



# Appendix - Unaudited Reconciliation of non-GAAP Financial Measures

# Unaudited Reconciliation of non-GAAP Financial Measures

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

(in thousands, except per share data)

	<b>Quarter Ended January 31,</b>	
	<b>2013</b>	<b>2012</b>
<b>Reconciliation of Adjusted Income from Continuing Operations to Net Income</b>		
Adjusted income from continuing operations	\$ 14,692	\$ 11,786
Items impacting comparability, net of taxes	<u>(1,310)</u>	<u>(1,146)</u>
Income from continuing operations	13,382	10,640
Loss from discontinued operations, net of taxes	<u>-</u>	<u>(10)</u>
Net income	<u><u>\$ 13,382</u></u>	<u><u>\$ 10,630</u></u>
<b>Reconciliation of Adjusted Income from Continuing Operations to Income from Continuing Operations</b>		
Adjusted income from continuing operations	\$ 14,692	\$ 11,786
Items impacting comparability:		
Corporate initiatives and other (a)	-	(1,426)
Rebranding (b)	(360)	(731)
U.S. Foreign Corrupt Practices Act investigation (c )	(221)	(1,873)
Gain from equity investment (d)	-	2,081
Acquisition costs	(320)	-
Litigation and other settlements	(63)	-
Restructuring (e)	<u>(1,184)</u>	<u>-</u>
Total items impacting comparability	<u>(2,148)</u>	<u>(1,949)</u>
Benefit from income taxes	838	803
Items impacting comparability, net of taxes	<u>(1,310)</u>	<u>(1,146)</u>
Income from continuing operations	<u><u>\$ 13,382</u></u>	<u><u>\$ 10,640</u></u>

(a) Corporate initiatives and other includes the integration costs associated with The Linc Group acquisition on December 1, 2010 and data center consolidation costs.

(b) Represents costs related to the Company's branding initiative.

(c ) Includes legal and other costs incurred in connection with an internal investigation into a foreign entity affiliated with a former joint venture partner.

(d) The Company's share of a gain associated with property sales completed by one of its investments in a low income housing partnership.

(e) Restructuring costs associated with realignment of our infrastructure and operations.

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

## ABM Industries Incorporated and Subsidiaries Reconciliation of Adjusted EBITDA to Net Income

Adjusted EBITDA	\$ 38,593	\$ 35,913
Items impacting comparability	(2,148)	(1,949)
Loss from discontinued operations, net of taxes	-	(10)
Provision for income taxes	(3,809)	(7,454)
Interest expense	(3,310)	(2,834)
Depreciation and amortization	(15,944)	(13,036)
Net income	<u>\$ 13,382</u>	<u>\$ 10,630</u>

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

	<u>Quarter Ended January 31,</u>	
	<u>2013</u>	<u>2012</u>
Adjusted income from continuing operations per diluted share	\$ 0.26	\$ 0.22
Items impacting comparability, net of taxes	(0.02)	(0.02)
Income from continuing operations per diluted share	<u>\$ 0.24</u>	<u>\$ 0.20</u>
Diluted shares	55,497	54,493

# Unaudited Reconciliation of non-GAAP Financial Measures

## ABM Industries Incorporated and Subsidiaries

### Reconciliation of Estimated Adjusted Income from Continuing Operations per Diluted Share to Income from Continuing Operations per Diluted Share for the Year Ending October 31, 2013

	Year Ending October 31, 2013	
	Low Estimate	High Estimate
	(per diluted share)	
Adjusted income from continuing operations per diluted share	\$ 1.35	\$ 1.45
Adjustments to income from continuing operations (a)	\$ (0.19)	\$ (0.19)
Income from continuing operations per diluted share	<u>\$ 1.16</u>	<u>\$ 1.26</u>

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