



2013 Analyst & Investor Briefing

Agenda

- 1 Introduction & Building Blocks | David Farwell, SVP
- 2 OneABM Strategy & Onsite Financial Overview | Jim Lusk, CFO & EVP
- 3 Onsite Operational Overview | Jim McClure, EVP
- 4 Building & Energy Solutions Financial Overview | Jim Lusk, CFO & EVP
- 5 Building & Energy Solutions/Air Serv Operational Overview | Tracy Price, EVP
- 6 Government Services | Ross Thompson
- 7 CEO's Outlook | Henrik Slipsager, President & CEO
- 8 Q&A | Henrik Slipsager, President & CEO

Forward-Looking Statements and Non-GAAP Financial Information:

Our discussions during this webcast will include forward-looking statements. Actual results could differ materially from those projected in the forward-looking statements. The factors that could cause actual results to differ are discussed in the Company's 2012 Annual Report on Form 10-K and in our 2012 reports on Form 10-Q and Form 8-K. These reports are available on our website at <http://investor.abm.com/> under "SEC Filings". A description of factors that could cause actual results to differ is also set forth at the end of this presentation.

Also, the discussion during this conference call will include certain financial measures that were not prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). Reconciliations of those non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures can be found on the Investor Relations portion of our website at <http://investor.abm.com> and at the end of this presentation.

ABM's Evolution - Key Metrics



2000

2007

2012

Revenue: \$1.9B
Adj. EBITDA: \$61M
Free Cash Flow: \$200K
Dividends: \$.31/share
Employee Base: 60,000
Operating Units: 8

Electronic Pay: 12,000 (20%)
E-Time-Keeping: 0
E-Pay Advices: 0
EDI (Billing): No platform
Client Portal: No platform

The Baseline

ABM's Evolution – Key Metrics

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2007

Revenue: \$2.7B
Adj. EBITDA: \$94M
Free Cash Flow: \$35M
Dividends: \$.48/share
Employee Base: 75,000
Operating Units: 5

Electronic Pay: 17,000 (23%)
E-Time-Keeping: Developing
E-Pay Advices: No platform
EDI (Billing): No platform
Client Portal: Developing

2012

Repositioning for Transformation

ABM's Evolution – Key Metrics

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2012

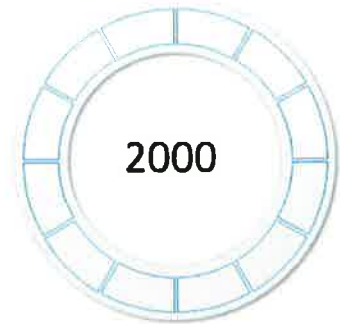
Revenue: \$4.3B
Adj. EBITDA: \$176M
Free Cash Flow: \$123M
Dividends: \$.58/share
Employee Base: 95,000
Operating Units: 4

Electronic Pay: 54,000 (54%)
E-Time-Keeping: 46%
E-Pay Advices: 12%
EDI (Billing): Active
Client Portal: Live

Integrated, Well-Positioned for Growth

ABM's Evolution - IT

Fragmented Systems Environment

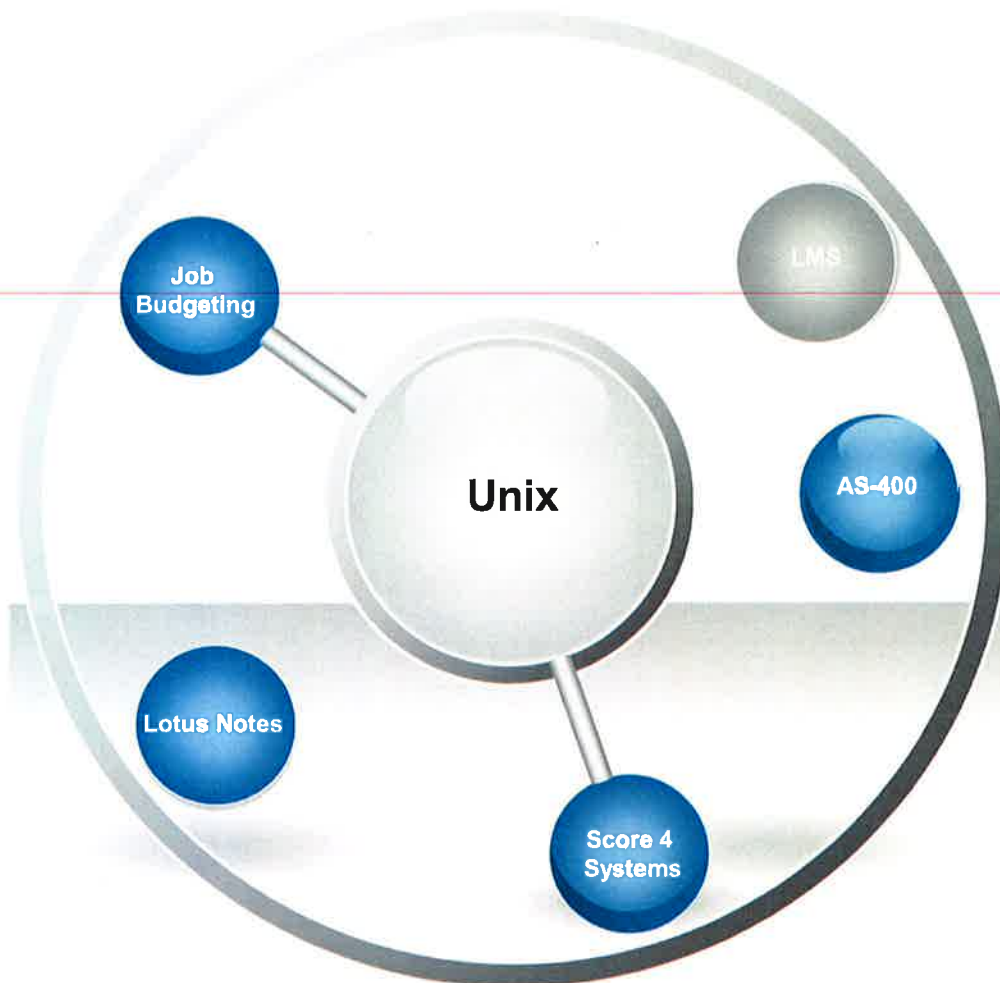


Various ABM acquisitions over the years had resulted in a disparate, non-integrated IT systems platform



