UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): June 5, 2019

ABM Industries Incorporated

(Exact name of registrant as specified in its charter)

Delaware	**1-8929**	**94-1369354**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

One Liberty Plaza, 7th Floor
New York, New York — **10006**
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code **(212) 297-0200**

N/A
(Former name or former address if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value	**ABM**	**New York Stock Exchange**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

☐ Emerging growth company

☐ If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On June 5, 2019, ABM Industries Incorporated (the "Company") issued a press release announcing financial results related to the second quarter of fiscal year 2019. A copy of the press release is attached as Exhibit 99.1, which is incorporated into this item by reference.

Item 7.01. Regulation FD Disclosure.

As disclosed in the press release attached as Exhibit 99.1, the Company will hold a live web cast on June 6, 2019 relating to the Company's financial results for the second quarter of fiscal year 2019. A copy of the slides to be presented at the Company's web cast and discussed in the conference call relating to such financial results is being furnished as Exhibit 99.2 to this Form 8-K.

Item 8.01. Other Events.

On June 5, 2019, the Company announced that the Board of Directors of the Company declared a quarterly dividend of $0.18 per share, payable on August 5, 2019 to stockholders of record on July 5, 2019. A copy of the press release announcing the declaration of the dividend is attached as Exhibit 99.1, which is incorporated into this item by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press Release issued by ABM Industries Incorporated, dated June 5, 2019, announcing financial results related to the second quarter of fiscal year 2019 and the declaration of a dividend payable August 5, 2019 to stockholders of record on July 5, 2019.

99.2 Slides of ABM Industries Incorporated, Second Quarter 2019.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ABM INDUSTRIES INCORPORATED

Dated: June 5, 2019

By: /s/ Andrea R. Newborn
Andrea R. Newborn
Executive Vice President, General Counsel and Secretary

Exhibit 99.1

ABM Building Value

ABM INDUSTRIES ANNOUNCES RESULTS FOR

SECOND QUARTER FISCAL 2019

Reports Record Second Quarter Revenues of $1.6 billion

GAAP Continuing EPS of $0.45; Adjusted Continuing EPS of $0.47

Narrows Fiscal 2019 Guidance Outlook

Declaration of 213th Consecutive Quarterly Dividend

New York, NY - June 5, 2019 - ABM (NYSE: ABM), a leading provider of facility solutions, today announced financial results for the second quarter of fiscal 2019.

Scott Salmirs, President and Chief Executive Officer of ABM Industries, commented, "Our organization continued to demonstrate solid performance as we executed against our plans for the second quarter. We also delivered record new sales bookings of $590 million through the first half of fiscal 2019 compared to $460 million for the same period last year, underscoring our commitment to a strong sales culture."

(in millions, except per share amounts) *(unaudited)*	Three Months Ended April 30, 2019	Three Months Ended April 30, 2018	Increase/ (Decrease)	Six Months Ended April 30, 2019	Six Months Ended April 30, 2018	Increase/ (Decrease)
Revenues	$ 1,594.7	$ 1,580.8	0.9%	$ 3,202.6	$ 3,169.2	1.1%
Operating profit	$ 54.5	$ 45.3	20.4%	$ 84.8	$ 64.8	30.9%
Income from continuing operations	$ 29.9	$ 25.4	17.9%	$ 42.9	$ 53.3	(19.5)%
Income from continuing operations per diluted share	$ 0.45	$ 0.38	18.4%	$ 0.64	$ 0.80	(20.0)%
Adjusted income from continuing operations	$ 31.5	$ 31.2	1.1%	$ 52.3	$ 48.6	7.7%
Adjusted income from continuing operations per diluted share	$ 0.47	$ 0.47	—%	$ 0.78	$ 0.73	6.8%
Net income	$ 29.7	$ 26.6	11.7%	$ 42.7	$ 54.4	(21.6)%
Net income per diluted share	$ 0.45	$ 0.40	12.5%	$ 0.64	$ 0.82	(22.0)%
Net cash provided by operating activities of continuing operations	$ 95.8	$ 98.4	(2.6)%	$ 56.5	$ 132.2	(57.3)%
Adjusted EBITDA	$ 84.7	$ 83.0	2.0%	$ 153.5	$ 148.1	3.6%
Adjusted EBITDA margin	5.3%	5.3%	—bps	4.8%	4.7%	10 bps

* Not meaningful (due to variance greater than or equal to +/-100%)

This release refers to certain non-GAAP financial measures described as “Adjusted EBITDA”, defined as earnings before income from discontinued operations, net of taxes, interest, taxes, depreciation and amortization and excluding items impacting comparability, "Adjusted EBITDA margin", defined as adjusted EBITDA divided by revenue, “Adjusted income from continuing operations,” "Adjusted income from continuing operations per diluted share”, and "organic revenue", defined as revenue adjusted for the impact of acquisitions and divestitures, as well as the impact of the adoption of ASC 853 and ASC 606. These adjustments have been made with the intent of providing financial measures that give management and investors a more representative understanding of underlying operational results and trends as well as the Company’s operational performance. Management also uses Adjusted EBITDA as a basis for planning and forecasting future periods. Please refer to the accompanying financial schedules for supplemental financial data and corresponding reconciliation of these non-GAAP financial measures to certain GAAP financial measures. We round amounts in these schedules to millions and calculate all percentages and per-share data from the underlying whole-dollar amounts. As a result, certain amounts may not foot, crossfoot, or recalculate based on reported numbers due to rounding. Unless otherwise noted, all references to years are to our fiscal year, which ends on October 31.

Second Quarter Summary

- Record second quarter revenue of $1,594.7 million.

- New bookings of approximately $590 million in annualized revenue for the first half of fiscal 2019 versus $460 million for the first half of fiscal 2018.

- Organic revenue growth (which excludes the impact from ASC 853 and ASC 606) of 1.7%, primarily driven by growth within the Technical Solutions segment in the U.S.

- Income from continuing operations of $29.9 million, or $0.45 per diluted share versus $25.4 million, or $0.38 per diluted share last year, primarily driven by lower items impacting comparability.

- Adjusted income from continuing operations of $31.5 million, or $0.47 per diluted share versus $31.2 million, or $0.47 per diluted share last year.

- Net income for the quarter was $29.7 million, or $0.45 per diluted share.

- Record adjusted EBITDA increased to $84.7 million compared to $83.0 million last year. These results led to an adjusted EBITDA margin of 5.3%.

- Net cash provided by continuing operating activities was $95.8 million for the quarter.

- Results reflect the adoption of Accounting Standards Codification ("ASC") 853 and ASC 606. ASC 853, related to service concession arrangements, had a revenue impact of ($12.2) million predominantly in the Aviation segment. ASC 606, related to revenue from contracts with customers, had a ($1.2) million impact to revenue and $0.03 impact to income from continuing operations per diluted share on both a GAAP and adjusted basis.

Second Quarter Results

For the second quarter of fiscal 2019, the Company achieved record revenues of approximately $1.6 billion driven by organic revenue growth of 1.7%, excluding the adoption of ASC 853 and ASC 606. Organic revenue growth was driven primarily by growth within the Technical Solutions and Aviation segments. Organic revenue growth was partially offset by a decline in revenue primarily within the Business & Industry, Healthcare and Technology & Manufacturing segments.

On a GAAP basis, income from continuing operations was $29.9 million, or $0.45 per diluted share, compared to income from continuing operations of $25.4 million, or $0.38 per diluted share last year. The increase versus last year was driven primarily by lower items impacting comparability. A description of items impacting comparability can be found in the "Reconciliation of Non-GAAP Financial Measures" table.

Adjusted income from continuing operations for the second quarter of 2019 was $31.5 million, or $0.47 per diluted share, compared to $31.2 million, or $0.47 per diluted share for the second quarter of fiscal 2018. Adjusted results exclude items impacting comparability.

Income from continuing operations for the quarter on both a GAAP and adjusted basis reflects higher revenue contribution from the Technical Solutions segment, as well as higher margin revenue mix primarily stemming from the Business & Industry and Technology & Manufacturing segments. This was partially offset by a higher tax rate versus last year given an expected decrease in the deductibility of certain taxable items. The Company also saw a $0.03 impact related to the Company's adoption of ASC 606.

Net income for the second quarter of 2019 was $29.7 million, or $0.45 per diluted share, compared to net income of $26.6 million, or $0.40 per diluted share last year.

Adjusted EBITDA for the quarter was $84.7 million compared to $83.0 million in the second quarter of fiscal 2018. Adjusted EBITDA margin for the quarter was 5.3% versus 5.3% last year. Adjusted results exclude items impacting comparability.

Mr. Salmirs continued, "Our second quarter performance highlighted the progress we made against our strategic priorities for the year. In addition to achieving record new sales bookings, we managed our business nimbly despite seeing no signs of improvement in the challenging labor environment. Investments in our IT infrastructure continue as we implement technology upgrades to improve operational efficiencies. I'm also pleased that we delivered cash flow from operations in excess of $90 million, a significant sequential improvement."

Liquidity & Capital Structure

The Company ended the quarter with total debt, including standby letters of credit, of $1.1 billion.

