
**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): March 1, 2010

ABM Industries Incorporated

(Exact name of registrant as specified in its charter)

Delaware (State or other Jurisdiction of Incorporation)	1-8929 (Commission File Number)	94-1369354 (IRS Employer Identification No.)
551 Fifth Avenue, Suite 300, New York, New York (Address of Principal Executive Offices)		10176 (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))
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Item 2.02. Results of Operations and Financial Condition.

On March 1, 2010, ABM Industries Incorporated (the "Company") issued a press release announcing financial results related to the first quarter of fiscal year 2010. A copy of the press release is attached as Exhibit 99.1, which is incorporated into this item by reference.

Item 8.01. Other Events.

On March 1, 2010, the Company announced that the Board of Directors of the Company declared a quarterly dividend of \$0.135 per share, payable on May 3, 2010 to stockholders of record on April 8, 2010. 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.

As disclosed in the press release attached as Exhibit 99.1, the Company will hold a live web cast on March 2, 2010 relating to the Company's financial results for the first quarter of fiscal year 2010. 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 9.01. Financial Statements and Exhibits.

(c) Exhibits.

99.1 Press Release issued by ABM Industries Incorporated, dated March 1, 2010, announcing financial results related to the first quarter of fiscal year 2010 and the declaration of a dividend payable May 3, 2010 to stockholders of record on April 8, 2010.

99.2 Slides of ABM Industries Incorporated, dated March 2, 2010.

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: March 1, 2010

By: /s/ Sarah H. McConnell
Sarah H. McConnell
Senior Vice President and General Counsel

EXHIBIT INDEX

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- 99.2 Slides of ABM Industries Incorporated, dated March 2, 2010.



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Suite 300
New York, NY 10176

PRESS RELEASE

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ABM INDUSTRIES ANNOUNCES FIRST QUARTER 2010 FINANCIAL RESULTS, DECLARES QUARTERLY DIVIDEND AND REAFFIRMS GUIDANCE

**Income from Continuing Operations \$12.8 Million for Quarter; Adjusted Income from Continuing
Operations \$14 Million, up 8%**

(in millions, except per share data)	Quarter Ended January 31,		Increase (Decrease)
	2010	2009	
Revenues	\$ 869.9	\$ 887.5	(2.0)%
Net cash (used in) provided by operating activities	\$ (8.9)	\$ 26.1	(134.2)%
Net Income	\$ 12.8	\$ 14.2	(10.1)%
Net income per diluted share	\$ 0.24	\$ 0.28	(14.3)%
Adjusted EBITDA	\$ 32.7	\$ 30.3	7.7%
Income from continuing operations	\$ 12.8	\$ 14.8	(13.0)%
Income from continuing operations per diluted share	\$ 0.24	\$ 0.29	(17.2)%
Adjusted income from continuing operations	\$ 14.0	\$ 13.0	8.3%
Adjusted income from continuing operations per diluted share	\$ 0.27	\$ 0.25	8.0%

(This release refers to non-GAAP financial measures described as "Adjusted EBITDA", "Adjusted Income from Continuing Operations", and "Adjusted Income from Continuing Operations per Diluted Share". Refer to the accompanying financial tables for supplemental financial data and corresponding reconciliation of these non-GAAP financial measures to certain GAAP financial measures.)

NEW YORK, NY — March 1, 2010 — ABM Industries Incorporated (NYSE:ABM) today announced revenues for the first quarter of fiscal year 2010 of \$869.9 million compared to first quarter of fiscal year 2009 revenues of \$887.5 million. Net income for the first quarter of fiscal year 2010 was \$12.8 million, a 10.1% decrease from \$14.2 million in the first quarter of fiscal year 2009. Net income per diluted share for the first quarter of fiscal year 2010 decreased 14.3% to \$0.24 compared to first quarter of fiscal year 2009 net income

per diluted share of \$0.28. Net income for the first quarter of 2010 included a \$1.2 million after-tax expense (\$0.03 per diluted share) from items impacting comparability compared to a net gain of \$1.8 million (\$0.04 per diluted share) from items impacting comparability in the first quarter of fiscal year 2009, which included a \$5.8 million after-tax benefit from a settlement with a former third-party administrator of workers' compensation claims.