ABM's Evolution - IT

Fragmented Systems Environment



B2B Integration

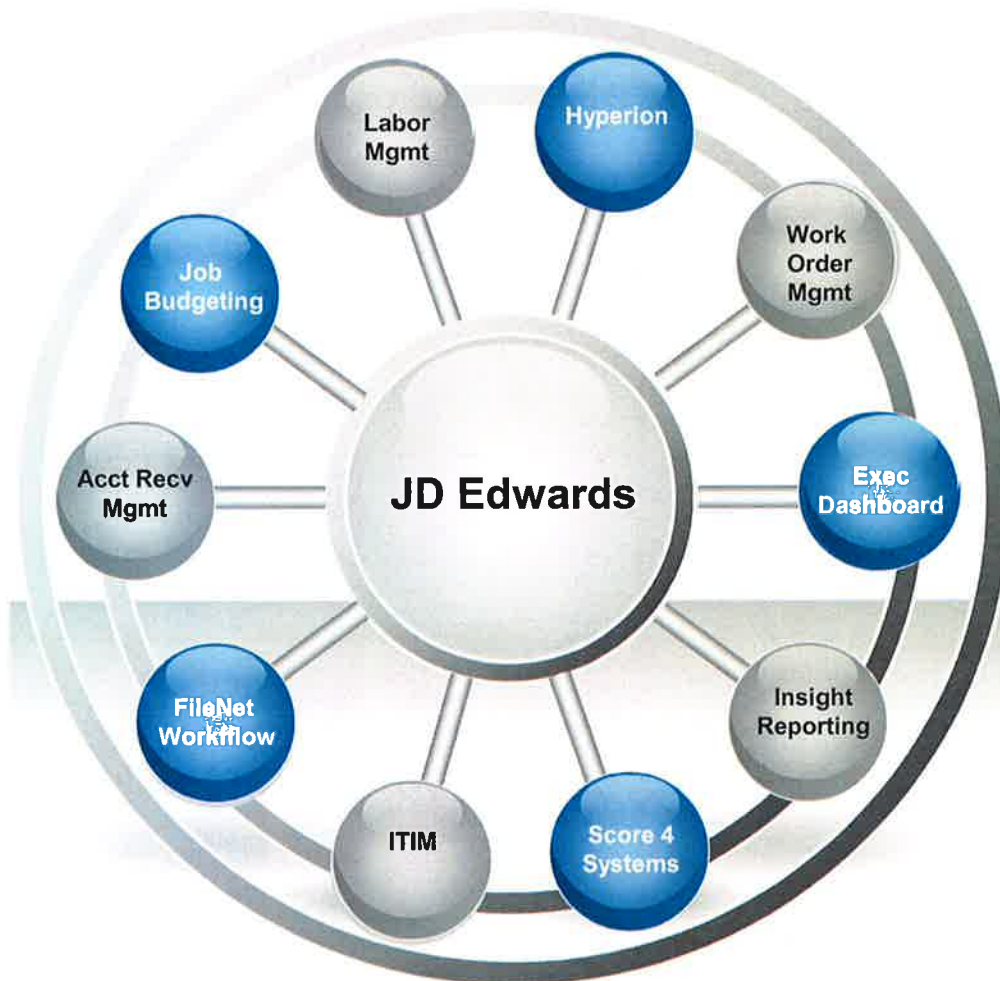
- Integration between ABM and our client systems driving retention



Systems integration began to take shape but were still largely limited to a few core platforms

ABM's Evolution - IT

Best-In-Class “Mobile-Enabled” Integrated Systems Platform



Dashboard & Analytics

- Meaningful & relevant data allowing for analysis into various KPI's



B2B Integration

- Integration between ABM and our client systems driving retention



Dynamic Mobile Apps

- Giving our mobile workforce an advantage over our competitors



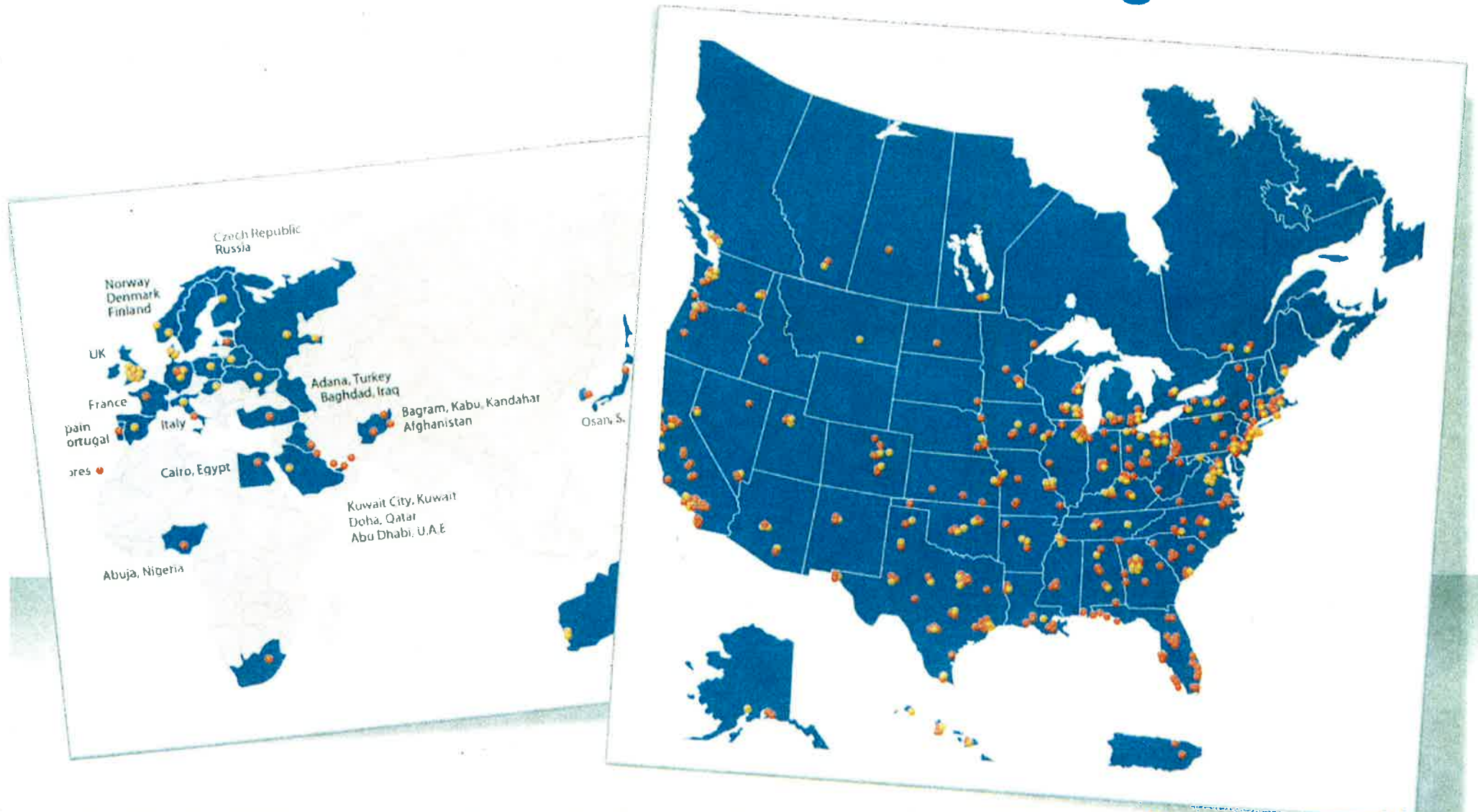
Client Portal

- Unified portal for account management, invoices and technology solutions.





ABM's Evolution Sales/Marketing



In 2012, ABM has transformed into a full scale Integrated Facility Solutions provider with offices nationwide and internationally

ABM's Evolution - Sales/Marketing



THE GIANT JANITOR ON THE MARCH
against dirt, disorder and deterioration



From the days of the
“Giant Janitor” to.....

