- 2001; Chief Financial Officer since October 1979; Vice President from October 1979 through October 1999

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(1) Includes amounts deferred under the Company's Deferred Compensation Plan.

(2) Includes $50,000 signing bonus paid to Mr. Slipsager upon his election as President & Chief Executive Officer

(3) Includes a $34,869 payment for accrued, unused vacation, $1,400 in special project consulting fees, a payment of $82,115 pursuant to the Company's Service Award Benefit Plan and three monthly payments for a total of $4,583 pursuant to the Company's Senior Executive Retirement Plan.

STOCK OPTIONS GRANTED TO EXECUTIVE OFFICERS

The following table sets forth certain information regarding stock options granted during the last fiscal year to the executive officers named in the Summary Compensation Table.

STOCK OPTION GRANTS IN LAST FISCAL YEAR
INDIVIDUAL GRANTS

POTENTIAL REALIZABLE
VALUE AT ASSUMED
NUMBER OF ANNUAL
RATES OF STOCK
SECURITIES PERCENT
OF TOTAL
APPRECIATION FOR
UNDERLYING OPTIONS
GRANTED EXERCISE OR
OPTION TERM(2)
OPTIONS TO EMPLOYEES
BASE PRICE
EXPIRATION ---------
------------ NAME
AND TITLE(S) GRANTED
IN FISCAL YEAR
($/SH)(1) DATE $@5%
$@10% - ------------
----- ---------- ---
------------- ------
----- ---------- ---
----- ----------
Henrik C.
Slipsager..........
40,000(3) 2.2%
$30.75 (4) $773,600
$1,960,000 President
& Chief Executive
20,000(5) 8.6%
$30.75 (6) $386,800
$ 980,000 Officer
2,500(7) 3.5% $30.75
(8) $ 48,350 $
122,500 Martinn H.
Mandles...........
-0- -0- -0- -0- n/a
n/a Chairman of the
Board & Chief
Administrative
Officer Jess E.
Benton...............
-0- -0- -0- -0- n/a
n/a Executive Vice
President & Chief
Operating Officer
Harry H.
Kahn................
-0- -0- -0- -0- n/a
n/a Senior Vice
President, General
Counsel & Corporate
Secretary Donna M.
Dell................
-0- -0- -0- -0- n/a
n/a Senior Vice
President of Human
Resources & Chief
Employment Counsel
David H.
Hebble.............
-0- -0- -0- -0- n/a
n/a Senior Vice
President & Chief
Financial Officer
until his retirement
in June 2001

- ---------------
(1) Fair market value on date of grant.

(2) The dollar amounts under these columns are the result of calculations at the

five percent and ten percent annual rates of stock appreciation prescribed by the Securities and Exchange Commission and are not intended to forecast future appreciation, if any, of the Company's stock price. No gain to the optionee is possible without an increase in the price of the Company's stock, which will benefit all Stockholders. A term of ten years has been used in calculating assumed appreciation.

(3) Options granted under the Price-Vested Performance Stock Option Plan adopted in 1996, which vest according to a schedule tied to the price of ABM Common Stock. Options have been assigned four incremental vesting price goals of $25, $30, $35 and $40. One-fourth of the total number of options granted become exercisable immediately if, on or before the close of business on the fourth anniversary of the grant date, the Fair Market Value of ABM Common Stock (as defined under that Plan) is equal to or greater than the assigned vesting price for that increment for ten trading days in any period of thirty consecutive trading days. Any stock option that has not vested on or before the close of business on the business day immediately following the fourth anniversary of its grant date shall vest at the close of business on the business day immediately preceding the eighth anniversary of its date of grant, if such options have not previously terminated.

(4) The right to exercise these stock options expires on the earlier of ten years from the grant date or upon termination of employment. If termination is due to death or disability, the right to exercise these options expires within ninety days of

such termination. However, these stock options may be immediately exercised in the event of a "Change of Control" as defined in the Price-Vested Performance Stock Option Plan adopted in 1996.

(5) Options granted under the Time-Vested Incentive Stock Option Plan adopted in 1987 which vest at a rate of twenty percent per year over a period of five years.

(6) The right to exercise these options expires three months after termination of employment. However, these stock options may be immediately exercised in the event of a "Change of Control" as defined in the Time-Vested Incentive Stock Option Plan adopted in 1987.

(7) Options granted under the Age-Vested Career Stock Option Plan adopted in 1984. Fifty percent of these options vest on Mr. Slipsager's sixty-first birthday, and the balance vest on his sixty-fourth birthday.

(8) The right to exercise these options expires one year after termination of employment. However, these stock options may be immediately exercised in the event of a "Change of Control" as defined in the Age-Vested Career Stock Option Plan adopted in 1984.