"The Company's financial results essentially met our expectations for the first quarter of the fiscal year" said Henrik Slipsager, president and chief executive officer, ABM Industries Incorporated. "We are encouraged that revenues increased sequentially, our sales pipeline remains strong and client retention is improving compared to the first half of fiscal 2009 — all pointing to an improving sales outlook.

"We are successfully executing our operating strategies around cost controls and cash and expense management. We decreased total expenses by nearly 2% in the first quarter, and reduced our SG&A expenses by 12% year-over-year. SG&A reductions were driven by lower information technology costs as we conclude the upgrade of our enterprise systems and continued aggressive cost controls measures by the Janitorial Division. Operating cash flow remains on plan for the year. Our rigorous focus on managing job profitability helped us achieve 8% increases in both adjusted income and adjusted EBITDA year-over-year.

"Operating profit for our divisions increased nearly 6%. Engineering had a very strong first quarter, with revenues growing nearly 16%, operating profit increasing 7% and a robust sales pipeline building, particularly for ABM Energy Services. Parking increased operating profit by 21% and Janitorial by nearly 6%. We also continue to meet our clients' demand for an environmentally sustainable approach to facility services as we surpassed more than 200 million square feet of space operating under ABM Janitorial's industry-leading green cleaning program, including more than 50 million square feet of space that is LEED®-certified by the U.S. Green Building Council."

Income from continuing operations for the first quarter of fiscal year 2010 was \$12.8 million (\$0.24 per diluted share) compared to \$14.8 million (\$0.29 per diluted share) in the year-ago quarter. Excluding items impacting comparability, income from continuing operations increased to \$14.0 million, or \$0.27 per diluted share, for the first quarter of fiscal year 2010. This compares to income from continuing operations (excluding items impacting comparability) of \$13.0 million, or \$0.25 per diluted share, in the first quarter of fiscal year 2009.

The Company's adjusted EBITDA (earnings before interest, taxes, depreciation and amortization and excluding discontinued operations and items impacting comparability) for the first quarter of fiscal year 2010 was \$32.7 million compared to \$30.3 million in the first quarter of fiscal year 2009.

Slipsager continued: "During last year's recession, we took a series of actions to navigate a difficult economy and position the Company for future growth. We see the signs of progress as revenue trends are moving in the right direction, even with extended sales cycles. While we anticipated increases in state unemployment insurance rates, the states raised these even beyond our projections, which impacted first quarter results by \$0.01 to \$0.02 cents per diluted share and will have greater impact in the second quarter. We are taking the appropriate action across the Company to mitigate the effect of these taxes going forward. Our existing sales pipeline, coupled with an improving economy, should lead to top line growth year-over-year in the second half of fiscal 2010, and we will continue our aggressive measures to generate bottom line savings by successfully executing our operating strategies."

The Company also announced that the Board of Directors has declared a second quarter cash dividend of \$0.135 per common share payable on May 3, 2010 to stockholders of record on April 8, 2010. This will be ABM's 176th consecutive quarterly cash dividend.

Guidance

The Company reiterates its estimates that full fiscal year 2010 income from continuing operations per diluted share will be in the range of \$1.25 to \$1.35 and adjusted income from continuing operations per diluted share, for the same period, will be in the range of \$1.35 to \$1.45. For comparison purposes, the second quarter of fiscal year 2010 has one additional work day compared to the year-ago quarter.

Conference Call

On Tuesday, March 2, 2010 at 9:00 a.m. (EST), ABM will host a live webcast of remarks by President and Chief Executive Officer Henrik Slipsager and Executive Vice President and Chief Financial Officer James Lusk.

The webcast will be accessible at: [<http://investor.abm.com/eventdetail.cfm?eventid=78298>]

Listeners are asked to be online at least 15 minutes early to register, as well as to download and install any complimentary audio software that might be required.

Following the call, the webcast will be available at this URL for a period of 90 days.

In addition to the webcast, a limited number of toll-free telephone lines will also be available for listeners who are among the first to call 888-213-3754 within 15 minutes before the event. Telephonic replays will be accessible during the period from two hours to seven days after the call by dialing 888-203-1112 and then entering ID #4391493.