Short Video

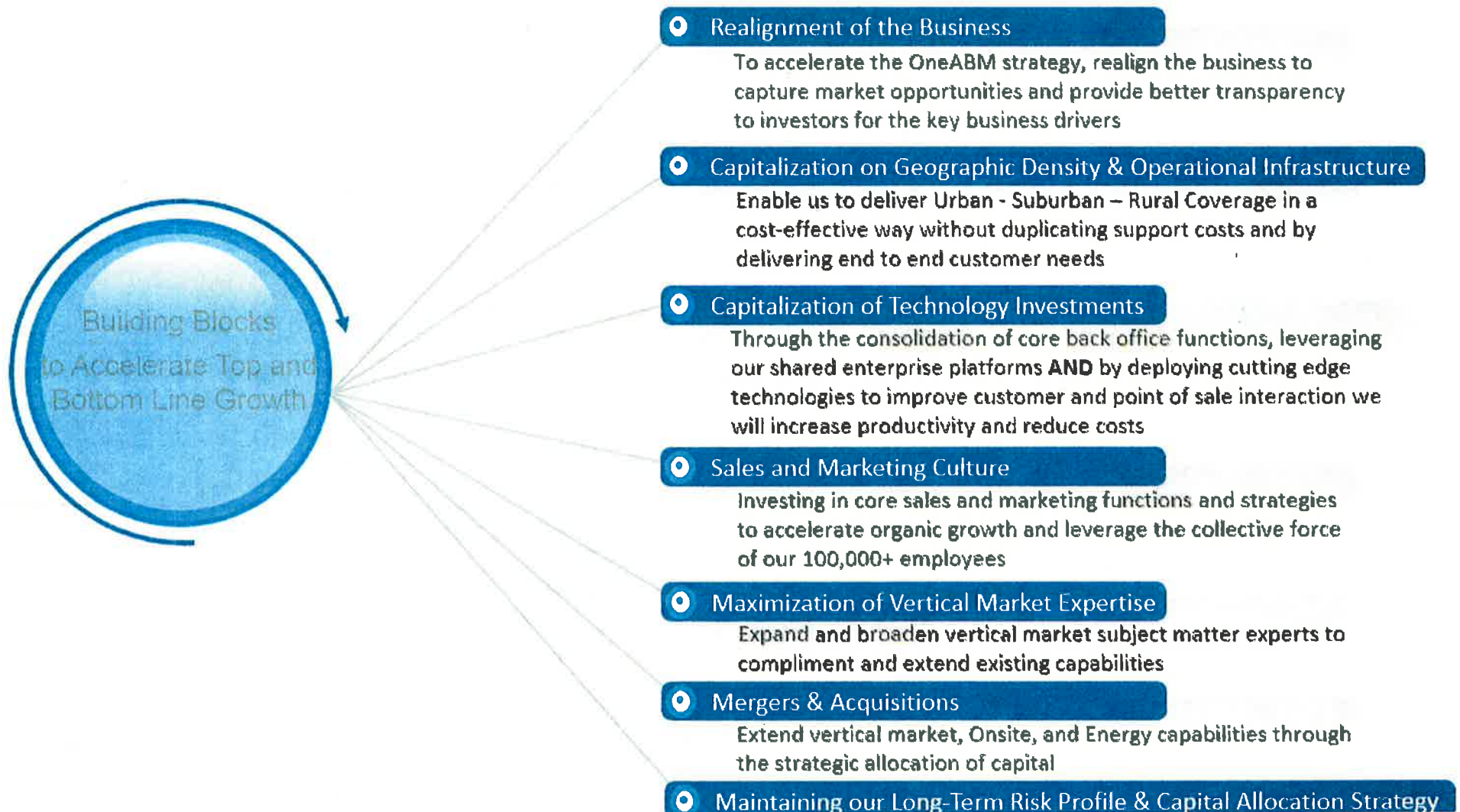


OneABM Strategy & Onsite Financial Overview

***Jim Lusk**
Chief Financial Officer
Executive Vice President*

OneABM Strategy

Simultaneous Equations



FY12 Organizational Structure



FY13 Organizational Structure

Janitorial

Security

Parking

Facility Services

Onsite

Janitorial
Security
Parking
Facility Services

Building & Energy Solutions

(ABES, Government, Facility
Solutions, HHA, Calvert Jones, JVs)

Other

(AirServ)

FY13 Reporting Landscape



Q1 Highlights

Onsite

Janitorial
Security
Parking
Facility Services

Janitorial Services

- Revenues of \$605.5 million, up \$11.2 million or 1.9% compared to 2012 Q1

Facility Services

- Revenues of \$156.4 million, up \$11.8 million or 8.2% compared to 2012 Q1

Parking & Transportation

- Revenues of \$151.2 million, down \$2.2 million or (1.4)% compared to 2012 Q1

Security Services

- Revenues of \$96.7 million, up \$4.7 million or 5.1% compared to 2012 Q1



Jim McClure

***President
Onsite Services***

OnSite Business Objective



Create a collaborative environment among operating units in concentrated geographic areas ("Markets") to drive operational efficiencies and reinvigorate long-term sales growth

1

Realignment Team

- Overseeing various phases of the organizational transition

2

Market Creation

- Defined, appropriately sized Markets and Sub-Markets will ensure Onsite services offerings delivered consistently across the country

3

Market Leaders

- Maximize profitability through improved cross-discipline partnerships, business expansion and organizational efficiencies

4

Market Support

- Teams ensure we are able to quickly and efficiently respond to the needs of our external clients at the point of service

5

Field Office Consolidations

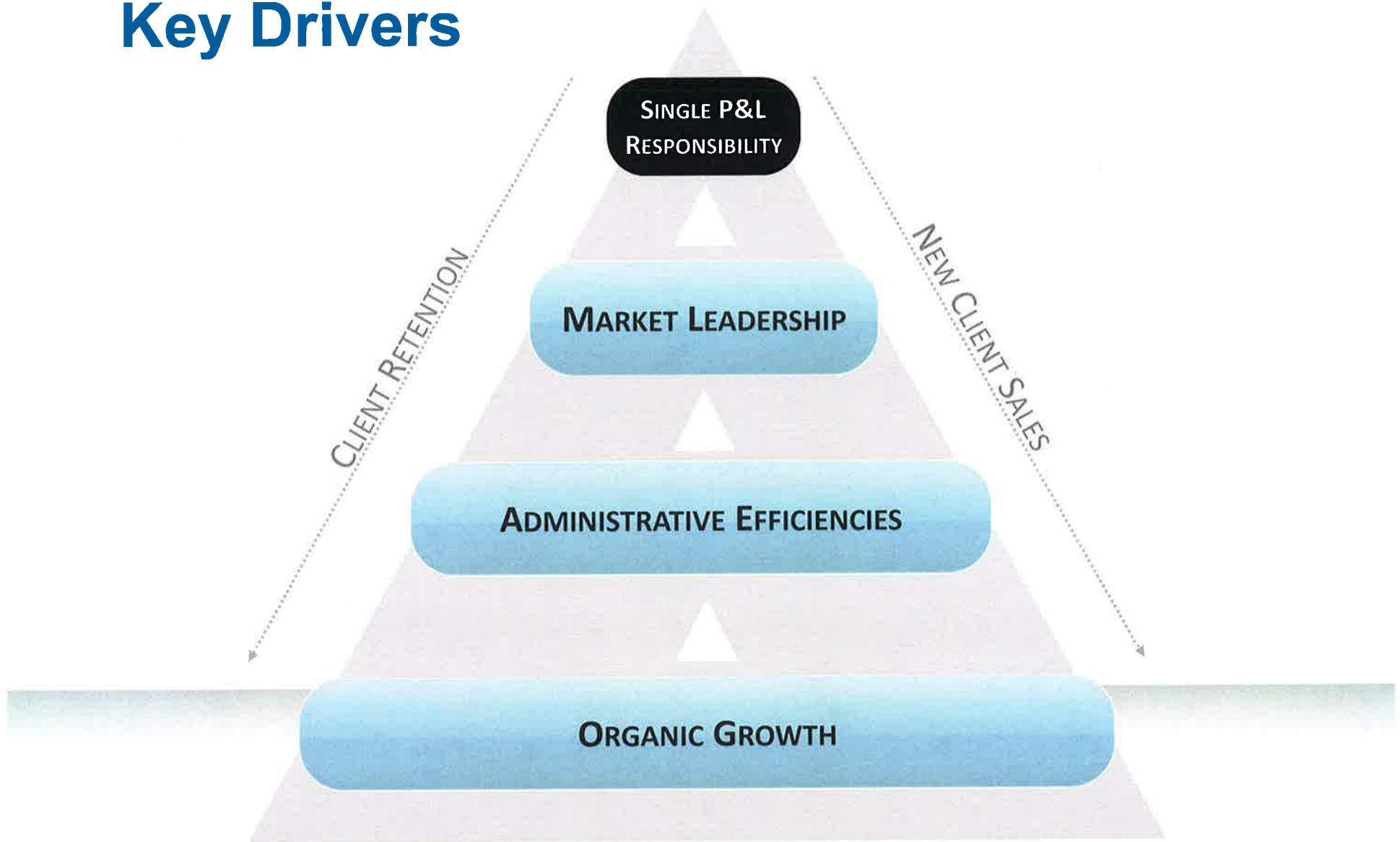
- Will enable us to dramatically reduce our Real Estate-related expenses across the company