OPTIONS EXERCISED BY EXECUTIVE OFFICERS

The following table sets forth certain information regarding options exercised and owned by the executive officers named in the Summary Compensation Table.

AGGREGATED STOCK OPTION EXERCISES IN LAST FISCAL YEAR
AND FISCAL YEAR-END STOCK OPTION VALUES

NAME AND TITLE	SHARES ACQUIRED ON EXERCISE(#)	VALUE REALIZED	COMMON SHARES UNDERLYING UNEXERCISED OPTIONS ON OCTOBER 31, 2001 EXERCISABLE	UNEXERCISABLE	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS ON OCTOBER 31, 2001(1) EXERCISABLE	UNEXERCISABLE
Henrik C. Slipsager....... President & Chief Executive Officer	-0-	-0-	36,000	14,000	$ 294,800	$ 110,200
Martinn H. Mandles........ Chairman of the Board & Chief Administrative Officer	38,000	$ 953,470	100,000	60,000	$ 780,000	$ 942,840
Jess E. Benton............ Executive Vice President & Chief Operating Officer	16,000	$ 381,040	105,000	55,000	$1,136,850	$ 972,750
Harry H. Kahn............. Senior Vice President,	-0-	-0-	94,000	45,500	$1,003,055	$ 584,005

General Counsel &
Corporate
Secretary Donna
M.
Dell............
6,000 $ 58,876
58,715 29,500 $
430,513 $ 238,725
Senior Vice
President of
Human Resources &
Chief Employment
Counsel David H.
Hebble..........
130,050
$2,332,057 -0-
-0- -0- -0-
Senior Vice
President & Chief
Financial Officer
until his
retirement in
June 2001

- ---------------

(1) The value of unexercised in-the-money options equals the difference between the stock option exercise price and $27.30, the closing price of ABM Common Stock on the New York Stock Exchange on October 31, 2001, multiplied by the number of shares underlying the stock option.

SERVICE AWARD BENEFIT PLAN

The Company's Service Award Benefit Plan is an unfunded "severance pay plan" as defined in the Employee Retirement Income Security Act of 1974, as amended. All qualified employees, as defined in the

Service Award Benefit Plan, who meet the Internal Revenue Service definition of being a highly compensated employee are eligible for benefits under the Plan. The Company has a separate 401(k) Plan for all qualified employees, as defined in the 401(k) Plan, who earn less than such amount. The Service Award Benefit Plan provides that, upon termination, eligible employees will receive seven days pay for each full calendar year of employment subsequent to December 31, 1991. The Company, at its discretion, may also award additional days each year. The amount of the payment is based on the final average annual compensation, up to a maximum of $175,000, received by the employee during their last three calendar years of full-time employment with the Company. The amount of the payment under the plan, together with any other severance pay paid to the employee, cannot exceed two times the compensation received by the employee in the twelve-month period preceding the termination of employment. If employment terminates before the employee has been employed for five years, except in the case of death, disability or normal retirement of the employee, or if the employee is terminated for cause (such as theft or embezzlement), such employee forfeits any benefits payable under the plan. Following termination, eligible employees will receive their payments under the plan in two equal installments. Executives, managers and salespersons of the Company will receive their first payment in the eleventh month following termination and the second payment no later than the last day of the twenty-third month following termination. Other eligible employees will receive their first payment as soon as administratively possible following termination and their second payment in the thirteenth month following termination. The payment schedule may be waived for employees who terminate employment after reaching age sixty-two, or if termination results from death or total disability.

EMPLOYMENT AGREEMENTS

During Fiscal 2001, the Company had written employment agreements with all of its current executive officers, including the six executive officers named in the Summary Compensation Table. These employment agreements provide for annual salaries in the following amounts for fiscal 2001: $650,000 for Henrik C. Slipsager, $450,000 for Jess E. Benton, $445,232 for Martinn H. Mandles, $278,625 for Harry H. Kahn, $343,715 for David H. Hebble, and $225,000 for Donna M. Dell. Unless earlier terminated or later extended pursuant to their terms, these employment agreements continue until October 31, 2003 for Henrik C. Slipsager and Martinn H. Mandles, and October 31, 2002 for Jess E. Benton. The employment agreements of Harry H. Kahn and Donna M. Dell terminated on October 31, 2001, and David H. Hebble's agreement terminated upon his retirement in June 2001. These employment agreements also provided for annual bonuses based on pretax profits, plus other customary benefits including, but not limited to, participation in the Company's group health, disability and life insurance programs. The Company also provides all of its executive officers with certain other perquisites, such as Company-provided automobiles or car allowances, an executive group health plan, club memberships and dues, and incidental personal benefits.

