



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)

	Quarter Ended October 31,		Year Ended October 31,	
	2012	2011	2012	2011
Reconciliation of Adjusted Income from Continuing Operations to Net Income				
Adjusted income from continuing operations	\$ 27,730	\$ 20,377	\$ 76,122	\$ 74,962
Items impacting comparability, net of taxes	(25)	(2,195)	(13,404)	(6,264)
Income from continuing operations	27,705	18,182	62,718	68,698
Loss from discontinued operations, net of taxes	(42)	(134)	(136)	(194)
Net income	\$ 27,663	\$ 18,048	\$ 62,582	\$ 68,504
Reconciliation of Adjusted Income from Continuing Operations to Income from Continuing Operations				
Adjusted income from continuing operations	\$ 27,730	\$ 20,377	\$ 76,122	\$ 74,962
Items impacting comparability:				
Corporate initiatives and other (a)	(27)	(2,924)	(2,482)	(3,252)
Rebranding (b)	(672)	-	(2,755)	-
U.S. Foreign Corrupt Practices Act investigation (c)	(182)	-	(3,504)	-
Gain from equity investment (d)	(63)	-	2,925	-
Auction rate security credit loss	-	-	(313)	-
Self-insurance adjustment	2,182	223	(7,278)	(856)
Linc purchase accounting	-	-	-	(838)
Acquisition costs	(1,010)	(780)	(1,329)	(6,092)
Litigation and other settlements	(270)	355	(7,830)	1,402
Total items impacting comparability	(42)	(3,126)	(22,566)	(9,636)
Benefit from income taxes	17	931	9,162	3,372
Items impacting comparability, net of taxes	(25)	(2,195)	(13,404)	(6,264)
Income from continuing operations	\$ 27,705	\$ 18,182	\$ 62,718	\$ 68,698

(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)

	Quarter Ended October 31,		Year Ended October 31,	
	2012	2011	2012	2011
Reconciliation of Adjusted EBITDA to Net Income				
Adjusted EBITDA	\$ 50,189	\$ 51,339	\$ 176,353	\$ 184,023
Items impacting comparability	(42)	(3,126)	(22,566)	(9,636)
Loss from discontinued operations, net of taxes	(42)	(134)	(136)	(194)
Provision for income taxes	(7,727)	(13,040)	(29,931)	(36,980)
Interest expense	(2,317)	(3,328)	(9,999)	(15,805)
Depreciation and amortization	(12,398)	(13,663)	(51,139)	(52,904)
Net income	<u>\$ 27,663</u>	<u>\$ 18,048</u>	<u>\$ 62,582</u>	<u>\$ 68,504</u>

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

	Quarter Ended October 31,		Year Ended October 31,	
	2012	2011	2012	2011
Adjusted income from continuing operations per diluted share	\$ 0.50	\$ 0.37	\$ 1.39	\$ 1.39
Items impacting comparability, net of taxes	-	(0.04)	(0.25)	(0.12)
Income from continuing operations per diluted share	<u>\$ 0.50</u>	<u>\$ 0.33</u>	<u>\$ 1.14</u>	<u>\$ 1.27</u>
Diluted shares	55,200	54,158	54,914	54,103