6

Process Optimization

- To both enhance and streamline "back office" processes supporting our internal business operations and external client base

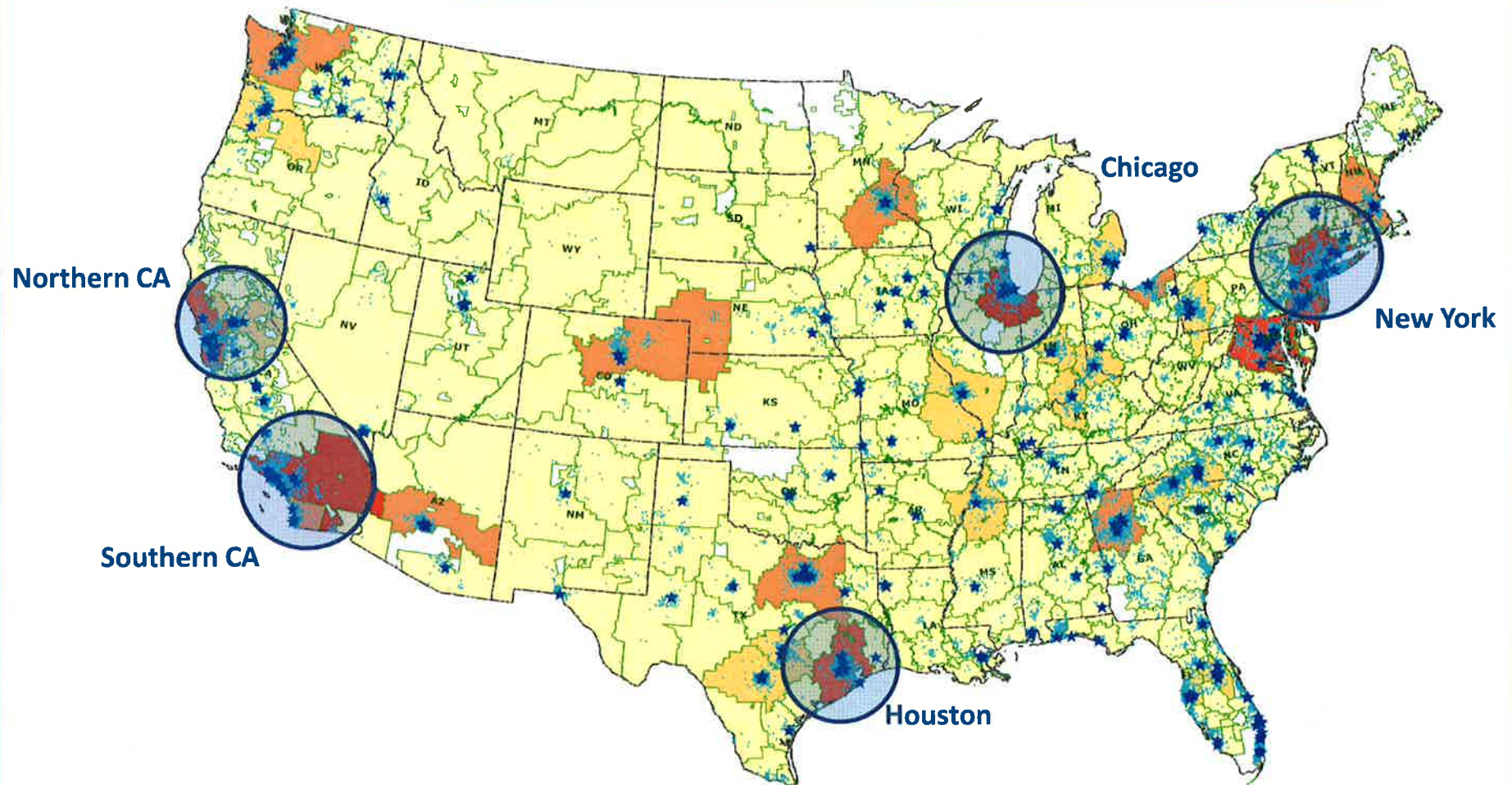
Key Drivers



What Determines a Market?

Geography, Culture, Density

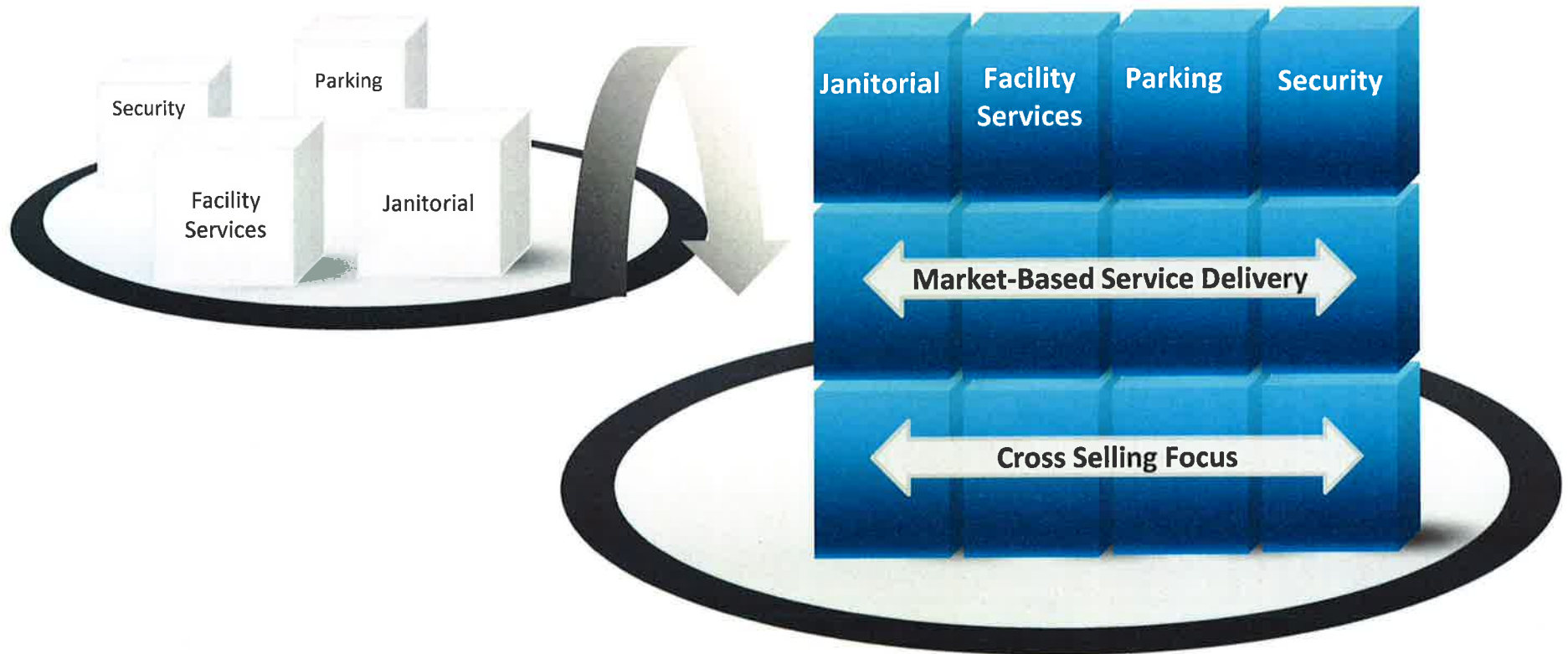
Key Metrics: • Employees per division • Revenue per division • Profit per division