Conference Call Presentation

In connection with the conference call to discuss earnings (see above), a slide presentation related to earnings and operations will be available at the Company's website at www.abm.com, and can be accessed through the Investor Relations portion of ABM's website by clicking on the "Presentations" tab.

About ABM Industries Incorporated

ABM Industries Incorporated (NYSE:ABM), which operates through its subsidiaries (collectively "ABM"), is the leading provider of facility services in the United States. With fiscal 2009 revenues of approximately \$3.5 billion and approximately 91,000 employees, ABM provides janitorial, facility, engineering, parking and security services for thousands of commercial, industrial, institutional and retail facilities across the United States, Puerto Rico, and British Columbia, Canada. ABM's business services include ABM Janitorial Services, ABM Facility Services, ABM Engineering Services, Ampco System Parking and ABM Security Services.

Cautionary Statement under the Private Securities Litigation Reform Act of 1995

This press release contains forward-looking statements that set forth management's anticipated results based on management's current plans and assumptions. In addition, the financial results reported in this release continue to be subject to adjustment until filing of the Company's quarterly report on Form 10-Q for the quarter ended January 31, 2010. Any number of factors could cause the Company's actual results to differ materially from those anticipated. Factors that could cause actual results to differ include but are not limited to the following: (1) risks relating to our acquisition strategy may adversely impact our results of operations; (2) intense competition can constrain our ability to gain business, as well as our profitability; (3) we are subject to volatility associated with high deductibles for certain insurable risks; (4) an increase in costs that we cannot pass on to clients could affect our profitability; (5) we provide our services pursuant to agreements which are cancelable by either party upon 30 to 60 days' notice; (6) our success depends on our ability to preserve our long-term relationships with clients; (7) our transition to a shared services function could create disruption in functions affected; (8) we incur significant accounting and other control costs that reduce profitability; (9) a decline in commercial office building occupancy and rental rates could affect our revenues and profitability; (10) deterioration in economic conditions in general could further reduce the demand for facility services and, as a result, reduce our earnings and adversely affect our financial condition; (11) the financial difficulties or bankruptcy of one or more of our major clients could adversely affect results; (12) our ability to operate and pay our debt obligations depends upon our access to cash; (13) because ABM conducts business operations through operating subsidiaries, we depend on those entities to generate the funds necessary to meet financial obligations; (14) certain future declines or fluctuations in the fair value of our investments in

auction rate securities that are deemed other-than-temporarily impaired could negatively impact our earnings; (15) uncertainty in the credit markets and the financial services industry may impact our ability to collect receivables on a timely basis and may negatively impact our cash flow; (16) any future increase in the level of debt or in interest rates can affect our results of operations; (17) an impairment charge could have a material adverse effect on our financial condition and results of operations; (18) we are defendants in several class and representative actions or other lawsuits alleging various claims that could cause us to incur substantial liabilities; (19) since we are an attractive employer for recent émigrés to this country and many of our jobs are filled by such, changes in immigration laws or enforcement actions or investigations under such laws could significantly adversely affect our labor force, operations and financial results and our reputation; (20) labor disputes could lead to loss of revenues or expense variations; (21) we participate in multi-employer defined benefit plans which could result in substantial liabilities being incurred; and (22) natural disasters or acts of terrorism could disrupt our services . 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, 2009 and in other reports we file from time to time with the Securities and Exchange Commission. We undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise.

Use of Non-GAAP Financial Information

To supplement ABM's consolidated financial information, the Company has presented income from continuing operations for the first quarter of fiscal years 2010 and 2009 and guidance for fiscal year 2010, as adjusted for items impacting comparability. 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 and ABM's marketplace performance. In addition, the Company has presented earnings before interest, taxes, depreciation and amortization and excluding discontinued operations and items impacting comparability (adjusted EBITDA) for the first quarter of fiscal years 2010 and 2009. Adjusted EBITDA is among the indicators management uses as a basis for planning and forecasting future periods. 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 generally accepted accounting principles in the United States. (See accompanying financial tables for supplemental financial data and corresponding reconciliations to certain GAAP financial measures.)