Total debt to proforma adjusted EBITDA was 3.3x.

In addition, the Company paid its 212th quarterly cash dividend of $0.180 per common share for a total distribution of $11.9 million.

Declaration of Quarterly Cash Dividend

The Company also announced that the Board of Directors has declared a cash dividend of $0.180 per common share payable on August 5, 2019 to shareholders of record on July 5, 2019. This will be the Company's 213th consecutive quarterly cash dividend.

Guidance

The Company is narrowing its outlook for fiscal 2019 to reflect its year-to-date performance. As a result, the Company now expects GAAP income from continuing operations of $1.70 to $1.80 per diluted share. Excluding items impacting comparability, adjusted income from continuing operations is expected to be in the range of $1.95 to $2.05 per diluted share for the 2019 fiscal year. With the exception of the 2019 Work Opportunity Tax Credits and anticipated excess tax benefits on stock-based awards, this guidance does not include any potential benefits associated with certain other discrete tax items and other unrecognized tax benefits. This updated guidance outlook compares to the previous guidance outlook stated in the Company's fiscal fourth quarter and full year 2018 earnings announcement.

On November 1, 2018, the Company adopted the Financial Accounting Standards Board’s new revenue recognition standards, ASC 853 and ASC 606, using the modified retrospective approach with a cumulative- effect adjustment to retained earnings as of the beginning of fiscal 2019. As a result of these new accounting standards, the Company expects the impact to be in the range of $0.00 to $0.05 primarily related to the timing of revenue recognition for certain Bundled Energy Solutions contracts and sales commission costs. These amounts are not reflected in the current guidance outlook.

Mr. Salmirs concluded, "The foundational improvements we are making to our infrastructure in 2019 will lay the groundwork for an even stronger and more prosperous long-term future. I want to thank our entire organization for their hard work and diligence and look forward to working towards our goals in the second half of the year. Our team members remain the bedrock of ABM's success."

Conference Call Information

ABM will host its quarterly conference call for all interested parties on Thursday, June 6, 2019 at 8:30 AM (ET). The live conference call can be accessed via audio webcast at the "Investors" section of the Company's website, located at www.abm.com, or by dialing (877) 451-6152 approximately 15 minutes prior to the scheduled time.

A supplemental presentation will accompany the webcast on the Company's website.

A replay will be available approximately two hours after the recording through June 20, 2019 and can be accessed by dialing (844) 512-2921 and then entering ID #13690871. An archive will also be available on the ABM website for 90 days.

ABOUT ABM

ABM (NYSE: ABM) is a leading provider of facility solutions with revenues of approximately $6.4 billion and approximately 140,000 employees in 350+ offices throughout the United States and various international locations. ABM's comprehensive capabilities include janitorial, electrical & lighting, energy solutions, facilities engineering, HVAC & mechanical, landscape & turf, mission critical solutions 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 commercial buildings to hospitals, data centers, manufacturing plants and airports. ABM Industries Incorporated, which operates through its subsidiaries, was founded in 1909. For more information, visit www.abm.com.

Cautionary Statement under the Private Securities Litigation Reform Act of 1995

This press release contains both historical and forward-looking statements about ABM Industries Incorporated ("ABM") and its subsidiaries (collectively referred to as "ABM," "we," "us," "our," or the "Company"). We make forward-looking statements related to future expectations, estimates and projections that are uncertain, and often contain words such as "anticipate," "believe," "could," "estimate," "expect," "forecast," "intend," "likely," "may," "outlook," "plan," "predict," "should," "target," or other similar words or phrases. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and assumptions that are difficult to predict. For us, particular uncertainties that could cause our actual results to be materially different from those expressed in our forward-looking statements include: (1) we may not realize the full extent of growth opportunities and synergies that we anticipated from the acquisition of GCA; (2) we incurred a substantial amount of debt to complete the acquisition of GCA. To service our debt we will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control. We also depend on the profitability of our subsidiaries to satisfy our cash needs. If we cannot generate the required cash, we may not be able to make the necessary payments required to service our indebtedness or we may be required to suspend certain discretionary payments, including our dividend; (3) changes to our businesses, operating structure, financial reporting structure, or personnel relating to the implementation of our 2020 Vision strategic transformation initiative, together with process and technology initiatives following the acquisition of GCA, may not have the desired effects on our financial condition and results of operations; (4) our success depends on our ability to gain profitable business despite competitive pressures and on our ability to preserve long-term client relationships; (5) our business success depends on our ability to attract and retain qualified personnel and senior management; (6) our use of subcontractors or joint venture partners to perform work under customer contracts exposes us to liability and financial risk; (7) our international business involves risks different from those we face in the United States that could have an effect on our results of operations and financial condition; (8) unfavorable developments in our class and representative actions and other lawsuits alleging various claims could cause us to incur substantial liabilities; (9) we insure our insurable risks through a combination of insurance and self-insurance and we retain a substantial portion of the risk associated with expected losses under these programs, which exposes us to volatility associated with those risks, including the possibility that changes in estimates of ultimate insurance losses could result in material charges against our earnings; (10) our risk management and safety programs may not have the intended effect of reducing our liability for personal injury or property loss; (11) impairment of goodwill and long-lived assets could have a material adverse effect on our financial condition and results of operations; (12) changes in general economic conditions, including changes in energy prices, government regulations, and changing consumer preferences, could reduce the demand for facility services and, as a result, reduce our earnings and adversely affect our financial condition; (13) our business may be materially affected by changes to fiscal and tax policies. Negative or unexpected tax consequences could adversely affect our results of operations; (14) we may experience breaches of, or disruptions to, our information technology systems or those of our third-party providers or clients, or other compromises of our data that could adversely affect our business; (15) a significant number of our employees are covered by collective bargaining agreements that could expose us to potential liabilities in relationship to our participation in multiemployer pension plans, requirements to make contributions to other benefit plans, and the potential for strikes, work slowdowns or similar activities, and union-organizing drives; (16) if we fail to maintain proper and effective internal control over financial reporting in the future, our ability to produce accurate and timely financial statements could be negatively impacted, which could harm our operating results and investor perceptions of our Company and, as a result may have a material adverse effect on the value of our common stock; (17) our business may be negatively impacted by adverse weather conditions; (18) catastrophic events, disasters, and terrorist attacks could disrupt our services; and (19) actions of activist investors could disrupt our business. The list of factors above is illustrative and by no means exhaustive. For additional information on these and other risks and uncertainties we face, see ABM's risk factors, as they may be amended from time to time, set forth in our filings with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K and subsequent filings. We urge readers to consider these risks and uncertainties in evaluating our forward-looking statements. We caution readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law.

Use of Non-GAAP Financial Information

To supplement ABM's consolidated financial information, the Company has presented income from continuing operations and income from continuing operations per diluted share as adjusted for items impacting comparability, for the second quarter of fiscal years 2019 and 2018. These adjustments have been made with the intent of providing financial measures that give management and investors a better understanding of the underlying operational results and trends as well as ABM's operational performance. In addition, the Company has presented earnings before income from discontinued operations, net of taxes, interest, taxes, depreciation and amortization and excluding items impacting comparability (adjusted EBITDA) for the second quarter of fiscal years 2019 and 2018. Adjusted EBITDA is among the indicators management uses as a basis for planning and forecasting future periods. The Company has also presented organic revenue growth to provide investors with useful supplemental information regarding the Company's ongoing performance and trends by presenting revenue growth excluding the impact of acquisitions and divestitures, as well as the impact of the adoption of ASC 606 and ASC 853. The presentation of these non-GAAP financial measures is not meant to be considered in isolation or as a substitute for financial statements prepared in accordance with accounting principles generally accepted in the United States of America. (See accompanying financial tables for supplemental financial data and corresponding reconciliations to certain GAAP financial measures.)