OnSite Cost Saving Opportunities

000's (Cumulative)	Category	Description	FY 2013	FY 2014	FY 2015
Synergies	Management	Organization streamlining of redundant management positions	~50%	~50%	~50%
	Back-of-the-House	Field Accounting Center consolidation resulting from centralization of transaction processing	~25%	~25%	~30%
	Real Estate	Office consolidations in key markets and space re-engineering	~25%	~25%	~20%
	Cumulative Synergy Total		\$3.5M - \$4.0M	\$9.0M - \$10.0M	\$11.5M - \$12.5M
Headcount Impact	Cumulative FTE Reductions		50-60	110-130	110-130

From Silos to a Matrix Organization

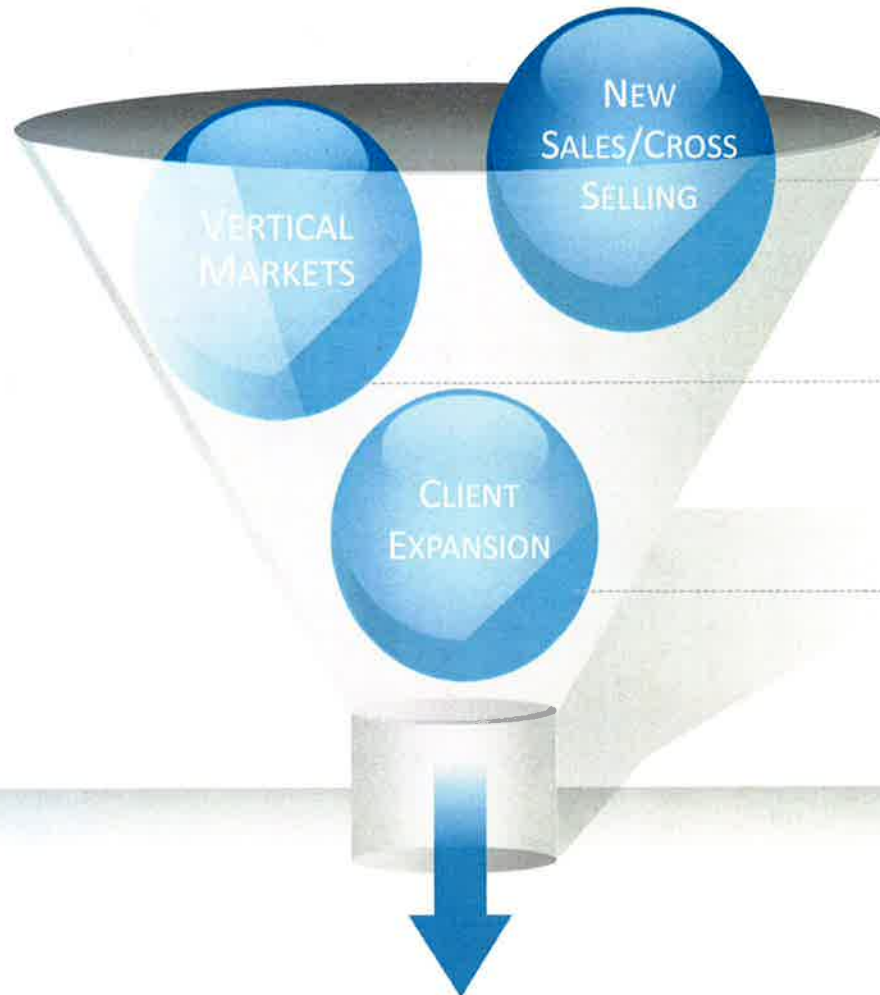


An 18 - 24 month ongoing process enabled and driven by:

- Processes and systems that empower front-line managers with real-time actionable information
- An adjusted compensation system that incentivizes cross-selling across all lines of service
- Vertical market subject-matter experts

Growth Opportunities

Three Core Sales Channels Supporting Organic Growth



NEW SALES

Leverage strengths from all services to meet client demands

VERTICAL MARKETS

Streamline operations structure to achieve efficiencies

CLIENT EXPANSION

Breakdown divisional walls to foster dialogue and increase collaboration

ORGANIC GROWTH



***Building & Energy Solutions
Other – Air Serv
Financial Overview***

***Jim Lusk
Chief Financial Officer
Executive Vice President***

FY13 Reporting Landscape

Q1 Highlights

Building & Energy Solutions

(ABES, Government, Facility Solutions, HHA, Calvert Jones, JVs)

Building & Energy Solutions

- Revenues of \$88.0 million, down \$1.2 million or (1.3)% compared to 2012 Q1

Other (AirServ)

Other

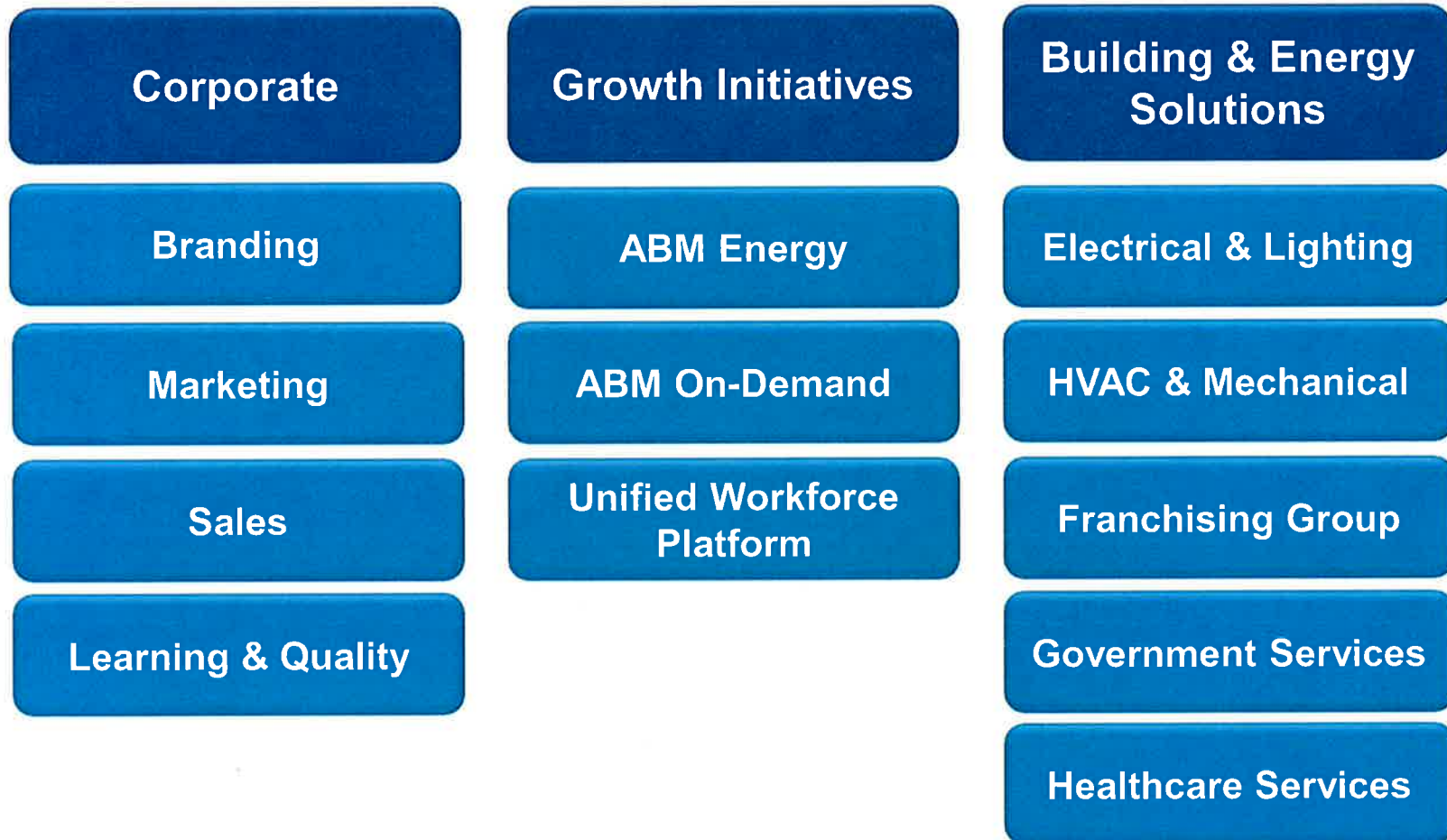
- Revenues of \$84.0 million from Air Serv, which was acquired on November 1, 2012