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Financial Schedules

(In thousands, except per share data)

CONDENSED CONSOLIDATED INCOME STATEMENT INFORMATION (UNAUDITED)

	Quarter Ended January 31,		Increase (Decrease)
	2010	2009	
Revenues	\$ 869,884	\$ 887,472	(2.0)%
Expenses			
Operating	782,101	787,268	(0.7)%
Selling, general and administrative	62,802	71,387	(12.0)%
Amortization of intangible assets	2,775	2,823	(1.7)%
Total expenses	847,678	861,478	(1.6)%
Operating profit	22,206	25,994	(14.6)%
Interest expense	1,215	1,668	(27.2)%
Income from continuing operations before income taxes	20,991	24,326	(13.7)%
Provision for income taxes	8,155	9,571	(14.8)%
Income from continuing operations	12,836	14,755	(13.0)%
Loss from discontinued operations	(61)	(538)	NM*
Net Income	\$ 12,775	\$ 14,217	(10.1)%
Net Income Per Common Share — Basic			
Income from continuing operations	\$ 0.25	\$ 0.29	(13.8)%
Loss from discontinued operations	0.00	(0.01)	NM*
	\$ 0.25	\$ 0.28	(10.7)%
Net Income Per Common Share — Diluted			
Income from continuing operations	\$ 0.24	\$ 0.29	(17.2)%
Loss from discontinued operations	0.00	(0.01)	NM*
	\$ 0.24	\$ 0.28	(14.3)%
Average Common And Common Equivalent Shares			
Basic	51,821	51,110	
Diluted	52,548	51,470	
Dividends Declared Per Common Share	\$ 0.135	\$ 0.130	

* Not Meaningful

CONDENSED CONSOLIDATED CASH FLOW INFORMATION (UNAUDITED)

	Quarter Ended January 31,	
	2010	2009 (a)
Net cash (used in) provided by continuing operating activities	(12,220)	13,460
Net cash provided by discontinued operating activities	3,307	12,619
Net cash (used in) provided by operating activities	\$ (8,913)	\$ 26,079
Net cash used in investing activities	\$ (6,924)	\$ (5,649)
Proceeds from exercises of stock options (including income tax benefit)	1,251	463
Dividends paid	(6,992)	(6,641)
Borrowings from line of credit	131,000	173,000
Repayment of borrowings from line of credit	(131,500)	(176,000)
Changes in book cash overdrafts	9,102	(13,852)
Net cash provided by (used) in financing activities	\$ 2,861	\$ (23,030)

(a) Amount shown for the quarter ended January 31, 2009 reflects an immaterial correction of certain net book credit cash balances; resulting in an increase in net cash used in financing activities for the quarter ended January 31, 2009 in the amount of \$13.9 million.

CONDENSED CONSOLIDATED BALANCE SHEET INFORMATION (UNAUDITED)

	January 31, 2010	October 31, 2009
	<u>(Unaudited)</u>	
Assets		
Cash and cash equivalents	\$ 21,177	\$ 34,153
Trade accounts receivable, net	476,910	445,241
Prepaid income taxes	12,205	13,473
Current assets of discontinued operations	8,480	10,787
Prepaid expenses	40,332	38,781
Notes receivable and other	17,567	21,374
Deferred income taxes, net	49,729	52,171
Insurance recoverables	4,917	5,017
Total current assets	<u>631,317</u>	<u>620,997</u>
Non-current assets of discontinued operations	3,573	4,567
Insurance deposits	42,289	42,500
Other investments and long-term receivables	5,884	6,240
Deferred income taxes, net	61,018	63,444
Insurance recoverables	65,800	67,100
Other assets	31,852	32,446
Investments in auction rate securities	19,651	19,531
Property, plant and equipment, net	57,562	56,892
Other intangible assets, net	57,425	60,199
Goodwill	547,830	547,237
Total assets	<u>\$ 1,524,201</u>	<u>\$ 1,521,153</u>
Liabilities		
Trade accounts payable	\$ 79,524	\$ 84,701
Accrued liabilities		
Compensation	83,658	93,095
Taxes — other than income	20,401	17,539
Insurance claims	78,174	78,144
Other	70,629	66,279
Income taxes payable	1,950	1,871
Current liabilities of discontinued operations	1,170	1,065
Total current liabilities	<u>335,506</u>	<u>342,694</u>
Income taxes payable	20,713	17,763
Line of credit	172,000	172,500
Retirement plans and other	31,983	32,963
Insurance claims	267,883	268,183
Total liabilities	<u>828,085</u>	<u>834,103</u>
Stockholders' Equity		
Total liabilities and stockholders' equity	<u>\$ 1,524,201</u>	<u>\$ 1,521,153</u>

