



# Reconciliation of non-GAAP Financial Measures

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

## ABM Industries Incorporated and Subsidiaries

	<u>Three Months Ended April 30,</u>		<u>Six Months Ended April 30,</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
<b>Reconciliation of Adjusted Income from Continuing Operations to Net Income</b>				
Adjusted income from continuing operations	\$ 16,251	\$ 14,967	\$ 28,037	\$ 26,715
Items impacting comparability, net of taxes	(4,504)	(767)	(5,650)	(4,110)
Income from continuing operations	<u>11,747</u>	<u>14,200</u>	<u>22,387</u>	<u>22,605</u>
Loss from discontinued operations	<u>(35)</u>	<u>(8)</u>	<u>(45)</u>	<u>(24)</u>
Net income	<u>\$ 11,712</u>	<u>\$ 14,192</u>	<u>\$ 22,342</u>	<u>\$ 22,581</u>
<b>Reconciliation of Adjusted Income from Continuing Operations to Income from Continuing Operations</b>				
Adjusted income from continuing operations	\$ 16,251	\$ 14,967	\$ 28,037	\$ 26,715
Items impacting comparability:				
Corporate initiatives and other (a)	(945)	-	(2,371)	-
Rebranding (b)	(759)	-	(1,490)	-
U.S. Foreign Corrupt Practices Act investigation (c)	(855)	-	(2,728)	-
Gain from equity investment (d)	846	-	2,927	-
Auction rate security credit loss	(313)	-	(313)	-
Linc purchase accounting	-	(418)	-	(698)
Acquisition costs	(147)	(803)	(147)	(4,927)
Litigation and other settlements	(5,390)	-	(5,390)	(920)
Total items impacting comparability	<u>(7,563)</u>	<u>(1,221)</u>	<u>(9,512)</u>	<u>(6,545)</u>
Income taxes benefit	<u>3,059</u>	<u>454</u>	<u>3,862</u>	<u>2,435</u>
Items impacting comparability, net of taxes	<u>(4,504)</u>	<u>(767)</u>	<u>(5,650)</u>	<u>(4,110)</u>
Income from continuing operations	<u>\$ 11,747</u>	<u>\$ 14,200</u>	<u>\$ 22,387</u>	<u>\$ 22,605</u>
<b>Reconciliation of Adjusted EBITDA to Net Income</b>				
Adjusted EBITDA	\$ 40,500	\$ 42,046	\$ 76,413	\$ 77,747
Items impacting comparability	(7,563)	(1,221)	(9,512)	(6,545)
Discontinued operations	(35)	(8)	(45)	(24)
Income taxes	(5,863)	(8,814)	(13,317)	(14,066)
Interest expense	(2,441)	(4,317)	(5,275)	(8,363)
Depreciation and amortization	<u>(12,886)</u>	<u>(13,494)</u>	<u>(25,922)</u>	<u>(26,168)</u>
Net income	<u>\$ 11,712</u>	<u>\$ 14,192</u>	<u>\$ 22,342</u>	<u>\$ 22,581</u>

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

## ABM Industries Incorporated and Subsidiaries

(Continued)

### 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,	
	2012	2011	2012	2011
Adjusted income from continuing operations per diluted share	\$ 0.30	\$ 0.28	\$ 0.51	\$ 0.50
Items impacting comparability, net of taxes	(0.09)	(0.02)	(0.10)	(0.08)
Income from continuing operations per diluted share	<u>\$ 0.21</u>	<u>\$ 0.26</u>	<u>\$ 0.41</u>	<u>\$ 0.42</u>
Diluted shares	54,963	54,159	54,728	54,026

(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.

# 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, 2012

	Year Ending October 31, 2012	
	Low Estimate	High Estimate
	(per diluted share)	
Adjusted income from continuing operations per diluted share	\$ 1.40	\$ 1.50
Adjustments to income from continuing operations (a)	\$ (0.14)	\$ (0.14)
Income from continuing operations per diluted share	<u>\$ 1.26</u>	<u>\$ 1.36</u>

(a) Adjustments to income from continuing operations are expected to include rebranding costs and other unique items impacting comparability.