***Building & Energy Solutions
Other – Air Serv***

Tracy Price
Building & Energy Solutions
Executive Vice President

ABM Responsibilities



End-to-End Service Delivery System

ABM On-Site Business



Drives Demand

ABM Mobile Network



- HVAC
- Energy Solutions
- Electrical
- Day Porters

Drives Demand

ABM On-Demand

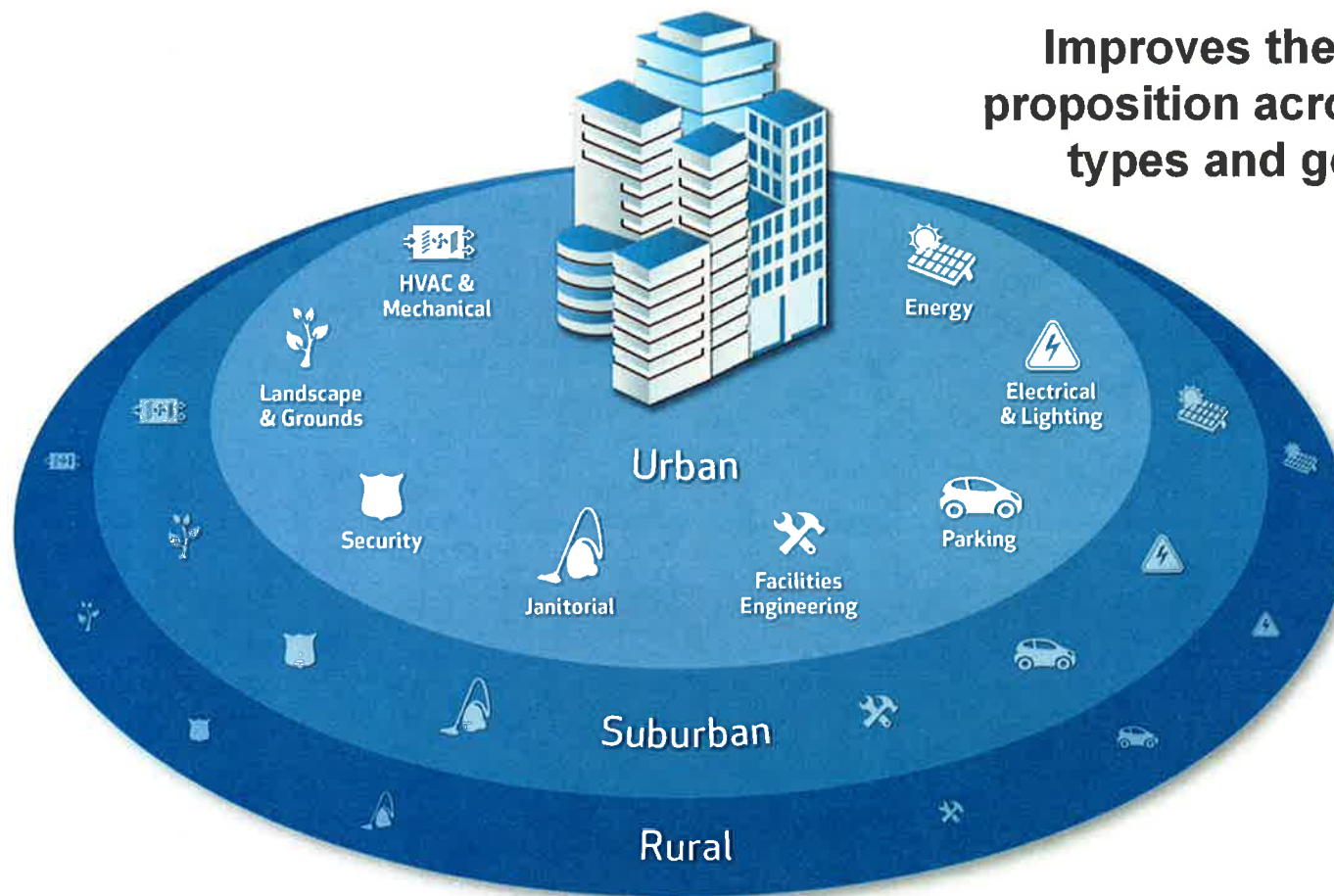
Intelligent Service Center

- Electrical
- HVAC
- Janitorial
- Landscape
- Plumbing
- Other Building Trades



Multi-location utilizing local labor

End-to-End Service Delivery System



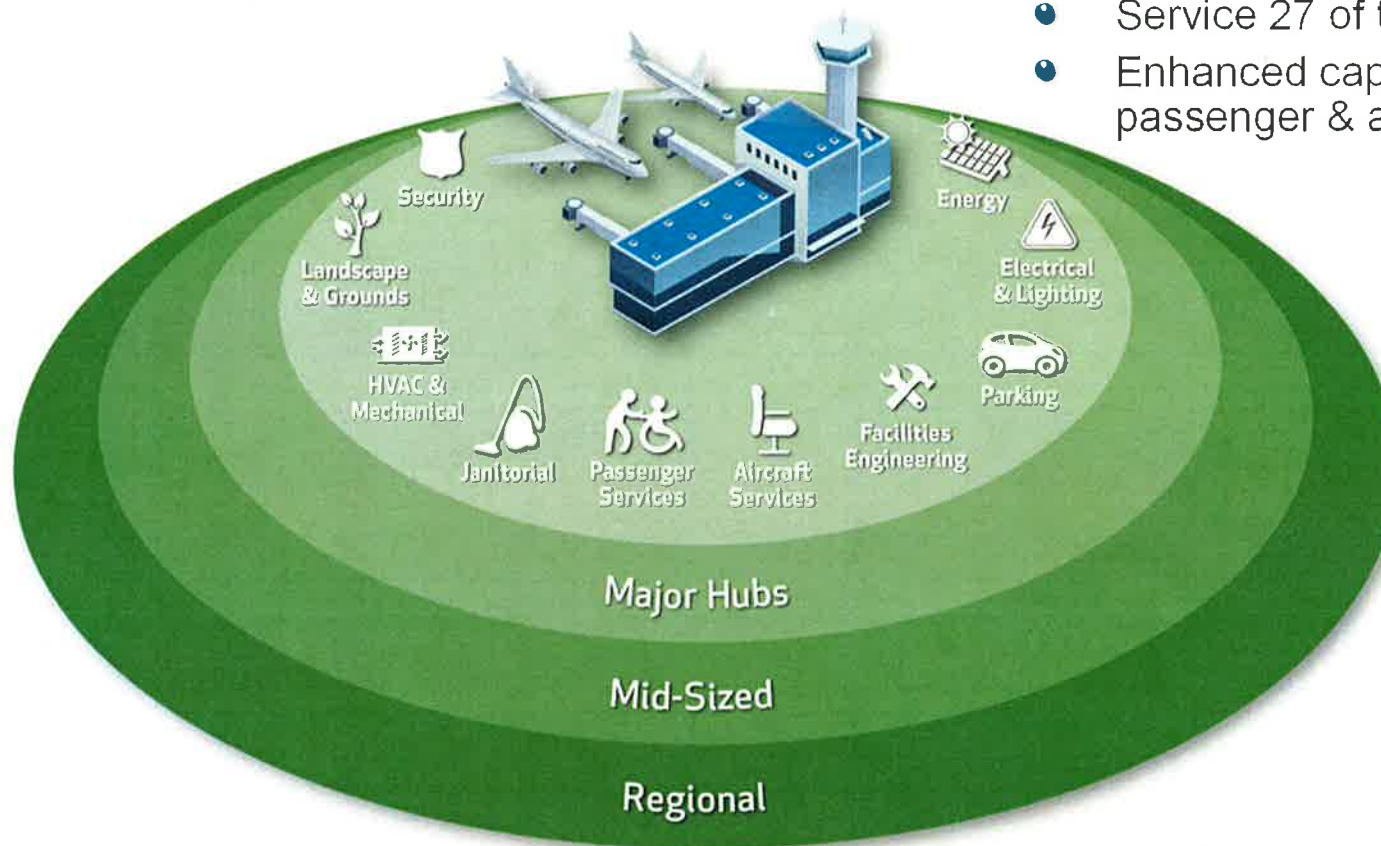
Improves the client value proposition across all building types and geographies

Aviation Market

Mega-Carriers' Ecosystem

Results of Air Serv Acquisition:

- Total aviation revenue over \$650M
- Added 12,000 employees
- Service 27 of the top 40 airports
- Enhanced capabilities, including passenger & aircraft services