Contact:
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ABM INDUSTRIES INCORPORATED AND SUBSIDIARIES

CONSOLIDATED INCOME STATEMENT INFORMATION (UNAUDITED)

(in millions, except per share amounts)	Three Months Ended April 30, 2019	Three Months Ended April 30, 2018	Increase / (Decrease)
Revenues	$ 1,594.7	$ 1,580.8	0.9%
Operating expenses	1,414.2	1,405.8	0.6%
Selling, general and administrative expenses	108.4	107.8	0.6%
Restructuring and related expenses	2.7	5.3	(48.2)%
Amortization of intangible assets	14.8	16.7	(11.1)%
Operating profit	54.5	45.3	20.4%
Income from unconsolidated affiliates	0.8	1.0	(23.0)%
Interest expense	(12.8)	(13.8)	(7.3)%
Income from continuing operations before income taxes	42.5	32.5	30.8%
Income tax provision	(12.6)	(7.1)	77.2%
Income from continuing operations	29.9	25.4	17.9%
(Loss) income from discontinued operations, net of taxes	(0.2)	1.2	NM*
Net income	$ 29.7	$ 26.6	11.7%
Net income per common share — Basic			
Income from continuing operations	$ 0.45	$ 0.38	18.4%
Income from discontinued operations	—	0.02	NM*
Net income	$ 0.45	$ 0.40	12.5%
Net income per common share — Diluted			
Income from continuing operations	$ 0.45	$ 0.38	18.4%
Income from discontinued operations	—	0.02	NM*
Net income	$ 0.45	$ 0.40	12.5%
Weighted-average common and common equivalent shares outstanding			
Basic	66.5	66.0	
Diluted	66.8	66.2	
Dividends declared per common share	$ 0.180	$ 0.175	

* Not meaningful (due to variance greater than or equal to +/-100%)

ABM INDUSTRIES INCORPORATED AND SUBSIDIARIES

CONSOLIDATED INCOME STATEMENT INFORMATION (UNAUDITED)

(in millions, except per share amounts)	Six Months Ended April 30, 2019	Six Months Ended April 30, 2018	Increase / (Decrease)
Revenues	$ 3,202.6	$ 3,169.2	1.1%
Operating expenses	2,860.2	2,835.1	0.9%
Selling, general and administrative expenses	221.1	216.8	2.0%
Restructuring and related expenses	6.5	19.6	(66.8)%
Amortization of intangible assets	30.0	32.9	(8.7)%
Operating profit	84.8	64.8	30.9%
Income from unconsolidated affiliates	1.7	1.6	9.6%
Interest expense	(26.3)	(28.1)	(6.5)%
Income from continuing operations before income taxes	60.2	38.2	57.6%
Income tax (provision) benefit	(17.3)	15.1	NM*
Income from continuing operations	42.9	53.3	(19.5)%
(Loss) income from discontinued operations, net of taxes	(0.2)	1.1	NM*
Net income	42.7	54.4	(21.6)%
Net income per common share — Basic			
Income from continuing operations	$ 0.65	$ 0.81	(19.8)%
Income from discontinued operations	—	0.02	NM*
Net income	$ 0.64	$ 0.83	(22.9)%
Net income per common share — Diluted			
Income from continuing operations	$ 0.64	$ 0.80	(20.0)%
Income from discontinued operations	—	0.02	NM*
Net income	$ 0.64	$ 0.82	(22.0)%
Weighted-average common and common equivalent shares outstanding			
Basic	66.4	66.0	
Diluted	66.7	66.3	
Dividends declared per common share	$ 0.360	$ 0.350	

* Not meaningful (due to variance greater than or equal to +/-100%)

ABM INDUSTRIES INCORPORATED AND SUBSIDIARIES

SELECTED CONSOLIDATED CASH FLOW INFORMATION (UNAUDITED)

(in millions)	Three Months Ended April 30, 2019	2018
Net cash provided by operating activities of continuing operations	$ 95.8	$ 98.4
Net cash (used in) provided by operating activities of discontinued operations	(0.2)	1.2
Net cash provided by operating activities	$ 95.7	$ 99.6
Purchase of businesses, net of cash acquired	—	2.4
Other	(15.7)	(11.5)
Net cash used in investing activities	$ (15.7)	$ (9.1)
Proceeds from issuance of share-based compensation awards, net	1.7	1.3
Dividends paid	(11.9)	(11.5)
Borrowings from credit facility	308.2	164.2
Repayment of borrowings from credit facility	(344.2)	(238.0)
Changes in book cash overdrafts	(11.4)	(3.6)
Financing of energy savings performance contracts	1.6	—
Repayment of capital lease obligations	(0.9)	(0.9)
Net cash used in financing activities	$ (57.0)	$ (88.4)
Effect of exchange rate changes on cash and cash equivalents	0.1	(0.9)

ABM INDUSTRIES INCORPORATED AND SUBSIDIARIES

SELECTED CONSOLIDATED CASH FLOW INFORMATION (UNAUDITED)

(in millions)	Six Months Ended April 30, 2019	Six Months Ended April 30, 2018
Net cash provided by operating activities of continuing operations	$ 56.5	$ 132.2
Net cash (used in) provided by operating activities of discontinued operations	(0.2)	1.1
Net cash provided by operating activities	$ 56.3	$ 133.3
Other	(27.1)	(24.4)
Net cash used in investing activities	$ (27.1)	$ (24.4)
Taxes withheld from issuance of share-based compensation awards, net	(0.7)	(0.7)
Dividends paid	(23.8)	(23.0)
Deferred financing costs paid	—	(0.1)
Borrowings from credit facility	665.8	468.5
Repayment of borrowings from credit facility	(653.8)	(541.0)
Changes in book cash overdrafts	(4.1)	(4.8)
Financing of energy savings performance contracts	3.4	—
Repayment of capital lease obligations	(1.8)	(1.7)
Net cash used in financing activities	$ (15.0)	$ (102.7)
Effect of exchange rate changes on cash and cash equivalents	0.4	0.8

ABM INDUSTRIES INCORPORATED AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEET INFORMATION (UNAUDITED)

(in millions)	April 30, 2019	October 31, 2018
ASSETS		
Current assets		
Cash and cash equivalents	$ 53.7	$ 39.1
Trade accounts receivable, net of allowances	1,048.0	1,014.1
Costs incurred in excess of amounts billed	53.8	—
Prepaid expenses	74.5	80.8
Other current assets	50.9	37.0
Total current assets	1,280.9	1,171.0
Other investments	14.5	16.3
Property, plant and equipment, net of accumulated depreciation	143.6	140.1
Other intangible assets, net of accumulated amortization	325.8	355.7
Goodwill	1,836.0	1,834.8
Other noncurrent assets	129.1	109.6
Total assets	$ 3,729.9	$ 3,627.5
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Current portion of long-term debt, net	$ 47.1	$ 37.0
Trade accounts payable	232.7	221.9
Accrued compensation	156.2	172.1
Accrued taxes—other than income	74.4	56.0
Insurance claims	158.5	149.5
Income taxes payable	7.2	3.2
Other accrued liabilities	175.0	152.7
Total current liabilities	851.1	792.5
Long-term debt, net	905.5	902.0
Deferred income tax liability, net	32.6	37.8
Noncurrent insurance claims	370.3	360.8
Other noncurrent liabilities	70.9	62.9
Noncurrent income taxes payable	18.0	16.9
Total liabilities	2,248.5	2,172.9
Total stockholders' equity	1,481.4	1,454.6
Total liabilities and stockholders’ equity	$ 3,729.9	$ 3,627.5

ABM INDUSTRIES INCORPORATED AND SUBSIDIARIES

REVENUES AND OPERATING PROFIT BY SEGMENT (UNAUDITED)

(in millions)	Three Months Ended April 30, 2019	Three Months Ended April 30, 2018	Increase/ (Decrease)
Revenues			
Business & Industry	$ 753.4	$ 755.1	(0.2)%
Aviation	250.0	249.2	0.3%
Technology & Manufacturing	224.3	227.8	(1.5)%
Education	205.6	206.9	(0.6)%
Technical Solutions	127.6	108.5	17.6%
Healthcare	66.3	69.9	(5.1)%
Elimination of inter-segment revenues	(32.6)	(36.5)	10.7%
Total revenues	$ 1,594.7	$ 1,580.8	0.9%
Operating profit (loss)			
Business & Industry	$ 47.7	$ 43.5	9.8%
Aviation	4.8	5.1	(6.8)%
Technology & Manufacturing	19.2	16.0	19.5%
Education	10.4	10.6	(2.2)%
Technical Solutions	9.5	7.5	26.2%
Healthcare	2.6	2.7	(2.3)%
Corporate	(38.9)	(37.1)	(4.7)%
Adjustment for income from unconsolidated affiliates, included in Aviation	(0.8)	(1.0)	24.0%
Adjustment for tax deductions for energy efficient government buildings, included in Technical Solutions	—	(2.0)	NM*
Total operating profit	54.5	45.3	20.4%
Income from unconsolidated affiliates	0.8	1.0	(23.0)%
Interest expense	(12.8)	(13.8)	(7.3)%
Income from continuing operations before income taxes	42.5	32.5	30.8%
Income tax provision	(12.6)	(7.1)	77.2%
Income from continuing operations	29.9	25.4	17.9%
(Loss) income from discontinued operations, net of taxes	(0.2)	1.2	NM*
Net income	$ 29.7	$ 26.6	11.7%

* Not meaningful (due to variance greater than or equal to +/-100%)

ABM INDUSTRIES INCORPORATED AND SUBSIDIARIES

REVENUES AND OPERATING PROFIT BY SEGMENT (UNAUDITED)