These written agreements also provide that after an executive officer's resignation, retirement or other termination from full-time employment with the Company (but commencing no earlier than the executive officer's 65th birthday), the Company has accrued and/or will accrue for them or their respective estates, as applicable, consulting fees in the following amounts, with the total accrual payable in 120 equal monthly installments to each executive or their estate: (i) for Henrik C. Slipsager, $1,000 per month for each month of employment completed between November 1, 1997 and October 31, 2007, plus $500 per month for each month of employment completed between March 1, 1998 and February 29, 2003, plus $14,167 per month for each month of employment completed between November 1, 2000 and October 21, 2005; (ii) for Martinn H. Mandles, $500,000; (iii) for Jess E. Benton, $250,000; (iv) for Harry H. Kahn, $150,000 plus $1,667 per month for each month of employment completed between November 1, 1999 and October 31, 2004; (v) for Donna M. Dell, $1,250 per month for each month of employment completed between July 1, 1994 and June 30, 2004, plus $1,667 per month for each month of employment completed between November 1, 1999 and October 31, 2004, and (vi) for David H. Hebble, $183,333.

EXECUTIVE OFFICER COMPENSATION & STOCK OPTION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

Maryellen C. Herringer, Henry L. Kotkins, Jr. and William E. Walsh currently serve as members of the Executive Officer Compensation & Stock Option Committee of the Board. They have no relationships with the Company other than as directors and Stockholders. During Fiscal 2001, no executive officer of the Company served as a member of the compensation committee, or as a director of any other for-profit entity other than subsidiaries of the Company.

EXECUTIVE OFFICER COMPENSATION & STOCK OPTION COMMITTEE REPORT ON COMPENSATION

February 11, 2002

To the Board of Directors:

Introduction. Based upon its evaluation of the performance of both the Company and its executive officers, the Executive Officer Compensation & Stock Option Committee reviews and recommends to the Board the compensation and other terms and conditions of employment for: (i) all current executive officers of the Company, who are: the President & Chief Executive Officer, the Chairman of the Board & Chief Administrative Officer, the Executive Vice President & Chief Operating Officer, four Senior Vice Presidents (including the Chief Financial Officer), and four Vice Presidents (including the Controller & Chief Accounting Officer), and (ii) any former executive officer who continues or resumes service to the Company as a non-officer employee or consultant. The compensation decisions made for executive officers have generally become the subject of written employment agreements between the Company and the executive officers. The Committee also reviews the compensation and other terms and conditions of employment of any corporate or subsidiary employee whose annual cash compensation exceeds $250,000.

Compensation Program. Because the Company is primarily a service business, the leadership of its executive officers is crucial to the Company's growth and prosperity. It is the Committee's goal that the policies underlying the Company's executive compensation programs support the Company's ultimate goal of enhancing stockholder value by providing services to customers at a profit to the Company. Each executive officer is compensated through a combination of annual salary and bonus, plus stock option grants from time-to-time. Prior to the replacement or renewal of an employment agreement with an executive officer, the Committee reviews the overall compensation package of the executive officer and weighs it against the executive's past performance, expectations as to the executive's future performance, the Company's profitability and other factors such as length of service to the Company, in determining any new employment agreement. Annual bonuses are an important part of overall executive officer compensation because it gives these officers a material stake in the financial performance of the Company by tying their compensation to the Company's ultimate goal of enhancing stockholder values. When the Committee implemented the bonus arrangement included in the employment agreements applicable to Fiscal 2001, it expected that such bonuses would represent a significant portion of an executive officer's annual salary if the Company achieved its budgeted profit.

To assist in its review, the Committee retains, from time-to-time, the services of an independent executive compensation consulting firm to evaluate the Company's compensation of its executive officers. The consultant reviewed the compensation program during fiscal year 2000 and compared the cash, bonus and long term incentive compensation of executives against a peer group of companies providing business services similar to the Company and certain nationally published compensation surveys. Based upon the results of the evaluation undertaken by its consulting firm, the Committee believes the basic framework of the Company's compensation program generally allows the Company to recruit, incentivize and retain executives who are best able to contribute to the overall success of the Company, including the Company's ultimate goal of enhancing stockholder value.

Annual Salaries and Bonuses. During Fiscal 2001, the Company had employment agreements with all of its executive officers which set forth the compensation and other terms and conditions of their employment with the Company. Under these written employment agreements, each executive officer was entitled to receive cash compensation in the form of an annual salary, plus an annual bonus related directly to the profit before taxes of the Company on a consolidated basis (and after giving effect to certain adjustments for extraordinary items as specified in such agreements).