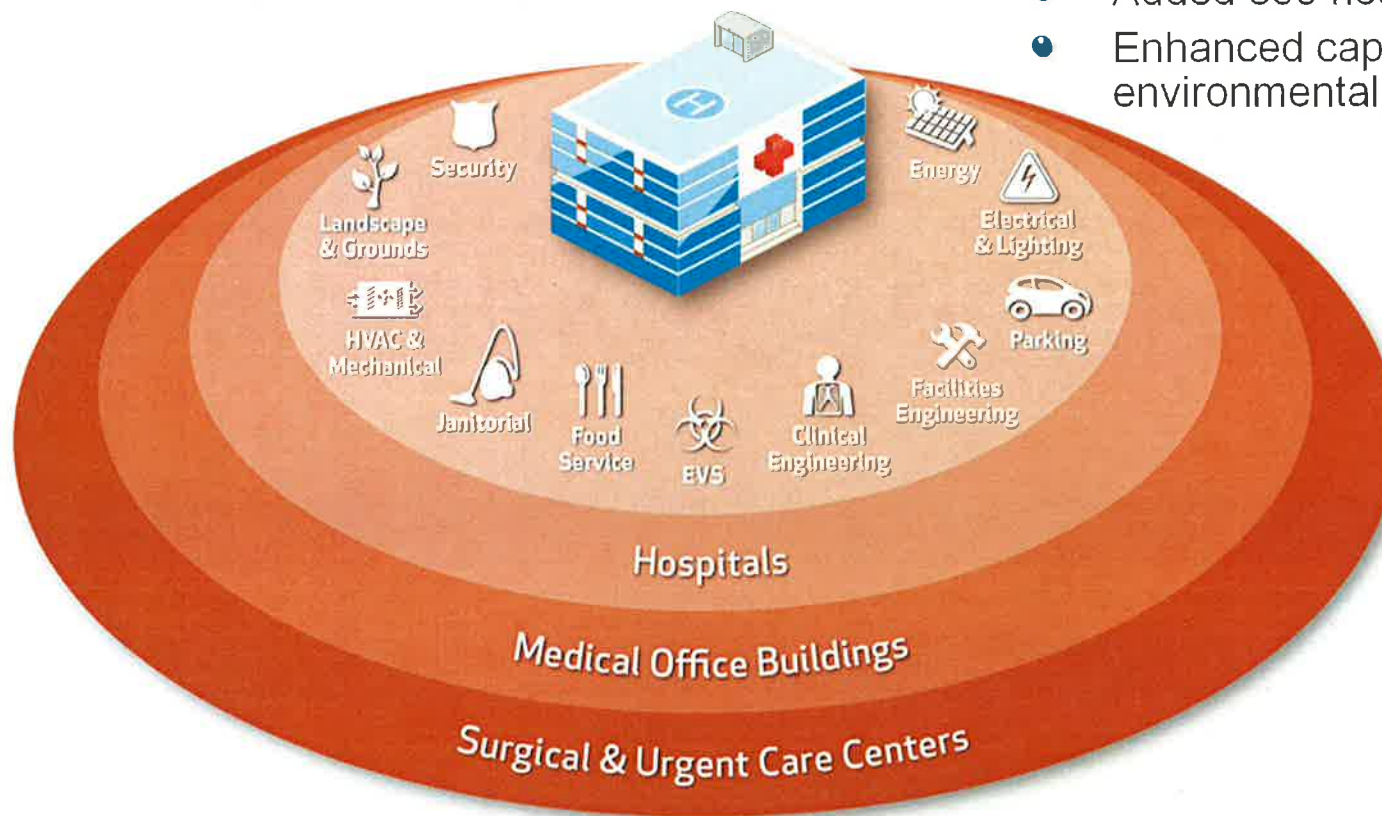


Healthcare Market

Mega-Providers' Ecosystem

Results of HHA Services Acquisition:

- Total healthcare revenue over \$250M
- Top tier hospital facility clients
- Added 850 healthcare employees
- Enhanced capabilities, including environmental, food & facility mgt.



ABM Energy

- 100% referenceable clients
- Creates budget dollars from energy and operational savings
- Reduced clients energy use by 28.6%
- Helped clients receive \$4.5M in rebates



Energy Case Study

Wright State University



CHALLENGE

Campus buildings were troubled with comfort issues, deficient lighting, and high utility bills but no money existed in the budget to remedy the problems.

SOLUTION

ABM developed a budget-neutral financial solution to install state-of-the-art lighting and controls, high-efficiency HVAC units, and decommission old, inefficient boilers.