	Six Months Ended April 30,		Increase/
(in millions)	2019	2018	(Decrease)
Revenues			
Business & Industry	$ 1,527.9	$ 1,511.3	1.1%
Aviation	502.4	509.2	(1.3)%
Technology & Manufacturing	460.4	460.0	0.1%
Education	410.3	413.8	(0.8)%
Technical Solutions	235.5	212.5	10.8%
Healthcare	133.0	137.6	(3.4)%
Elimination of inter-segment revenues	(67.0)	(75.4)	11.1%
Total revenues	$ 3,202.6	$ 3,169.2	1.1%
Operating profit (loss)			
Business & Industry	$ 84.2	$ 72.0	16.9%
Aviation	8.7	10.9	(20.3)%
Technology & Manufacturing	37.4	32.9	13.6%
Education	20.6	19.8	4.3%
Technical Solutions	15.5	13.0	18.7%
Healthcare	3.8	5.4	(30.2)%
Government Services	(0.1)	(0.8)	NM*
Corporate	(83.6)	(84.5)	1.1%
Adjustment for income from unconsolidated affiliates, included in Aviation	(1.7)	(1.6)	(3.2)%
Adjustment for tax deductions for energy efficient government buildings, included in Technical Solutions	—	(2.3)	NM*
Total operating profit	84.8	64.8	30.9%
Income from unconsolidated affiliates	1.7	1.6	9.6%
Interest expense	(26.3)	(28.1)	(6.5)%
Income from continuing operations before income taxes	60.2	38.2	57.6%
Income tax (provision) benefit	(17.3)	15.1	NM*
Income from continuing operations	42.9	53.3	(19.5)%
(Loss) income from discontinued operations, net of taxes	(0.2)	1.1	NM*
Net income	$ 42.7	$ 54.4	(21.6)%

* Not meaningful (due to variance greater than or equal to +/-100%)

ABM INDUSTRIES INCORPORATED AND SUBSIDIARIES

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES (UNAUDITED)

(in millions, except per share amounts)	Three Months Ended April 30, 2019	Three Months Ended April 30, 2018	Six Months Ended April 30, 2019	Six Months Ended April 30, 2018
Reconciliation of Income from Continuing Operations to Adjusted Income from Continuing Operations				
Income from continuing operations	$ 29.9	$ 25.4	$ 42.9	$ 53.3
Items impacting comparability[(a)]				
Prior year self-insurance adjustment[(b)]	—	(0.8)	5.0	1.2
Other[(c)]	0.2	—	2.1	—
Restructuring and related[(d)]	2.7	5.3	6.5	19.6
Acquisition costs	—	0.6	0.3	2.0
Litigation and other settlements	(0.6)	3.2	(0.9)	0.8
Impairment loss	—	—	—	0.7
Total items impacting comparability	2.3	8.3	13.1	24.3
Income tax benefit[(e) (f)]	(0.6)	(2.5)	(3.7)	(29.1)
Items impacting comparability, net of taxes	1.6	5.8	9.4	(4.7)
Adjusted income from continuing operations	$ 31.5	$ 31.2	$ 52.3	$ 48.6

	Three Months Ended April 30, 2019	Three Months Ended April 30, 2018	Six Months Ended April 30, 2019	Six Months Ended April 30, 2018
Reconciliation of Net Income to Adjusted EBITDA				
Net income	$ 29.7	$ 26.6	$ 42.7	$ 54.4
Items impacting comparability	2.3	8.3	13.1	24.3
Loss (income) from discontinued operations	0.2	(1.2)	0.2	(1.1)
Income tax provision (benefit)	12.6	7.1	17.3	(15.1)
Interest expense	12.8	13.8	26.3	28.1
Depreciation and amortization	27.1	28.5	53.9	57.5
Adjusted EBITDA	$ 84.7	$ 83.0	$ 153.5	$ 148.1

	Three Months Ended April 30, 2019	Three Months Ended April 30, 2018	Six Months Ended April 30, 2019	Six Months Ended April 30, 2018
Reconciliation of Income from Continuing Operations per Diluted Share to Adjusted Income from Continuing Operations per Diluted Share				
Income from continuing operations per diluted share	$ 0.45	$ 0.38	$ 0.64	$ 0.80
Items impacting comparability, net of taxes	0.02	0.09	0.14	(0.07)
Adjusted income from continuing operations per diluted share	$ 0.47	$ 0.47	$ 0.78	$ 0.73
Diluted shares	66.8	66.2	66.7	66.3

	Three Months Ended April 30, 2019	Three Months Ended April 30, 2018	Six Months Ended April 30, 2019	Six Months Ended April 30, 2018
Reconciliation of Revenues to Organic Revenues				
Revenues	$ 1,594.7	$ 1,580.8	$ 3,202.6	$ 3,169.2
Changes pursuant to ASC 606 and ASC 853 [(g)]	13.4	—	23.4	—
Organic revenues	$ 1,608.1	$ 1,580.8	$ 3,226.0	$ 3,169.2
Revenues growth	0.9%		1.1%	
Organic revenues growth	1.7%		1.8%	

[(a)] The Company adjusts income from continuing operations to exclude the impact of certain items that are unusual, non-recurring, or otherwise do not reflect management's views of the underlying operational results and trends of the Company.

[b] Represents the net adjustments to our self-insurance reserve for general liability, workers' compensation, automobile and medical and dental insurance claims related to prior period accident years. Management believes these prior period reserve changes do not illustrate the performance of the Company's normal ongoing operations given the current year's insurance expense is estimated by management in conjunction with the Company's outside actuary to take into consideration past history and current costs and regulatory trends. Once the Company develops its best estimate of insurance expense premiums for the year, the Company fully allocates such costs out to the business leaders to hold them accountable for the current year costs within operations. However, since these prior period reserve changes relate to claims that could date back many years, current management has limited ability to influence the ultimate development of the prior year changes. Accordingly, including the prior period reserve changes in the Company's current operational results would not depict how the business is run as the Company holds its management accountable for the current year's operational performance. The Company believes the exclusion of the self-insurance adjustment from income from continuing operations is useful to investors by enabling them to better assess our operating performance in the context of current year profitability. For the six months ended April 30, 2019 and 2018, our self-insurance general liability, workers' compensation, and automobile and medical and dental insurance claims related to prior period accident years was increased by $5.0 million and $1.2 million, respectively.

[c] Primarily represents one-time implementation costs related to the Company's transformational IT infrastructure projects and requirements associated with General Data Protection Regulation standards.

[d] Represents restructuring costs related to the continued integration of GCA acquisition in September 2017.

[e] The Company's tax impact is calculated using the federal and state statutory rate of 28.1% for QTD and YTD FY19, and 29.8% for QTD and YTD FY18. We calculate tax from the underlying whole-dollar amounts, as a result, certain amounts may not recalculate based on reported numbers due to rounding.

[f]The YTD FY18 includes a tax benefit of $21.7M related to the enactment of the Tax Act.

[g]Consistent with the required disclosures under U.S. GAAP in the year of adoption of ASC 606 and ASC 853, we are providing information in each reporting period during the year of adoption on what revenue would have been under our historical method of accounting that existed prior to November 1, 2018 as part of the reconciliation of reported revenues to organic revenues.

ABM INDUSTRIES INCORPORATED AND SUBSIDIARIES

2019 GUIDANCE

Reconciliation of Estimated Income from Continuing Operations per Diluted Share to Estimated Adjusted Income from Continuing Operations per Diluted Share (c)	**Year Ending October 31, 2019**	
	Low Estimate	**High Estimate**
Income from continuing operations per diluted share (a)	1.70	1.80
Adjustments (b)	0.25	0.25
Adjusted Income from continuing operations per diluted share (a)	$ 1.95	$ 2.05

(a) With the exception of the 2019 Work Opportunity Tax Credits and ASU 2016-09, this guidance does not include any potential benefits associated with certain other discrete tax items and other unrecognized tax benefits.

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

(c) On November 1, 2018, the Company adopted the Financial Accounting Standards Board’s new revenue recognition standard Accounting Standards Codification Topic 606 ("ASC 606") and ASC 853 using the modified retrospective approach with cumulative-effect adjustment to retained earnings as of the beginning of fiscal 2019. As a result of this new accounting standard, the Company expects the impact to be in the range of $0.00 to $0.05 primarily related to timing of revenue recognition for certain Bundled Energy Solutions contracts. These amounts are not reflected in the current guidance outlook.

Exhibit 99.2

Investor Presentation
SECOND QUARTER 2019
ABM
Building Value

Agenda

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Forward-Looking Statements and Non-GAAP Financial Information:
Our discussions during this conference call and in this presentation will include forward-looking statements. Actual results could differ materially from those projected in the forward-looking statements. Some of the factors that could cause actual results to differ are discussed in the Company's SEC filings. Our filings are available on our website at http://investor.abm.com under "Company Information". A description of other 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 and in this presentation will include certain financial measures that were not prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). Please see the Appendix for reconciliations of those historical non-GAAP financial measures and for information relating to the use of certain other non-GAAP financial measures. Reconciliations of certain non-GAAP financial measures can also be found on the Investor Relations portion of our website at http://investor.abm.com.

