

A man in a blue shirt is seen from the back, looking out a large window of a modern building. The building has a complex, geometric ceiling structure with many white beams and recessed lights. The scene is brightly lit, suggesting a sunny day. The man's reflection is visible on the glass. The overall color palette is dominated by blues and whites.

# 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 millions)*

	Three Months Ended January 31,	
	2015	2014
<b>Reconciliation of Adjusted Net Income to Net Income</b>		
Adjusted net income	\$ 21.5	\$ 14.1
Items impacting comparability:		
CEO Change (a)	(3.2)	-
Litigation and other settlements	(2.3)	-
Restructuring (b)	(0.7)	(0.6)
Acquisition costs	(0.2)	(0.2)
Rebranding (c)	(0.1)	(0.4)
U.S. Foreign Corrupt Practices Act investigation (d)	(0.1)	(0.5)
Total items impacting comparability	(6.6)	(1.7)
Benefit from income taxes	2.8	0.7
Items impacting comparability, net of taxes	(3.8)	(1.0)
Net income	\$ 17.7	\$ 13.1

(a) Represents severance and other costs related to the upcoming departure of our CEO.

(b) Restructuring costs associated with realignment of our operational structure.

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

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

# Unaudited Reconciliation of non-GAAP Financial Measures

## ABM INDUSTRIES INCORPORATED AND SUBSIDIARIES RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES (UNAUDITED)

*(in millions, except per share amounts)*

	Three Months Ended January 31,	
	2015	2014
<b>Reconciliation of Adjusted Operating Profit to Operating Profit</b>		
Adjusted operating profit	\$ 25.8	\$ 25.6
Total items impacting comparability	(6.6)	(1.7)
Operating profit	<u>\$ 19.2</u>	<u>\$ 23.9</u>
<b>Reconciliation of Adjusted EBITDA to Net Income</b>		
Adjusted EBITDA	\$ 41.3	\$ 41.5
Items impacting comparability	(6.6)	(1.7)
Provision for income taxes	(0.3)	(9.6)
Interest expense	(2.7)	(2.7)
Depreciation and amortization	(14.0)	(14.4)
Net income	<u>\$ 17.7</u>	<u>\$ 13.1</u>

	Three Months Ended January 31,	
	2015	2014
<b>Reconciliation of Adjusted Net Income per Diluted Share to Net Income per Diluted Share</b>		
Adjusted net income per diluted share	\$ 0.38	\$ 0.25
Items impacting comparability, net of taxes	(0.07)	(0.02)
Net income per diluted share	<u>\$ 0.31</u>	<u>\$ 0.23</u>
Diluted shares	57.2	57.1

# Unaudited Reconciliation of non-GAAP Financial Measures

**ABM INDUSTRIES INCORPORATED AND SUBSIDIARIES**  
**RECONCILIATION OF ESTIMATED ADJUSTED NET INCOME PER DILUTED SHARE TO**  
**ESTIMATED NET INCOME PER DILUTED SHARE FOR THE YEAR ENDING OCTOBER 31, 2015**

Estimated net income per diluted share (a)	Year Ending October 31, 2015	
	Low Estimate	High Estimate
	(per diluted share)	
Adjusted net income per diluted share	\$ 1.75	\$ 1.85
Adjustments (b)	\$ (0.20)	\$ (0.20)
Net income per diluted share	<u>\$ 1.55</u>	<u>\$ 1.65</u>

(a) This guidance excludes potential benefit associated with the Work Opportunity Tax Credit for calendar 2015. If Congress were to extend the WOTC for calendar 2015 prior to October 31, 2015, the Company could have a further benefit of \$0.08 per diluted share.

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