REVENUES AND OPERATING PROFIT BY SEGMENT (UNAUDITED)

	Quarter Ended January 31,		Increase
	2010	2009	(Decrease)
Revenues			
Janitorial	\$ 584,079	\$ 608,420	(4.0)%
Parking	112,588	115,669	(2.7)%
Security	83,597	85,583	(2.3)%
Engineering	89,351	77,216	15.7%
Corporate	269	584	(53.9)%
	<u>\$ 869,884</u>	<u>\$ 887,472</u>	<u>(2.0)%</u>
Operating Profit			
Janitorial	\$ 34,084	\$ 32,311	5.5%
Parking	5,026	4,142	21.3%
Security	1,346	1,794	(25.0)%
Engineering	4,992	4,666	7.0%
Corporate	(23,242)	(16,919)	(37.4)%
Operating profit	22,206	25,994	(14.6)%
Interest expense	1,215	1,668	(27.2)%
Income from continuing operations before income taxes	<u>\$ 20,991</u>	<u>\$ 24,326</u>	<u>(13.7)%</u>

ABM Industries Incorporated
Reconciliations of Non-GAAP Financial Measures
(Unaudited)

(in thousands, except per share data)

	Quarter Ended January 31,	
	2010	2009
Reconciliation of Adjusted Income from Continuing Operations to Net Income		
Adjusted Income from Continuing Operations	\$ 14,040	\$ 12,963
Items Impacting Comparability, net of taxes	(1,204)	1,792
Income from Continuing Operations	12,836	14,755
Loss from Discontinued Operations	(61)	(538)
Net Income	<u>\$ 12,775</u>	<u>\$ 14,217</u>

Reconciliation of Adjusted Income from Continuing Operations to Income from Continuing Operations

Adjusted Income from Continuing Operations	\$ 14,040	\$ 12,963
Items Impacting Comparability:		
Corporate Initiatives and Other (a)	(1,970)	(6,648)
Third-Party Administrator Legal Settlement	—	9,601
Total Items Impacting Comparability	(1,970)	2,953
Income Taxes (Benefit) Expense	(766)	1,161
Items Impacting Comparability, net of taxes	(1,204)	1,792
Income from Continuing Operations	<u>\$ 12,836</u>	<u>\$ 14,755</u>

Reconciliation of Adjusted EBITDA to Net Income

Adjusted EBITDA	\$ 32,669	\$ 30,347
Items Impacting Comparability	(1,970)	2,953
Discontinued Operations	(61)	(538)
Income Tax	(8,155)	(9,571)
Interest Expense	(1,215)	(1,668)
Depreciation and Amortization	(8,493)	(7,306)
Net Income	<u>\$ 12,775</u>	<u>\$ 14,217</u>

Continued

	Quarter Ended January 31,	
	2010	2009
Reconciliation of Adjusted Income from Continuing Operations per Diluted Share to Income from Continuing Operations per Diluted Share		
Adjusted Income from Continuing Operations per Diluted Share	\$ 0.27	\$ 0.25
Items Impacting Comparability, net of taxes	(0.03)	0.04
Income from Continuing Operations per Diluted Share	<u>\$ 0.24</u>	<u>\$ 0.29</u>
Diluted Shares	52,548	51,470

- (a) Corporate initiatives and other include: (i) costs associated with the implementation of a new payroll and human resources information system, (ii) the upgrade of the Company's accounting system, (iii) the completion of the corporate move from San Francisco, (iv) the integration costs associated with OneSource, and (v) the write-off of deferred acquisition costs due to the adoption of an accounting pronouncement.
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ABM Industries Incorporated**Reconciliation of Estimated Adjusted Income from Continuing Operations per Diluted Share to
Income from Continuing Operations per Diluted Share for the Year Ending October 31, 2010**

	<u>Year Ending October 31, 2010</u>	
	<u>Low Estimate</u>	<u>High Estimate</u>
	(per diluted share)	
Adjusted Income from Continuing Operations per Diluted Share	\$ 1.35	\$ 1.45
Adjustments to Income from Continuing Operations (a)	(0.10)	(0.10)
Income from Continuing Operations per Diluted Share	<u>\$ 1.25</u>	<u>\$ 1.35</u>

(a) Adjustments to income from continuing operations are expected to include additional costs associated with the implementation of new information technology systems and other unique items impacting comparability.