Business Overview

ABM
Building Value

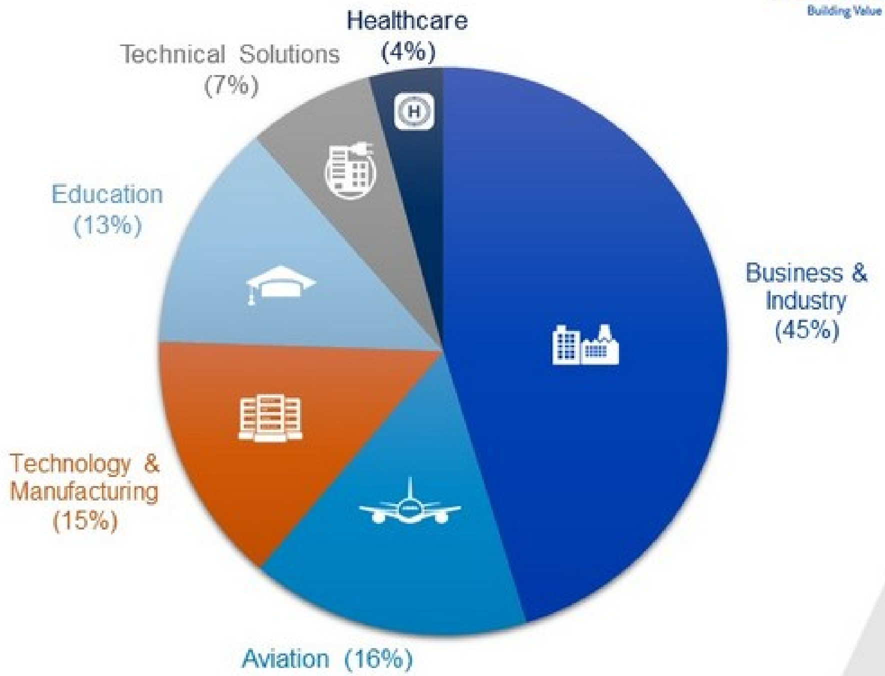

ABM
Building Value
Who We Are
PURPOSE
To take care of the people, spaces and places that are important to you
VISION
To be the clear choice in the industries we serve through engaged people
MISSION
To make a difference, every person, every day

Building Value Through Industry Expertise

Keeping your environment safe, clean, comfortable and energy efficient through individual or integrated solutions

Industries We Serve

As of Fiscal 2018



Services We Perform

As of Fiscal 2018

Aviation

Business & Industry

Education

Healthcare

Technology & Manuracturing

Technical Solutions

Janitorial

Building Cleaning & Maintenance
Green Cleaning and Recycling Services
Hard Surface Floor & Carpet Care
Clean Room and GMP Cleaning
Staffing and Specialty Services

Parking & Transportation

On and Off-Street Parking Management
Shuttle and Transportation Services
Valet Parking and Special Event Services

Electrical & Mechanical

Repairs, Replacements and Upgrades
Predictive and Preventative Maintenance
Low to High-Voltage Testing
Electrical Engineering and Commissioning
Chiller Services
Mechanical Systems Operations

Energy Solutions

HVAC, Central Plants, Lighting and Controls
EV Charging Stations
24/7/365 Facility Operation
Energy Audits & Optimization
Infrastructure Upgrades

Aviation Services

Aircraft Interior & Exterior Cleaning
Cargo Services
Terminal Cleaning
Wheelchair Assistance
Ambassador Services
Queue/Lobby Management

Landscape & Turf

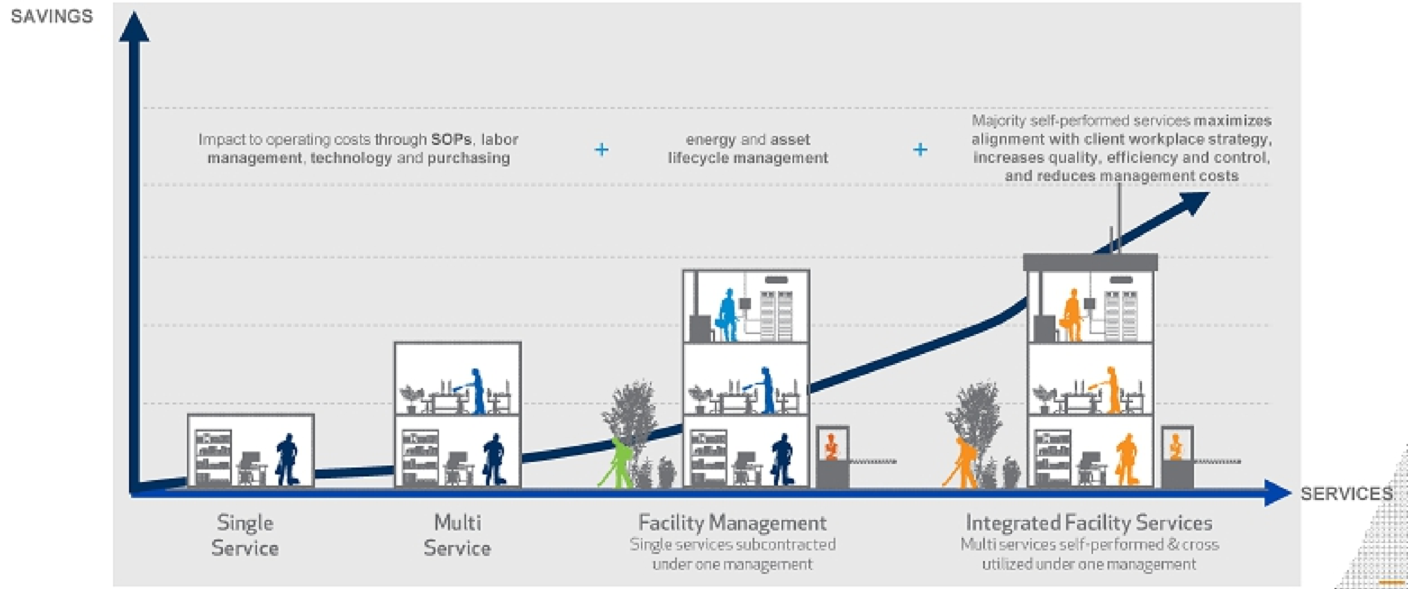
Landscape and Grounds Maintenance
Golf Course Maintenance and Renovations
Athletic and Sports Field Maintenance
Irrigation Maintenance & Management
Exterior Pest & Fertility Management

Building Technical Administration

Mail, Logistics & Print Room
Furniture Movement
Supplier Management
Reception & Switchboard/Help Desk
Audio Visual

Targeting the Outsourcing Continuum

Aligning workplace strategy with operational best practices for improved cost efficiencies, productivity, communication and scalability



$ Value = direct operational cost savings + increased client portfolio asset value + enhanced client workforce productivity

UNPARALLELED CLIENTELE

AVIATION
- Heathrow — Making every journey better
- American Airlines
- jetBlue
- John F. Kennedy International Airport
- LAX Los Angeles World Airports
- UNITED
- DELTA

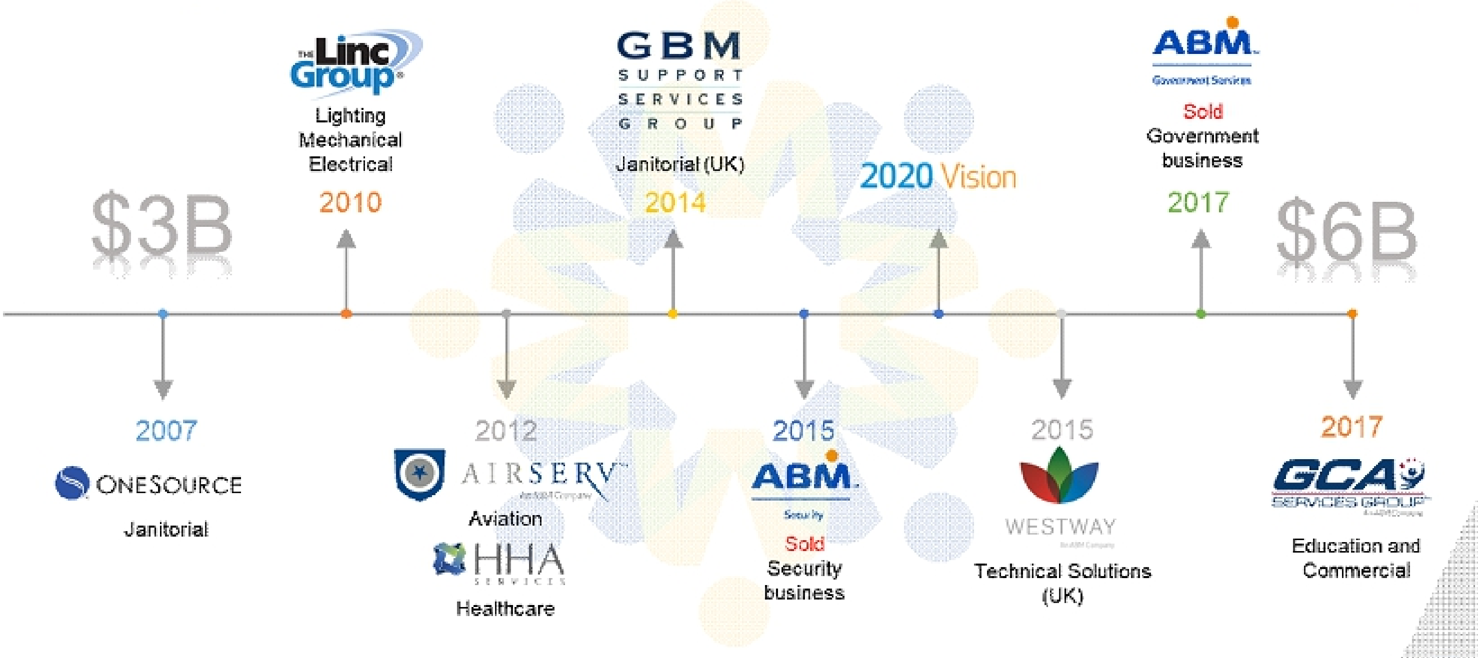
BUSINESS & INDUSTRY
- JLL
- Brookfield
- FlowersFoods
- GANNETT
- Transport for London
- CBRE

