



Unaudited Reconciliation of non-GAAP Financial Measures

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

(in thousands, except per share data)

	Three Months Ended July 31,		Nine Months Ended July 31,	
	2012	2011	2012	2011
Reconciliation of Adjusted Income from Continuing Operations to Net Income				
Adjusted income from continuing operations	\$ 20,355	\$ 27,882	\$ 48,392	\$ 54,585
Items impacting comparability, net of taxes	(7,729)	29	(13,379)	(4,069)
Income from continuing operations	12,626	27,911	35,013	50,516
Loss from discontinued operations, net of taxes	(49)	(36)	(94)	(60)
Net income	\$ 12,577	\$ 27,875	\$ 34,919	\$ 50,456
Reconciliation of Adjusted Income from Continuing Operations to Income from Continuing Operations				
Adjusted income from continuing operations	\$ 20,355	\$ 27,882	\$ 48,392	\$ 54,585
Items impacting comparability:				
Corporate initiatives and other (a)	(84)	(328)	(2,455)	(328)
Rebranding (b)	(593)	-	(2,083)	-
U.S. Foreign Corrupt Practices Act investigation (c)	(594)	-	(3,322)	-
Gain from equity investment (d)	61	-	2,988	-
Auction rate security credit loss	-	-	(313)	-
Self-insurance adjustment	(9,460)	(1,079)	(9,460)	(1,079)
Linc purchase accounting	-	(140)	-	(838)
Acquisition costs	(172)	(385)	(319)	(5,312)
Litigation and other settlements	(2,170)	1,967	(7,560)	1,047
Total items impacting comparability	(13,012)	35	(22,524)	(6,510)
Benefit from (provision for) income taxes	5,283	(6)	9,145	2,441
Items impacting comparability, net of taxes	(7,729)	29	(13,379)	(4,069)
Income from continuing operations	\$ 12,626	\$ 27,911	\$ 35,013	\$ 50,516

(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 (in thousands, except per share data)

	Three Months Ended July 31,		Nine Months Ended July 31,	
	2012	2011	2012	2011
Reconciliation of Adjusted EBITDA to Net Income				
Adjusted EBITDA	\$ 49,751	\$ 54,937	\$ 126,164	\$ 132,684
Items impacting comparability	(13,012)	35	(22,524)	(6,510)
Loss from discontinued operations, net of taxes	(49)	(36)	(94)	(60)
Provision for income taxes	(8,887)	(9,874)	(22,204)	(23,940)
Interest expense	(2,407)	(4,114)	(7,682)	(12,477)
Depreciation and amortization	(12,819)	(13,073)	(38,741)	(39,241)
Net income	<u>\$ 12,577</u>	<u>\$ 27,875</u>	<u>\$ 34,919</u>	<u>\$ 50,456</u>

Reconciliation of Adjusted Income from Continuing Operations per Diluted Share to Income from Continuing Operations per Diluted Share

	Three Months Ended July 31,		Nine Months Ended July 31,	
	2012	2011	2012	2011
Adjusted income from continuing operations per diluted share	\$ 0.37	\$ 0.51	\$ 0.88	\$ 1.01
Items impacting comparability, net of taxes	(0.14)	-	(0.24)	(0.08)
Income from continuing operations per diluted share	<u>\$ 0.23</u>	<u>\$ 0.51</u>	<u>\$ 0.64</u>	<u>\$ 0.93</u>
Diluted shares	55,000	54,201	54,819	54,084

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

	<u>Year Ending October 31, 2012</u>	
	<u>Low Estimate</u>	<u>High Estimate</u>
	(per diluted share)	
Adjusted income from continuing operations per diluted share (a)	\$ 1.36	\$ 1.42
Adjustments to income from continuing operations (b)	\$ (0.28)	\$ (0.28)
Income from continuing operations per diluted share	<u>\$ 1.08</u>	<u>\$ 1.14</u>

(a) The Company is awaiting a potentially favorable decision on a matter related to a prior acquisition. The net benefit of \$0.11 per diluted share is included in the estimate of adjusted income from continuing operations per diluted share.

(b) Adjustments to income from continuing operations include rebranding costs, certain legal settlements, adjustments to self-insurance reserves pertaining to prior year's claims and other unique items impacting comparability.