



ABM Completes the Sale of Its Security Business for \$131 Million

October 26, 2015

NEW YORK, Oct. 26, 2015 (GLOBE NEWSWIRE) -- [ABM](#) (NYSE:ABM), a leading provider of facility solutions, today announced that it has sold its Security Business to Universal Protection Service, a division of Universal Services of America, for pre-tax proceeds of \$131 million.

Universal Protection Service, owned by Universal Services of America, a portfolio company of Warburg Pincus and Partners Group, has a proven track record of investing in leading companies that have demonstrated strong future potential. Combining the best practices of two world-class firms is expected to yield significant benefits for the company's clients and employees.

"The divestiture of our Security Business allows us to focus on our core strengths with the ultimate goal of driving long-term profitable growth and delivering greater shareholder value," said Scott Salmirs, president and chief executive officer of ABM. "With today's announcement we continue to execute on the comprehensive strategy and transformation initiative we announced just under 60 days ago."

The Security Business employs approximately 13,500 guards across the country. ABM and Universal will work together to ensure a seamless transition for all stakeholders.

Salmirs added, "Our employees are our greatest asset and we are excited that one of the largest and fastest-growing security companies with similar culture and values to ABM has acquired the business."

Wells Fargo Securities and Jones Day acted as financial and legal advisors, respectively, to ABM on this transaction.

ABOUT ABM

ABM (NYSE:ABM) is a leading provider of facility solutions with revenues of approximately \$5 billion and 120,000 employees in over 300 offices deployed throughout the United States and various international locations. ABM's service capabilities include electrical & lighting, energy solutions, facilities engineering, HVAC & mechanical, janitorial, landscape & turf, and parking, provided through stand-alone or integrated solutions. ABM provides custom facility solutions in urban, suburban and rural areas to properties of all sizes — from schools and bank branches to the largest and most complex facilities, such as airports, hospitals and manufacturing plants. ABM Industries Incorporated, which operates through its subsidiaries, was founded in 1909. For more information, visit www.abm.com.

FORWARD-LOOKING STATEMENTS

This press release contains both historical and forward-looking statements. Forward-looking statements are not based on historical facts but instead reflect our current expectations, estimates or projections concerning future results or events. These statements generally can be identified by the use of forward-looking words or phrases such as "believe," "expect," "expectation," "anticipate," "may," "could," "intend," "belief," "estimate," "plan," "target," "predict," "likely," "should," "forecast," "outlook," or other similar words or phrases. These statements are not guarantees of future performance and are inherently subject to known and unknown risks, uncertainties and assumptions that are difficult to predict and could cause our actual results to differ materially from those indicated by those statements. Forward-looking statements in this press release include, but are not limited to, statements regarding the anticipated positive impacts from the sale of our Security business, and our ability to further expand our higher growth and higher margin businesses, and drive long-term profitable growth and greater shareholder value. We cannot assure you that any of our expectations, estimates or projections will be achieved. Numerous factors could cause our actual results and events to differ materially from those expressed or implied by forward-looking statements. These factors include, but are not limited to the following: (1) changes to our businesses, operating structure, capital structure, or personnel relating to the adoption of our strategy and transformation initiative may not have the desired effects on our financial condition and results of operations; (2) our strategy of moving to an integrated facility solutions provider platform, which focuses on vertical markets, may not generate the organic growth in revenues or profitability that we expect; (3) we may not achieve the cost savings we have projected to achieve by the realignment of our business operations to better support specific industries; (4) we may not be able to control within expectations the costs and expenses of implementing our strategy and transformation initiative; (5) the adoption of our strategy and transformation initiative may have an adverse impact on our relationships with employees, customers and vendors; (6) risks relating to our acquisition strategy may adversely impact our results of operations; (7) we are subject to intense competition that can constrain our ability to gain business as well as our profitability; (8) increases in costs that we cannot pass on to clients could affect our profitability; (9) we have high deductibles for certain insurable risks, and therefore we are subject to volatility associated with those risks, there is the possibility that our risk management and safety programs may not have the intended effect of allowing us to reduce our insurance reserves for casualty programs and there is the possibility that our insurance reserves may need to be materially adjusted from time to time; (10) our captive insurance company may not bring us the benefits we expect; (11) our restructuring initiatives may not achieve their expected cost reductions; (12) our business success depends on our ability to preserve our long-term relationships with clients; (13) our business success depends on retaining senior management and attracting and retaining qualified personnel; (14) we are at risk of losses stemming from accidents or other incidents at facilities in which we operate, which could cause significant damage to our reputation and financial loss; (15) negative or unexpected tax consequences could adversely affect our results of operations; (16) changes in energy prices and government regulations could adversely impact the results of operations of our Building & Energy Solutions business; (17) significant delays or reductions in appropriations for our government contracts may negatively affect our business and could have an adverse effect on our financial position, results of operations, and cash flows; (18) we conduct some of our operations through joint ventures, and our ability to do business may be affected by the failure of our joint venture partners to perform their obligations; (19) our business may be negatively affected by adverse weather conditions; (20) federal health care reform legislation may adversely affect our business and results of operations; (21) our services in areas of military conflict expose us to additional risks; (22) we are subject to cyber-security risks arising out of breaches of security relating to sensitive company, client, and employee information and to the technology that manages our operations and other business processes; (23) we are subject to business continuity risks associated with centralization of certain administrative functions; (24) a decline in commercial office building occupancy and rental rates could adversely affect our revenues and profitability; (25) deterioration in general economic conditions could reduce the demand for facility services and, as a result, reduce our earnings and adversely affect our financial condition; (26) financial difficulties or bankruptcy of one or more of our clients could adversely affect our results; (27) any future increase in the level of our debt or in interest rates could affect our results of operations; (28) our ability to operate and pay our debt obligations depends upon our access to cash; (29) goodwill impairment charges could have a material adverse effect on our financial condition and results of operations; (30) impairment of long-lived assets may adversely affect our operating results; (31) we are defendants in class and representative actions and other lawsuits alleging various claims that could cause us to incur substantial liabilities; (32) changes in immigration laws or enforcement actions or investigations under such laws could significantly adversely affect our labor force, operations, and financial results; (33) labor disputes could lead to loss of revenues or expense variations; (34) we participate in multiemployer pension plans that

under certain circumstances could result in material liabilities being incurred; (35) disasters or acts of terrorism could disrupt services; (36) actions of activist investors could be disruptive and costly and could cause uncertainty about the strategic direction of our business; and (37) the costs that we may incur in connection with reviewing strategic alternatives for our security business which may not be recouped if a sale of or strategic transaction involving the security business is not consummated.

The list of factors above is illustrative, but by no means exhaustive. Additional information regarding these and other risks and uncertainties the Company faces is contained in the Company's Annual Report on Form 10-K for the year ended October 31, 2014, and in other reports the Company files from time to time with the Securities and Exchange Commission (the "SEC") (including all amendments to those reports). The Company urges readers to consider these risks and uncertainties in evaluating its forward-looking statements. The Company cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. The Company disclaims any obligation or undertaking to publicly release any updates or revisions to any forward-looking statements contained herein (or elsewhere) to reflect any change in the Company's expectations with regard thereto, or any change in events, conditions or circumstances on which any such statement is made, whether as a result of new information, future events or otherwise, except as otherwise required by the federal securities laws.

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