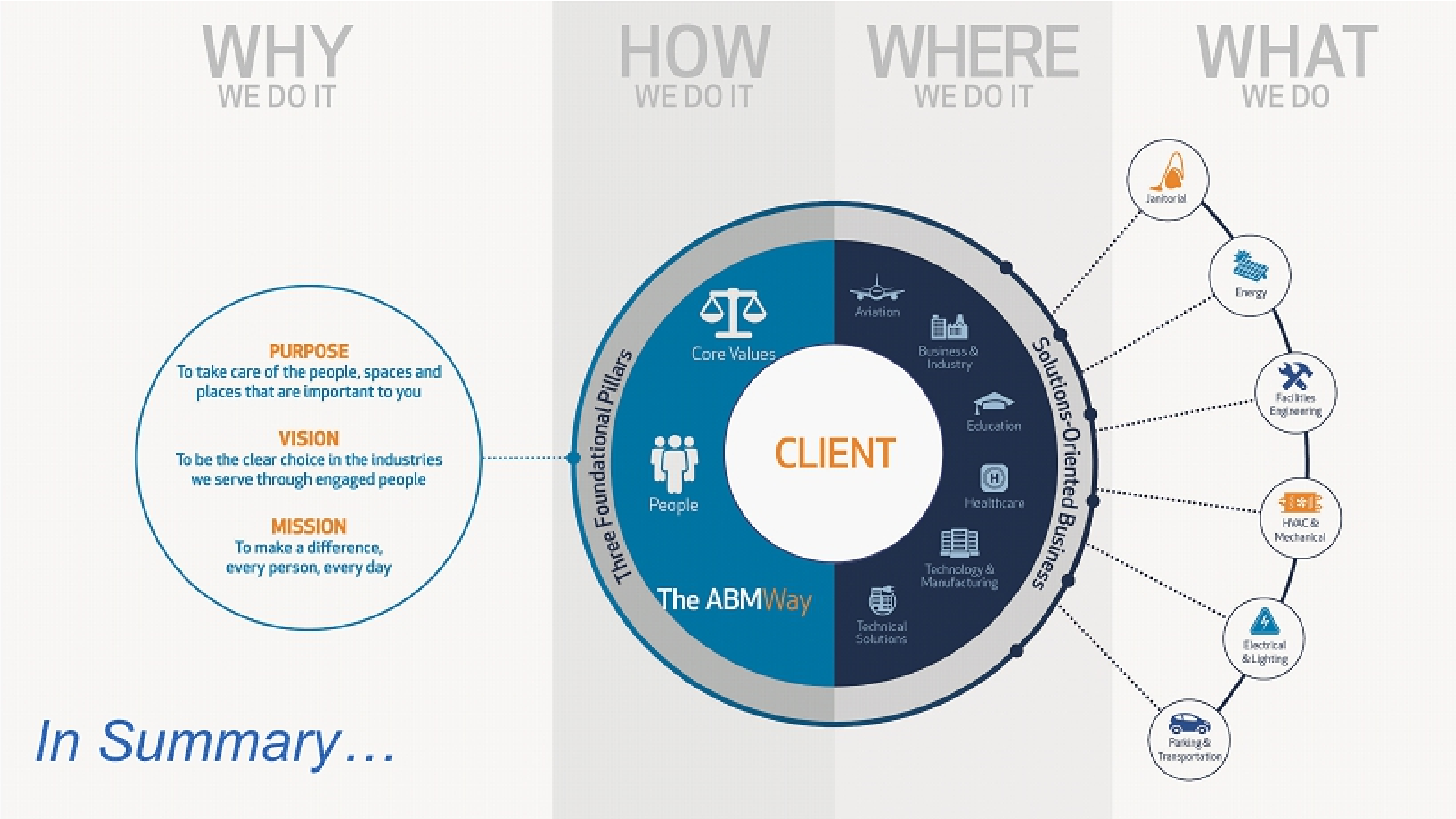
EDUCATION
- University of Miami
- Plano Independent School District
- Oregon State University
- Metro Nashville Public Schools
- Northeastern
- Cherry Creek Schools

HEALTHCARE
- Northwestern Memorial Hospital
- Memorial Hermann
- Memorial Healthcare System
- Yale NewHaven Health
- The University of Chicago Medicine
- Cedars-Sinai

TECHNOLOGY & MANUFACTURING
- Google
- Apple
- Harley-Davidson Motor Cycles
- Boeing
- Facebook
- FedEx

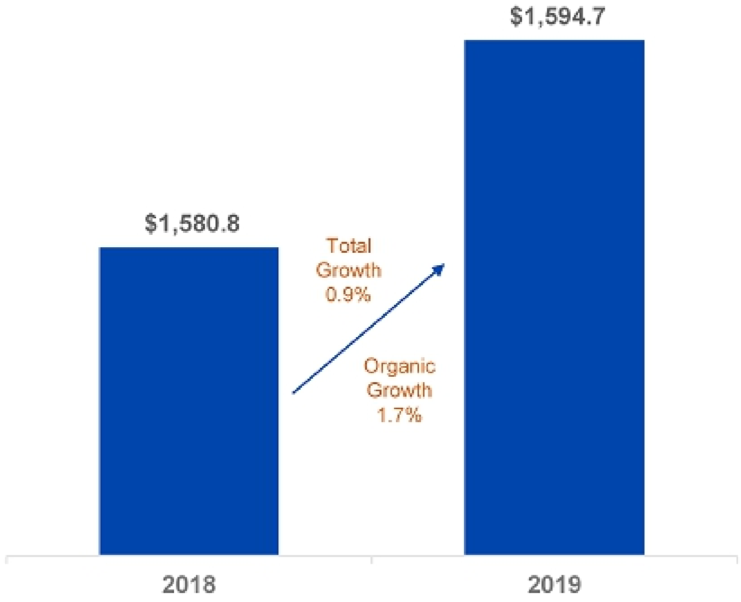
History of M&A




WHY
WE DO IT
HOW
WE DO IT
WHERE
WE DO IT
WHAT
WE DO
PURPOSE
To take care of the people, spaces and places that are important to you
VISION
To be the clear choice in the industries we serve through engaged people
MISSION
To make a difference, every person, every day
Three Foundational Pillars
Core Values
People
The ABMWay
CLIENT
Solutions-Oriented Business
Aviation
Business & Industry
Education
Healthcare
Technology & Manufacturing
Technical Solutions
Janitorial
Energy
Facilities Engineering
HVAC & Mechanical
Electrical & Lighting
Parking & Transportation
In Summary…

Second Quarter 2019 Review

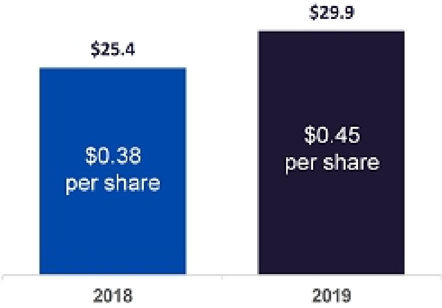
Second Quarter 2019 Review



*organic growth defined as growth excluding acquisitions, divestitures and the impact of the adoption of ASC 606 and ASC 853.

Second Quarter 2019 Review

Q2 FY19 Income from Continuing Operations

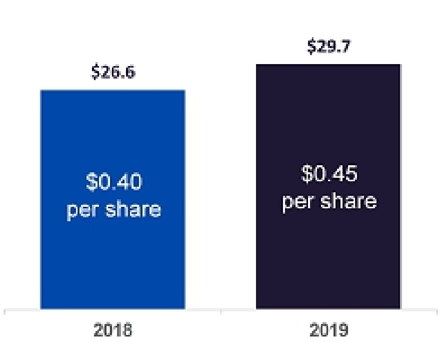


Q2 FY19 Adj. Income from Continuing Operations[1]

[1] Please refer to the appendix for a reconciliation of GAAP to non-GAAP measures.

Second Quarter 2019 Review

Q2 FY19 Net Income



Q2 FY19 Adj. EBITDA[1]

[1] Please refer to the appendix for a reconciliation of GAAP to non-GAAP measures.