For the Company's executive officers to be entitled to receive an increase in annual salary for Fiscal 2001 under their employment agreements, the Company's earnings per share for fiscal year 2000 had to exceed the earnings per share for fiscal year 1999, in which case annual salaries would be increased by an amount equal to the percentage change in the WorldatWork(TM) 2001 - 2002 Total Salary Increase Budget Survey (formerly the American Compensation Association Index) to a maximum of six percent per year. Since earnings per share in fiscal year 2000 exceeded earnings per share in fiscal year 1999, each executive officer received a salary increase of 4.8% for Fiscal 2001.

Under the employment agreements in effect for Fiscal 2001, no bonus payments were required to be made to the executive officers because earnings per share were less than 80% of earnings per share in fiscal year 2000. The Committee, however, waived this provision and approved bonus payments based on the Company's income before taxes for Fiscal 2001, adjusted to (a) exclude the premium over the book value of the net assets of the Easterday Janitorial Supply Division, which was sold during such year, and (b) include a tax credit not reflected in pre-tax profit. The Committee approved these bonuses, as well as additional minor discretionary bonuses for the Company's Chief Executive Officer and two other executive officers, after assessing the performance of the executive officers during Fiscal 2001 and concluded that such bonuses were in the Company's interests under the circumstances and notwithstanding the fact that the Company was not obligated to pay such bonuses.

Stock Option Grants. Except for grants made to the Chief Executive Officer and described below, the Company did not grant any stock options to the named executive officers during fiscal year 2001.

Other Compensation. The Company's executive officers are also eligible to participate in compensation and benefit programs generally available to other employees, including, but not limited to, the Company's group health, disability and life insurance programs. In accordance with the terms and conditions of the written employment agreements, the Company also provides its executive officers with certain perquisites, such as Company-provided automobiles or car allowances, an executive group health plan, club memberships and dues, and incidental personal benefits.

Basis for CEO Compensation. The Chief Executive Officer's compensation is evaluated in accordance with the factors and criteria used to evaluate all executive officers. For Fiscal 2001, the Company's Chief Executive Officer, Henrik C. Slipsager, received a salary of $650,000 and a bonus of $145,356. In addition and as a result of Mr. Slipsager's election to that office at the beginning of Fiscal 2001, Mr. Slipsager was paid a signing bonus of $50,000, and he was also granted options to purchase 20,000 shares of ABM Common Stock under the Time-Vested Stock Option Plan, options to purchase 40,000 shares under the Price-Vested Stock Option Plan and options to purchase 2,500 shares under the Age-Vested Stock Option Plan, in each case at an exercise price of $30.75 per share.

IRS Section 162(m). The Company does not expect the deductibility limit of Section 162(m) to have a material effect on the Company because cash compensation paid to each of the Company's executive officers currently is less than $1,000,000 per year. In addition, the Company believes that non-qualified stock options granted under the Company's stock option plans are exempt from the deductibility limitation because such options have been qualified as "performance-based" compensation under Section 162(m). Incentive stock options granted under the Company's stock option plans generally do not entitle the Company to a tax deduction without regard to Section 162(m).

Executive Officer Compensation &
Stock Option Committee

Maryellen C. Herringer, Chairman
Henry L. Kotkins, Jr., Member
William E. Walsh, Member

EXECUTIVE OFFICER COMPENSATION & STOCK OPTION COMMITTEE REPORT ON STOCK OPTIONS.

February 11, 2002

To the Board of Directors:

The Executive Officer Compensation & Stock Option Committee administers the Company's stock option plans and authorizes grants thereunder. The Company's stock option plans provide executive officers and other employees with an opportunity to purchase a proprietary interest in the Company and thus encourage them to become and remain employed by the Company. The Committee views the granting of stock options and the ownership of stock as important mechanisms for relating overall compensation of executive officers and other employees directly to the Company's ultimate goal of enhancing stockholder value. During the fiscal year ended October 31, 2001, the Committee approved stock options for 228 newly hired or recently promoted employees to purchase a total of 233,200 shares under the Time-Vested Incentive Stock Option Plan adopted in 1987, as amended; approved stock options for 16 newly hired or recently promoted employees to purchase a total of 72,500 shares under the Age-Vested Career Stock Option Plan adopted in 1984, as amended, and approved stock options for five recently promoted employees to purchase 180,000 shares under the Price-Vested Performance Stock Option Plan adopted in 1996. Similar evaluations and grants have been made each year since 1996.

In determining the levels of stock option grants available to employees, the Committee considers the employee's responsibility and performance, the Company's overall profitability, the aggregate number of such stock options that had been granted in recent years, and other factors such as length of service to the Company.