RESULT

- 21% Energy Reduction
- Self-funded project using energy & operational savings
- Annual energy cost reduction over \$1,000,000
 - 9,000,000 kWh saved per year
 - 600,000+ therms saved per year
- Improved comfort and indoor air quality resulting in higher student and faculty satisfaction

Energy Case Study

Murray County Schools



CHALLENGE

Campus had antiquated HVAC equipment that was constantly failing resulting in comfort issues, poor indoor air quality and high energy costs but no budget to fix the problems.

SOLUTION

ABM developed a budget-neutral financial solution to install state-of-the-art lighting and controls, heat pumps, VSD's and an energy management system.

RESULT

- 28% Energy Reduction
- Self-funded project using energy & operational savings
- Annual energy cost reduction over \$200,000
 - 1,000,000 kWh saved per year
 - 500,000+ therms saved per year
- Improved overall environment and lower maintenance costs

Energy Case Study

City of Oakland Parking Garage



CHALLENGE

City of Oakland wanted a 20%+ energy reduction and EV charging stations but the garage did not have the electrical capacity.

SOLUTION

ABM installed state-of-the-art LED, high-efficiency fluorescents and wireless lighting controls. Energy reduction created new capacity for EV charging stations.

RESULT

- 45% Energy Reduction!
- Annual energy cost reduction of \$54,965
 - 342,000 kWh saved per year
 - Equivalent to planting 23 acres of pine forest
- Net-zero impact on budget
- Less than 3 year payback
- Improved lighting quality, less maintenance and safer garage

The background of the slide is a blue-tinted image. On the left, there is a silhouette of a man's head and shoulders, facing right. Overlaid on this and the right side of the slide is a photograph of a large, classical-style building with a prominent dome and columns. The building appears to be a government or institutional structure. The entire image is framed by a white border with blue and orange geometric shapes at the corners.

Ross Thompson
ABM Government Services

ABM Government Services



Delivering cost effective, efficient & sustainable infrastructure & specialty service solutions to local, state & federal government clients by providing best-in-class, vertically integrated, facility management solutions with ABM's private sector advantage.

ABM. Building Value

General Observations

- 1 Unanticipated Withdrawal from Iraq
- 2 Overseas Contingency Operations Funding
- 3 Base Discretionary Funding
- 4 Process Impact of Sequestration
- 5 Forward-looking ABM Government Strategy

2012 Recap



Unanticipated Withdrawal from Iraq



Planned Drawdown of U.S. Forces in Afghanistan



Continued Squeeze on Domestic Budget



Impact of Army & USMC Logistics Contract Consolidation



Emphasis turned to Gross Profit Performance



Collaborated to Reposition Government Strategy

New Government Strategy

**Grow a Diversified Federal
Government Contract Portfolio**

**Build a Strong Local Government
Sales Team**

**ABM
GOVERNMENT
STRATEGY**

**Align Government Capture & BD
With Corporate Sales & ABM
Vertical Expertise**

**Provide Construction Management
on Energy Projects; Especially with
Long-term Operations &
Maintenance Recurring Revenue**

DLITE, Sequestration & 2013





Henrik Slipsager
***President &
Chief Executive Officer***

What This All Means

	Revenue Expansion	Bottom Line Leverage	Improved Cash Conversion
○ Realignment of the Business	✓	✓	✓
○ Capitalization on Geographic Density & Operational Infrastructure	✓	✓	✓
○ Capitalization of Technology Investments	✓	✓	
○ Sales and Marketing Culture	✓	✓	
○ Maximization of Vertical Market Expertise	✓		
○ Mergers & Acquisitions	✓	✓	
Shareholder Value Creation			



QUESTIONS?

Appendix

Q1 2013 Results Synthesis - Total Profits¹

(in thousands)	First Quarter		
	2013	2012	Change
Janitorial	\$ 29,074	\$ 30,508	(4.7)%
Facility Services	6,141	6,087	0.9 %
Parking	4,823	4,750	1.5 %
Security	1,668	845	97.4 %
Building & Energy Solutions	796	1,290	(38.3)%
Other	1,988	-	*NM
Total Profit	\$ 44,490	\$ 43,480	2.3 %

¹Excludes Corporate

* Not meaningful



- Janitorial's profit of \$29.1 million, decreased \$1.4 million or 4.7%. The prior year quarter included a benefit from sustained improvements in historical and expected credits on client receivables
- Profit for Facility Services increased approximately 1%. Profit from new clients offset the benefit of the reduction in sales allowance recorded in the 1st quarter of 2012
- Parking's profit of \$4.8 million up 1.5% from prior year comparable period
- Profit for Security was up by \$0.8 million or 97.4% to \$1.7 million from higher revenues and cost control measures
- Building & Energy Solutions decrease in profit of \$0.5 million was due to the completion of certain profitable Gov't contracts in fiscal 2012
- Other profit, which represents the results of the Air Serv acquisition, includes \$1.6 million of amortization expense and \$1.8 million of depreciation

Q1 2013 Business & Marketing Highlights

- Reorganized operational structure to an onsite, mobile and on-demand market-based structure. During 2013, this realignment will continue and should improve the Company's long-term growth prospects and provide higher margin opportunities
- Began work on large assisted care living client portfolio, which should drive growth in the onsite business
- Awarded significant energy retrofit project with work anticipated to start later in the fiscal year
- Awarded Two Linguist Task orders by Department of Defense under DLITE contract
- Launched internal sales program to drive sales across
- ABM Parking Services rolls out mobile app for smartphones and tablets to enhance parking experience

Fiscal 2013 Outlook

- Based on the Company's operational results for the first quarter and its current expectations, the Company is providing guidance for fiscal 2013 of:
 - Income from Continuing Operations of \$1.16 to \$1.26 per diluted share
 - Adjusted Income from Continuing Operations of \$1.35 to \$1.45 per diluted share
- Labor work days are 261 days, which is one work day fewer than fiscal 2012. The second quarter of fiscal 2013 has the one fewer work day
 - The Company estimates one work day of labor expense for the Janitorial segment is in the range of \$3.5 million to \$4.5 million on a pre-tax basis
- Annual depreciation and amortization expense because of recent acquisitions, is expected to increase from fiscal 2012 in the range of \$19 million to \$21 million
- Interest expense anticipated to be in the range of \$14 million to \$16 million
- Capital expenditures are expected to be in the range of \$39 million to \$43 million
- Cash taxes are expected to be in the range of \$23 million to \$27 million; and
- Effective tax rate in the range of 36 percent to 38 percent, which is an increase over fiscal 2012's effective tax rate of 32.3%.

Unaudited Reconciliation of non-GAAP Financial Numbers (in millions)

	Years Ended		
	2012	2007	2000
Adjusted EBITDA	176,353	94,400	61,010
Items Impacting Comparability	(22,566)	(2,900)	(7,900)
Discontinued Operations	(136)	-	-
Income Tax	(29,931)	(27,900)	(14,733)
Interest Expense	(9,999)	(500)	(3,198)
Depreciation and Amortization	(51,139)	(17,200)	(20,036)
Net Income	<u>\$ 62,582</u>	<u>\$ 45,900</u>	<u>\$ 15,143</u>
Adjusted EBIT	\$ 125,214	\$ 77,200	\$ 40,974
Items Impacting Comparability	(22,566)	(2,900)	(7,900)
Discontinued Operations	(136)	-	-
Income Tax	(29,931)	(27,900)	(14,733)
Interest Expense	(9,999)	(500)	(3,198)
Net Income	<u>\$ 62,582</u>	<u>\$ 45,900</u>	<u>\$ 15,143</u>

Note: All years exclude the results of the following segments: AMTECH Lighting, AMTECH Elevator, and Comm Air Mechanical Services for comparative purposes. These businesses were sold in fiscal 2010, fiscal 2005, and fiscal 2007, respectively.