Second Quarter 2019 Segment Results

Business & Industry	• Revenues of $753.4m, decrease of 0.2% y-o-y • Operating profit of $47.7m, operating margin of 6.3%
Aviation	• Revenues of $250.0m, increase of 0.3% y-o-y* • Operating profit of $4.8m, operating margin of 1.9%
Technology & Manufacturing	• Revenues of $224.3m, decrease of 1.5% y-o-y • Operating profit of $19.2m, operating margin of 8.5%
Education	• Revenues of $205.6m, decrease of 0.6% y-o-y • Operating profit of $10.4m, operating margin of 5.0%
Technical Solutions	• Revenues of $127.6m, increase of 17.6% y-o-y • Operating profit of $9.5m, operating margin of 7.5%
Healthcare	• Revenues of $66.3m, decrease of 5.1% y-o-y • Operating profit of $2.6m, operating margin of 3.9%

** Reflects approximately $11.7m related to ASC 853*

Fiscal 2019 Guidance Outlook

Fiscal 2019 Outlook*

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Metric	Amount
Income from continuing operations per diluted share[1]	$1.70 - $1.80
Adjusted Income from continuing operations per diluted share[1 2]	$1.95 - $2.05
Depreciation	$50m - $55m
Amortization	$57m - $62m
Interest Expense	$51m - $53m
Capital Expenditures	$50m - $60m
Adjusted EBITDA Margin	5.1% to 5.3%
Tax Rate (excluding WOTC & other discrete tax items)	~30%

2019 Working Days				
Quarter	Q1	Q2	Q3	Q4
Days	66	63	66	66
Δ y-o-y	0	0	0	0

[1] This guidance outlook does not reflect the potential impact of ASC 606 and ASC 853, which was adopted on November 1, 2018. As a result of these new accounting standards, the Company expects the impact to be in the range of $0.00 to $0.05.
[2] With the exception of the 2019 Work Opportunity Tax Credits and anticipated excess tax benefits on stock-based awards, this guidance does not include any potential benefits associated with certain other discrete tax items and other unrecognized tax benefits.
[3] Please refer to the appendix for a reconciliation of GAAP to non-GAAP measures.

Fiscal 2019 Outlook

Segment	FY19 Operating Margin %	Trend
Business & Industry	Low-5%	Higher
Aviation	Approx. 3%	Lower
Education	Low-5%	As Expected
Healthcare[1]	Low-5%	Lower
Technology & Manufacturing	High-7%	As Expected
Technical Solutions	High-9%	Higher

[1] *Realignment to occur in third quarter of fiscal 2019.*

Appendix

Forward Looking Statements

This presentation contains both historical and forward-looking statements about ABM Industries Incorporated ("ABM") and its subsidiaries (collectively referred to as "ABM," "we," "us," "our," or the "Company"). We make forward-looking statements related to future expectations, estimates and projections that are uncertain, and often contain words such as "anticipate," "believe," "could," "estimate," "expect," "forecast," "intend," "likely," "may," "outlook," "plan," "predict," "should," "target," or other similar words or phrases. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and assumptions that are difficult to predict. For us, particular uncertainties that could cause our actual results to be materially different from those expressed in our forward-looking statements include: (1) we may not realize the full extent of growth opportunities and synergies that we anticipated from the acquisition of GCA; (2) we incurred a substantial amount of debt to complete the acquisition of GCA. To service our debt we will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control. We also depend on the profitability of our subsidiaries to satisfy our cash needs. If we cannot generate the required cash, we may not be able to make the necessary payments required to service our indebtedness or we may be required to suspend certain discretionary payments, including our dividend; (3) changes to our businesses, operating structure, financial reporting structure, or personnel relating to the implementation of our 2020 Vision strategic transformation initiative, together with process and technology initiatives following the acquisition of GCA, may not have the desired effects on our financial condition and results of operations; (4) our success depends on our ability to gain profitable business despite competitive pressures and on our ability to preserve long-term client relationships; (5) our business success depends on our ability to attract and retain qualified personnel and senior management; (6) our use of subcontractors or joint venture partners to perform work under customer contracts exposes us to liability and financial risk; (7) our international business involves risks different from those we face in the United States that could have an effect on our results of operations and financial condition; (8) unfavorable developments in our class and representative actions and other lawsuits alleging various claims could cause us to incur substantial liabilities; (9) we insure our insurable risks through a combination of insurance and self-insurance and we retain a substantial portion of the risk associated with expected losses under these programs, which exposes us to volatility associated with those risks, including the possibility that changes in estimates of ultimate insurance losses could result in material charges against our earnings; (10) our risk management and safety programs may not have the intended effect of reducing our liability for personal injury or property loss; (11) impairment of goodwill and long-lived assets could have a material adverse effect on our financial condition and results of operations; (12) changes in general economic conditions, including changes in energy prices, government regulations, and changing consumer preferences, could reduce the demand for facility services and, as a result, reduce our earnings and adversely affect our financial condition; (13) our business may be materially affected by changes to fiscal and tax policies. Negative or unexpected tax consequences could adversely affect our results of operations; (14) we may experience breaches of, or disruptions to, our information technology systems or those of our third-party providers or clients, or other compromises of our data that could adversely affect our business; (15) a significant number of our employees are covered by collective bargaining agreements that could expose us to potential liabilities in relationship to our participation in multiemployer pension plans, requirements to make contributions to other benefit plans, and the potential for strikes, work slowdowns or similar activities, and union-organizing drives; (16) if we fail to maintain proper and effective internal control over financial reporting in the future, our ability to produce accurate and timely financial statements could be negatively impacted, which could harm our operating results and investor perceptions of our Company and, as a result may have a material adverse effect on the value of our common stock; (17) our business may be negatively impacted by adverse weather conditions; (18) catastrophic events, disasters, and terrorist attacks could disrupt our services; and (19) actions of activist investors could disrupt our business. The list of factors above is illustrative and by no means exhaustive.

For additional information on these and other risks and uncertainties we face, see ABM's risk factors, as they may be amended from time to time, set forth in our filings with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K and subsequent filings. We urge readers to consider these risks and uncertainties in evaluating our forward-looking statements. We caution readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law.

Use of Non-GAAP Financial Information

To supplement ABM's consolidated financial information, the Company has presented income from continuing operations and income from continuing operations per diluted share as adjusted for items impacting comparability, for the second quarter of fiscal years 2019 and 2018. These adjustments have been made with the intent of providing financial measures that give management and investors a better understanding of the underlying operational results and trends as well as ABM's operational performance. In addition, the Company has presented earnings before income from discontinued operations, net of taxes, interest, taxes, depreciation and amortization and excluding items impacting comparability (adjusted EBITDA) for the second quarter of fiscal years 2019 and 2018. Adjusted EBITDA is among the indicators management uses as a basis for planning and forecasting future periods, as well as adjusted EBITDA margin, defined as adjusted EBITDA divided by revenue. The Company has also presented organic revenue growth to provide investors with useful supplemental information regarding the Company's ongoing performance and trends by presenting revenue growth excluding the impact of acquisitions and divestitures, as well as the impact of the adoption of ASC 606 and ASC 853. The presentation of these non-GAAP financial measures is not meant to be considered in isolation or as a substitute for financial statements prepared in accordance with accounting principles generally accepted in the United States of America. (See accompanying financial tables for supplemental financial data and corresponding reconciliations to certain GAAP financial measures.)

Impact of Adoption of Topic 606 and Topic 853

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(in millions, except per share amounts)	Three Months Ended April 30, 2019			Six Months Ended April 30, 2019		
	Under Historical Guidance	**Effect of Adoption**	**As Reported**	**Under Historical Guidance**	**Effect of Adoption**	**As Reported**
Revenues	$ 1,608.1	$ (13.4)	$ 1,594.7	$ 3,226.0	$ (23.4)	$ 3,202.6
Operating expenses	1,426.4	(12.2)	1,414.2	2,883.7	(23.6)	2,860.2
Selling, general and administrative expenses	112.0	(3.5)	108.4	225.6	(4.5)	221.1
Income tax provision	12.0	0.6	12.6	16.1	1.2	17.3
Net income	28.0	1.7	29.7	39.2	3.4	42.7
Net income per common share — Basic	$ 0.42	$ 0.03	$ 0.45	$ 0.59	$ 0.05	$ 0.64
Net income per common share — Diluted	$ 0.42	$ 0.03	$ 0.45	$ 0.59	$ 0.05	$ 0.64