Executive Officer Compensation &
Stock Option Committee

Maryellen C. Herringer, Chairman
Henry L. Kotkins, Jr., Member
William E. Walsh, Member

AUDIT COMMITTEE REPORT

February 11, 2002

The Audit Committee of the Board is comprised of three independent directors, none of whom are officers or employees of the Company. The members of the Committee are: Charles T. Horngren, Chairman; Maryellen C. Herringer and Luke S. Helms. The Board adopted a written charter for the Audit Committee on June 19, 2000 and reviewed and confirmed its adequacy at the Committee meeting held on March 21, 2001. The Audit Committee recommends the selection of the Company's independent auditors for approval by the Board.

The Audit Committee reviews the company's financial reporting process on behalf of the Board. Management has the primary responsibility for the financial statements and the reporting process, including the system of internal controls. The independent auditors are responsible for performing an independent audit of the consolidated financial statements to ensure that those statements were prepared in accordance with generally accepted accounting principles and report thereon to the Audit Committee. The Audit Committee reviews and monitors these processes.

Within this framework, the Audit Committee has reviewed and discussed the audited financial statements with management and the independent auditors. Management of the Company has affirmed to the Audit Committee that the Company's consolidated financial statements were prepared in accordance with generally accepted accounting principles. The Audit Committee has discussed with the independent auditors those matters required to be discussed by Statement of Auditing Standards No. 61.

In addition, the Audit Committee has received the written disclosures and the letter from the independent auditors required by the Independence Standards Board Standard No. 1, and has also discussed with the independent auditors, the auditor's independence from management and the Company. In connection with the new standards for independence of the Company's independent auditors promulgated by the Securities and Exchange Commission, the Audit Committee has undertaken to consider whether the provision of any non-audit services (such as internal audit assistance and tax-related services) by the Company's independent auditors is compatible with maintaining the independence of the independent auditors when the independent auditors are also engaged to provide non-audit services.

The Audit Committee also discussed with the Company's internal and independent auditors the overall scope and plans for their respective audits, their evaluation of the company's internal controls and the overall quality of the Company's financial reporting.

Based on these reviews and discussions, the Audit Committee has recommended to the Board, and the Board has approved, that the audited consolidated financial statements be included in the Company's Annual Report on Form 10-K, as amended, for the year ended October 31, 2001.

Audit Committee

Charles T. Horngren, Chairman
Luke S. Helms, Member
Maryellen C. Herringer, Member

PERFORMANCE GRAPH

Set forth below is a graph comparing the five-year cumulative total stockholder return of ABM Common Stock with the five-year cumulative total return of: (1) the Standard & Poor's 500, and (2) a peer group of all companies that, like the Company: (a) are currently listed on the New York Stock Exchange, (b) have been publicly-traded for at least five years, and (c) have a market capitalization of $650 million to $675 million based on the most recent publicly available number of shares outstanding on December 31, 2001, and the closing price of such shares on that date. The peer group consists of the following companies, in addition to the Company: Agnico Eagle Mines Ltd., Banco De A. Edwards -- SP ADR, Brady Corporation, Burlington Coat Factory Warehouse Corporation, CH Energy Group, Inc., First Commonwealth Financial Corporation, Footstar Inc., Gables Residential Trust, J. Hancock Bank and Thrift Opportunity Fund, Home Properties New York, Inc., Industrie Natuzzi SpA, Manufactured Home Communities, Inc., McDermott International Inc., MFS Government Markets Income Trust, Moore Corporation, Ltd., Nuveen Municipal Market Opportunity Fund, Olin Corporation, Southwest Gas Corporation, Suburban Propane Partners, Sun Communities, Inc., Sunrise Assisted Living, Inc. Visx Incorporated, Westcorp, and Zweig Total Return Fund.

Last year's peer group consisted of the following companies that, like the Company: (1) were then listed on the New York Stock Exchange, (2) had been publicly-traded for at least five years, and (3) had a market capitalization of $625 to $675 million at December 31, 2000: Acuson Corporation, Alliance World Dollar Government Fund II, Baldor Electric Co., Belden Inc., CH Energy Group Inc., Developers Diversified Realty, Diagnostic Products Corp., Dole Food Co., Inc., F & M National Corp., J. Hancock Bank and Thrift Opportunity Fund, Jefferies Group, Inc., Kaydon Corp., MacDermid Inc., Macerich Co., Manitowoc Company, Inc., Minerals Technologies Inc., Newhall Land & Farming Co., LP, Newpark Resources, Inc., Rehabcare Group Inc., Reliance Steel & Aluminum Co., Service Corp. International, Shandong Huaneng Ltd., J.M. Smucker Co., Southwest Gas Corp., SPS Technologies Inc., Summit Properties Inc., Sun International Hotels Ltd., UGI Corp. and UIL Holdings Corp.