FY19 Inter-segment Revenues – FY18 Historical

ABM Building Value

	As reported					As adjusted				
	Three Months Ended January 31, 2018	Three Months Ended April 30, 2018	Three Months Ended July 31, 2018	Three Months Ended October 31, 2018	Twelve Months Ended October 31, 2018	Three Months Ended January 31, 2018	Three Months Ended April 30, 2018	Three Months Ended July 31, 2018	Three Months Ended October 31, 2018	Twelve Months Ended October 31, 2018
Revenue:										
Business & Industry	722.1	723.2	735.2	737.1	2,917.6	756.3	755.1	766.5	768.4	3,046.3
Aviation	256.2	245.4	256.8	265.5	1,023.8	260.1	249.2	260.5	269.0	1,038.7
Technology & Manufacturing	232.0	227.5	230.8	234.2	924.5	232.2	227.8	231.0	234.4	925.5
Education	206.3	206.3	210.9	214.0	837.5	206.9	206.9	211.6	214.7	840.0
Technical Solutions	104.0	108.5	121.6	131.4	465.6	104.0	108.5	121.6	131.4	465.6
Healthcare	67.7	69.9	69.1	66.6	273.3	67.7	69.9	69.1	66.6	273.3
Elimination of inter-segment revenues						(38.9)	(36.5)	(36.0)	(35.7)	(147.1)
	1,588.3	**1,580.8**	**1,624.3**	**1,648.8**	**6,442.2**	**1,588.3**	**1,580.8**	**1,624.3**	**1,648.8**	**6,442.2**
Operating profit:										
Business & Industry	28.5	43.5	38.9	43.6	154.6	28.5	43.5	38.9	43.6	154.6
Aviation	5.8	5.1	9.7	2.6	23.2	5.8	5.1	9.7	2.6	23.2
Technology & Manufacturing	16.9	16.0	16.9	17.5	67.4	16.9	16.0	16.9	17.5	67.4
Education	9.2	10.6	12.0	12.0	43.8	9.2	10.6	12.0	12.0	43.8
Technical Solutions	5.5	7.5	11.9	(8.4)	16.5	5.5	7.5	11.9	(8.4)	16.5
Healthcare	2.7	2.7	2.5	0.9	8.8	2.7	2.7	2.5	0.9	8.8
Government Services	(0.7)	(0.0)	(0.0)	(0.0)	(0.8)	(0.7)	(0.0)	(0.0)	(0.0)	(0.8)
Corporate	(47.4)	(37.1)	(42.7)	(41.5)	(168.8)	(47.4)	(37.1)	(42.7)	(41.5)	(168.8)
Adjustment for income from unconsolidated affiliates, included in Aviation	(0.6)	(1.0)	(0.9)	(0.7)	(3.2)	(0.6)	(1.0)	(0.9)	(0.7)	(3.2)
Adjustment for tax deductions for energy efficient government buildings, included in Technical Solutions	(0.3)	(2.0)	(0.3)	(0.2)	(2.8)	(0.3)	(2.0)	(0.3)	(0.2)	(2.8)
	19.5	**45.3**	**48.1**	**25.7**	**138.6**	**19.5**	**45.3**	**48.1**	**25.7**	**138.6**
Income from unconsolidated affiliates	0.5	1.0	1.0	0.7	3.2	0.5	1.0	1.0	0.7	3.2
Interest expense	(14.3)	(13.8)	(12.9)	(13.0)	(54.1)	(14.3)	(13.8)	(12.9)	(13.0)	(54.1)
Income from continuing operations before income taxes	**5.8**	**32.5**	**36.1**	**13.4**	**87.7**	**5.8**	**32.5**	**36.1**	**13.4**	**87.7**

Unaudited Reconciliation of Non-GAAP Financial Measures

ABM
Building Value

(in millions)	Three Months Ended April 30, 2019	Three Months Ended April 30, 2018	Six Months Ended April 30, 2019	Six Months Ended April 30, 2018
Reconciliation of Income from Continuing Operations to Adjusted Income from Continuing Operations				
Income from continuing operations	$ 29.9	$ 25.4	$ 42.9	$ 53.3
Items impacting comparability[a]				
Prior year self-insurance adjustment[b]	—	(0.8)	5.0	1.2
Other[c]	0.2	—	2.1	—
Restructuring and related[d]	2.7	5.3	6.5	19.6
Acquisition costs	—	0.6	0.3	2.0
Litigation and other settlements	(0.6)	3.2	(0.9)	0.8
Impairment loss	—	—	—	0.7
Total items impacting comparability	2.3	8.3	13.1	24.3
Income tax benefit[e] [f]	(0.6)	(2.5)	(3.7)	(29.1)
Items impacting comparability, net of taxes	1.6	5.8	9.4	(4.7)
Adjusted income from continuing operations	$ 31.5	$ 31.2	$ 52.3	$ 48.6

(a) The Company adjusts income from continuing operations to exclude the impact of certain items that are unusual, non-recurring, or otherwise do not reflect management's views of the underlying operational results and trends of the Company.

(b) Represents the net adjustments to our self-insurance reserve for general liability, workers' compensation, automobile and medical and dental insurance claims related to prior period accident years. Management believes these prior period reserve changes do not illustrate the performance of the Company's normal ongoing operations given the current year's insurance expense is estimated by management in conjunction with the Company's outside actuary to take into consideration past history and current costs and regulatory trends. Once the Company develops its best estimate of insurance expense premiums for the year, the Company fully allocates such costs out to the business leaders to hold them accountable for the current year costs within operations. However, since these prior period reserve changes relate to claims that could date back many years, current management has limited ability to influence the ultimate development of the prior year changes. Accordingly, including the prior period reserve changes in the Company's current operational results would not depict how the business is run as the Company holds its management accountable for the current year's operational performance. The Company believes the exclusion of the self-insurance adjustment from income from continuing operations is useful to investors by enabling them to better assess our operating performance in the context of current year profitability. For the six months ended April 30, 2019 and 2018, our self-insurance general liability, workers' compensation, and automobile and medical and dental insurance claims related to prior period accident years was increased by $5.0 million and $1.2 million, respectively.

(c) Primarily represents one-time implementation costs related to the Company's transformational IT infrastructure projects and requirements associated with General Data Protection Regulation standards.

(d) Represents restructuring costs related to the continued integration of GCA acquisition in September 2017.

(e) The Company's tax impact is calculated using the federal and state statutory rate of 28.1% for QTD and YTD FY19, and 29.8% for QTD and YTD FY18. We calculate tax from the underlying whole-dollar amounts, as a result, certain amounts may not recalculate based on reported numbers due to rounding.

(f) The YTD FY18 includes a tax benefit of $21.7M related to the enactment of the Tax Act.

Unaudited Reconciliation of Non-GAAP Financial Measures

ABM
Building Value

(in millions, except per share amounts)

	Three Months Ended April 30,		Six Months Ended April 30,	
	2019	2018	2019	2018
Reconciliation of Net Income to Adjusted EBITDA				
Net income	$ 29.7	$ 26.6	$ 42.7	$ 54.4
Items impacting comparability	2.3	8.3	13.1	24.3
Loss (income) from discontinued operations	0.2	(1.2)	0.2	(1.1)
Income tax provision (benefit)	12.6	7.1	17.3	(15.1)
Interest expense	12.8	13.8	26.3	28.1
Depreciation and amortization	27.1	28.5	53.9	57.5
Adjusted EBITDA	$ 84.7	$ 83.0	$ 153.5	$ 148.1

	Three Months Ended April 30,		Six Months Ended April 30,	
	2019	2018	2019	2018
Reconciliation of Income from Continuing Operations per Diluted Share to Adjusted Income from Continuing Operations per Diluted Share				
Income from continuing operations per diluted share	$ 0.45	$ 0.38	$ 0.64	$ 0.80
Items impacting comparability, net of taxes	0.02	0.09	0.14	(0.07)
Adjusted income from continuing operations per diluted share	$ 0.47	$ 0.47	$ 0.78	$ 0.73
Diluted shares	66.8	66.2	66.7	66.3

	Three Months Ended April 30,		Six Months Ended April 30,	
	2019	2018	2019	2018
Reconciliation of Revenues to Organic Revenues				
Revenues	$ 1,594.7	$ 1,580.8	$ 3,202.6	$ 3,169.2
Changes pursuant to ASC 606 and ASC 853 [a]	13.4	—	23.4	—
Organic revenues	$ 1,608.1	$ 1,580.8	$ 3,226.0	$ 3,169.2
Revenues growth	0.9%		1.1%	
Organic revenues growth	1.7%		1.8%	

(a) Consistent with the required disclosures under U.S. GAAP in the year of adoption of ASC 606 and ASC 853, we are providing information in each reporting period during the year of adoption on what revenue would have been under our historical method of accounting that existed prior to November 1, 2018 as part of the reconciliation of reported revenues to organic revenues.

2019 Guidance

Reconciliation of Estimated Income from Continuing Operations per Diluted Share to Estimated Adjusted Income from Continuing Operations per Diluted Share (c)	Year Ending October 31, 2019 Low Estimate	Year Ending October 31, 2019 High Estimate
Income from continuing operations per diluted share (a)	1.70	1.80
Adjustments (b)	0.25	0.25
Adjusted Income from continuing operations per diluted share (a)	$ 1.95	$ 2.05

(a) With the exception of the 2019 Work Opportunity Tax Credits and ASU 2016-09, this guidance does not include any potential benefits associated with certain other discrete tax items and other unrecognized tax benefits.

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

(c) On November 1, 2018, the Company adopted the Financial Accounting Standards Board's new revenue recognition standard Accounting Standards Codification Topic 606 ("ASC 606") and ASC 853 using the modified retrospective approach with cumulative-effect adjustment to retained earnings as of the beginning of fiscal 2019. As a result of this new accounting standard, the Company expects the impact to be in the range of $0.00 to $0.05 primarily related to timing of revenue recognition for certain Bundled Energy Solutions contracts. These amounts are not reflected in the current guidance outlook.

Contact Us

INVESTOR RELATIONS

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