The Company does not believe it can reasonably identify a peer group of companies on an industry or line-of-business basis for the purpose of developing a comparative performance index. The facility services industry is highly fragmented, primarily consisting of privately-owned businesses that provide a limited range of services on a local or regional basis. While the Company is aware that some other publicly-traded companies engage in one or more of the Company's eight lines-of-business, none of these other companies provide most or all of the services offered by the Company, and many offer other services or products as well. Moreover, some of these other companies that engage in one or more of the Company's eight lines of business do so through divisions or subsidiaries that are not publicly-traded and/or reported. For all of these reasons, no such comparison would, in the opinion of the Company, provide a meaningful index of comparative performance.

The comparisons in the following graph are based on historical data and are not indicative of, or intended to forecast, the possible future performance of ABM Common Stock.

FIVE YEAR CUMULATIVE TOTAL RETURN TO STOCKHOLDERS*

* Assumes (a) $100.00 invested on November 1, 1996, and (b) immediate reinvestment of all interim dividends.

[GRAPH]

Fiscal Years
Ended October
31st 1996
1997 1998
1999 2000
2001 - ------
------ ---- -
--- ---- ----
---- ----
Company: ABM
Industries
Incorporated**
100 157 165
143 172 171
Broad Market:
Standard and
Poor's 500
Index** 100
132 161 203
215 161 Peer
Group: Market
capitalization
of $650-$675
million,
listed on the
NYSE and

publicly-traded for at least five years** 100 118 110 125 103 114

** Source: Standard & Poor's Computer Data Services

PRINCIPAL STOCKHOLDERS

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

The following table sets forth certain information as to the persons or entities known to the Company to be beneficial owners of more than five percent of ABM Common Stock as of December 31, 2001.

NAME AND ADDRESS OF BENEFICIAL OWNERS	NUMBER OF SHARES	PERCENT(1)
The Theodore Rosenberg Trust(2)(3).......................... 295-89th Street, Suite 200 Daly City, California 94015	2,395,778	9.8%
The Sydney J. Rosenberg Trusts(2)(4)........................ c/o Bank of America N.A 2049 Century Park East, Suite 200 Los Angeles, California 90067	2,243,824	9.2%

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(1) Based on a total of 24,483,118 shares of ABM Common Stock outstanding as of December 31, 2001.

(2) Agreements establishing and between The Sydney J. Rosenberg Trusts and The Theodore Rosenberg Trust (the "Trusts") each contain provisions that request their respective Trustees to act in concert with each other, and that prohibit the sale, transfer or distribution prior to January 1, 2006, of the ABM Common Stock held in the Trusts (except in connection with the sale or exchange by both Trusts of all or substantially all of their ABM Common Stock). Because these Trusts may act in concert with each other, they constitute a group within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Accordingly, each Trust may be deemed to own an aggregate of 4,639,602 shares of ABM Common Stock, or approximately nineteen percent of the outstanding ABM Common Stock. Subject to the foregoing, The Sydney J. Rosenberg Trusts and The Theodore Rosenberg Trust disclaim beneficial ownership of ABM Common Stock held by the other. The Sydney J. Rosenberg Trusts and The Theodore Rosenberg Trust may each be deemed to be a "control person" of the Company within the meaning of the Rules and Regulations of the Securities and Exchange Commission under the Exchange Act.

(3) Includes 2,373,778 shares of ABM Common Stock held by The Theodore Rosenberg Trust, a revocable trust of which Theodore Rosenberg is the only Trustee and sole beneficiary. Also includes 22,000 shares subject to outstanding stock options held by Theodore Rosenberg that were exercisable on or within 60 days after December 31, 2001.

(4) The Sydney J. Rosenberg Trusts are irrevocable trusts of which S. Brad Rosenberg, Martinn H. Mandles and Bank of America N.A. are the only Co-Trustees, and of which there are several beneficiaries (including S. Brad Rosenberg, but not Mr. Mandles). Except to the extent of his shared voting and investment power, Martinn H. Mandles disclaims beneficial ownership of the shares of ABM Common Stock held in the name of The Sydney J. Rosenberg Trusts.

SECURITY OWNERSHIP OF MANAGEMENT

The following table indicates, as to each named executive officer, director and nominee, and as to all directors and executive officers as a group, the number of shares and percentage of ABM Common Stock beneficially owned as of December 31, 2001. Except as noted, each person has sole voting and investment power over the shares shown in the table.

	NUMBER OF SHARES BENEFICIALLY OWNED AS OF DECEMBER 31, 2001	
EXECUTIVE OFFICER AND/OR DIRECTOR	NUMBER OF SHARES	PERCENT(1)
Jess E. Benton	194,524(2)	*
Linda Chavez	13,200(3)	*
Donna M. Dell	67,565(4)	*
David H. Hebble	56,223	*
Luke S. Helms	24,000(5)	*
Maryellen C. Herringer	32,000(6)	*
Charles T. Horngren	39,800(7)	*
Harry H. Kahn	94,537(8)	*
Henry L. Kotkins, Jr.	25,000(9)	*
Martinn H. Mandles	2,502,452(10)	10.2%
Theodore Rosenberg	2,426,570(11)	9.9%
Henrik C. Slipsager	66,660(12)	*
William W. Steele	157,258(13)	*
William E. Walsh	17,400(14)	*
Executive Officers and directors as a group (nineteen persons)	5,821,220(15)	23.8%

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* Less than one percent

(1) Based on a total of 24,483,118 shares of ABM Common Stock outstanding as of December 31, 2001.

(2) Includes 131,250 shares subject to outstanding stock options held by Jess E. Benton III that were exercisable on or within 60 days after December 31, 2001.

(3) Includes 13,200 shares subject to outstanding options held by Linda Chavez that were exercisable on or within 60 days after December 31, 2001.

(4) Includes 60,715 shares subject to outstanding stock options held by Donna M. Dell that were exercisable on or within 60 days after December 31, 2001.

(5) Includes 23,000 shares subject to outstanding stock options held by Luke S. Helms that were exercisable on or within 60 days after December 31, 2001.

(6) Includes 27,000 shares subject to outstanding stock options held by Maryellen C. Herringer that were exercisable on or within 60 days after December 31, 2001.

(7) Includes 33,000 shares subject to outstanding stock options held by Charles T. Horngren that were exercisable on or within 60 days after December 31, 2001.

(8) Includes 84,000 shares subject to outstanding stock options held by Harry H. Kahn that were exercisable on or within 60 days after December 31, 2001.

(9) Includes 23,000 shares subject to outstanding stock options held by Henry L. Kotkins, Jr. that were exercisable on or within 60 days after December 31, 2001.

(10) Includes 2,243,824 shares of ABM Common Stock held by The Sydney J. Rosenberg Trusts, which are irrevocable trusts, of which S. Brad Rosenberg, Martinn H. Mandles and Bank of America N.A. are the only Co-Trustees, and of which there are several beneficiaries (including S. Brad Rosenberg, but not Mr. Mandles). Except to the extent of his shared voting and investment power, Mr. Mandles disclaims beneficial ownership of all such shares. Also includes 25,536 shares of ABM Common Stock held by The

Leo L. Schaumer Trusts, which are irrevocable trusts of which Mr. Mandles is Co-Trustee with Bank of America N.A. Except to the extent of his shared voting and investment power, Mr. Mandles disclaims beneficial ownership of all such shares. Also includes 126,250 shares subject to outstanding stock options held by Martinn H. Mandles that were exercisable on or within 60 days after December 31, 2001. See also footnotes (2) and (4) of "Security Ownership of Certain Beneficial Owners".

(11) Includes 2,373,778 shares of ABM Common Stock held by The Theodore Rosenberg Trust, a revocable trust of which Theodore Rosenberg is the only Trustee and sole beneficiary. Also includes 30,792 shares of ABM Common Stock held by a family charitable foundation, of which Theodore Rosenberg is a director. The Theodore Rosenberg Trust disclaims beneficial ownership of the shares held by the family charitable foundation. Also includes 22,000 shares subject to outstanding stock options held by Theodore Rosenberg that were exercisable on or within 60 days after December 31, 2001. See also footnotes (2) and (3) of "Security Ownership of Certain Beneficial Owners".

(12) Includes 64,000 shares subject to outstanding options held by Henrik C. Slipsager that were exercisable on or within 60 days after December 31, 2001.

(13) Includes 1,000 shares subject to outstanding stock options held by William W. Steele that were exercisable on or within 60 days after December 31, 2001.

(14) Includes 17,400 shares subject to outstanding stock options held by William E. Walsh that were exercisable on or within 60 days after December 31, 2001.

(15) Includes 717,315 shares subject to outstanding stock options held by the Company's executive officers and directors that were exercisable on or within 60 days after December 31, 2001.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires the Company's directors, officers and persons who own more than ten percent of a registered class of the Company's registered securities to file reports of ownership and changes in ownership with the Securities and Exchange Commission. Based on a review of the reporting forms and representations of its directors, officers and ten percent Stockholders, the Company believes that during Fiscal 2001 all such persons were in compliance with the reporting requirements; however, reports of two transactions of one sale each by Director William W. Steele were inadvertently delayed.

APPOINTMENT OF AUDITORS

KPMG LLP, independent certified public accountants, have been selected as the Company's principal accountants for the current year. Representatives of KPMG LLP will be present at the 2002 Annual Meeting with the opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions.

Audit Fees. KPMG LLP billed the Company $532,000 during Fiscal 2001 for the independent audit of the Company's annual financial statements and review of the financial statements contained in the Company's quarterly reports on Form 10-Q.

All Other Fees. KPMG LLP billed the Company $888,000 during Fiscal 2001 for services other than those covered under "Audit Fees", including internal audit assistance and tax-related services. Prospectively, KPMG will not be engaged in the dual capacity of providing internal audit assistance and serving as principal independent auditor.

OTHER MATTERS

As of the date of this Proxy Statement, there are no other matters which the Board intends to present or has reason to believe others will present at the 2002 Annual Meeting of Stockholders. If other matters properly come before the 2002 Annual Meeting, the accompanying proxy grants the proxy holders discretionary authority to vote on any matter raised at the 2002 Annual Meeting, except to the extent such discretion may be limited under Rule 14a-4(c) of the Exchange Act.

2003 ANNUAL MEETING OF STOCKHOLDERS

In connection with the 2002 Annual Meeting, no Stockholder proposals were presented. Any proposals intended to be presented at the 2003 Annual Meeting of Stockholders must be received at the Company's offices on or before October 18, 2002 in order to be considered for inclusion in the Company's proxy statement and form of proxy relating to such meeting.

If a stockholder intends to submit a proposal at the 2003 Annual Meeting of the Company, which proposal is not intended to be included in the Company's proxy statement and form of proxy relating to such meeting, the stockholder must give proper notice no later than December 17, 2002. If a stockholder fails to submit the proposal by such date, the proposal will not be considered at the 2003 Annual Meeting as it will not be in accordance with the Company's Bylaws.

By Order of the Board of Directors

/s/ HARRY H. KAHN, ESQ.
Harry H. Kahn, Esq.
Senior Vice President, General Counsel
& Corporate Secretary

February 11, 2002

PROXY

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS OF
ABM INDUSTRIES INCORPORATED
FOR THE ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON

MARCH 12, 2002

The undersigned hereby appoints Harry H. Kahn, Martinn H. Mandles and Henrik C. Slipsager, and each of them, as proxies and attorneys-in-fact and hereby authorizes them to represent and vote, as provided on the reverse side of this card, all the shares of Common Stock of ABM Industries Incorporated which the undersigned is entitled to vote and, in their discretion, to vote upon such other business as may properly come before the Annual Meeting of Stockholders of the Company to be held on March 12, 2002, or at any adjournment thereof, with all powers which the undersigned would possess if present at the Meeting.

To vote on any item, please mark this proxy as indicated on the reverse side of this card. If you wish to vote in accordance with the Board of Directors recommendations, please sign the reverse side; no boxes need be checked. Instructions to vote via telephone or on the Internet are on the reverse side of this card.

(Continued on other side)

--FOLD AND DETACH HERE--

Please mark your votes [X] this way

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR ALL NOMINEES AND FOR ITEM 2.

	FOR ALL NOMINEES (EXCEPT AS LISTED BELOW)	WITHHOLD AUTHORITY TO VOTE FOR ALL NOMINEES
Item 1. ELECTION OF DIRECTORS For terms ending at the Annual Meeting in 2005 Nominees: Maryellen C. Herringer Charles T. Horngren Martinn H. Mandles WITHHELD FOR: (Write Nominee name(s) in the space provided below).	[ ]	[ ]

- --

	FOR	AGAINST	ABSTAIN
Item 2. Approve the Company's 2002 Price-Vested Performance Stock Option Plan.	[ ]	[ ]	[ ]

Signature(s) --- Date --------------

Please sign exactly as your name appears above. For joint accounts, each owner should sign. If signing as an administrator, attorney, conservator, executor, guardian, officer or trustee, please provide full title(s) as well as signature(s)

--FOLD AND DETACH HERE BEFORE MAILING CARD--

Vote by Internet or telephone
24 hours a day, 7 days a week

Internet and telephone voting is available
through 4:00 p.m. Eastern Time on March 11, 2002

Your Internet or telephone vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed and returned your proxy card.

INTERNET http://www.eproxy.com/abm		TELEPHONE 1-800-435-6710
Use the Internet to vote your proxy. Have your proxy card in hand when you access the web site. You will be prompted to enter your control number, located in the box below, to create and submit an electronic ballot.	OR	Use any touch-tone telephone to vote your proxy. Have your proxy card in hand when you call. You will be prompted to enter your control number, located in the box below, and then follow the directions given.

IF YOU VOTE YOUR PROXY BY INTERNET OR BY TELEPHONE,
YOU DO NOT NEED TO MAIL BACK YOUR PROXY CARD.