ABM Industries Incorporated

A Leader in Facility Services

First Quarter Earnings Conference Call

March 2, 2010

Agenda

- Introduction of call participants
 - Henrik C. Slipsager, President & Chief Executive Officer
 - James S. Lusk, Executive Vice President & Chief Financial Officer
 - Sarah H. McConnell, Senior Vice President & General Counsel
- First Quarter 2010 Highlights
- Financial Review
- Operating Results
- 2010 Annual Guidance

Forward Looking Statement

This presentation contains forward-looking statements that set forth management's anticipated results based on management's current plans and assumptions. In addition, the financial results reported in this presentation continue to be subject to adjustment until filing of the Company's quarterly report on Form 10-Q for the quarter ended January 31, 2010. Any number of factors could cause the Company's actual results to differ materially from those anticipated. Factors that could cause actual results to differ include but are not limited to the following: (1) risks relating to our acquisition strategy may adversely impact our results of operations; (2) intense competition can constrain our ability to gain business, as well as our profitability; (3) we are subject to volatility associated with high deductibles for certain insurable risks; (4) an increase in costs that we cannot pass on to clients could affect our profitability; (5) we provide our services pursuant to agreements which are cancelable by either party upon 30 to 60 days' notice; (6) our success depends on our ability to preserve our long-term relationships with clients; (7) our transition to a shared services function could create disruption in functions affected; (8) we incur significant accounting and other control costs that reduce profitability; (9) a decline in commercial office building occupancy and rental rates could affect our revenues and profitability; (10) deterioration in economic conditions in general could further reduce the demand for facility services and, as a result, reduce our earnings and adversely affect our financial condition; (11) the financial difficulties or bankruptcy of one or more of our major clients could adversely affect results; (12) our ability to operate and pay our debt obligations depends upon our access to cash; (13) because ABM conducts business operations through operating subsidiaries, we depend on those entities to generate the funds necessary to meet financial obligations; (14) certain future declines or fluctuations in the fair value of our investments in auction rate securities that are deemed other-than-temporarily impaired could negatively impact our earnings; (15) uncertainty in the credit markets and the financial services industry may impact our ability to collect receivables on a timely basis and may negatively impact our cash flow; (16) any future increase in the level of debt or in interest rates can affect our results of operations; (17) an impairment charge could have a material adverse effect on our financial condition and results of operations; (18) we are defendants in several class and representative actions or other lawsuits alleging various claims that could cause us to incur substantial liabilities; (19) since we are an attractive employer for recent émigrés to this country and many of our jobs are filled by such, changes in immigration laws or enforcement actions or investigations under such laws could significantly adversely affect our labor force, operations and financial results and our reputation; (20) labor disputes could lead to loss of revenues or expense variations; (21) we participate in multi-employer defined benefit plans which could result in substantial liabilities being incurred; and (22) natural disasters or acts of terrorism could disrupt our services. 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, 2009 and in other reports we file from time to time with the Securities and Exchange Commission. We undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise.

Statements Relating to Non-GAAP Financial Measures

During the course of this presentation, certain non-GAAP financial measures described as “Adjusted EBITDA,” “Adjusted Income from Continuing Operations,” and “Adjusted Income from Continuing Operations per Diluted Share” that were not prepared in accordance with U.S. GAAP will be presented.

A reconciliation of these non-GAAP financial measures to GAAP financial measures is available on the Company’s website under “Investor Relations” and at the end of this presentation.

First Quarter 2010 Financial Highlights

(in millions except per share data)	Quarter Ended January 31,		Increase (Decrease)
	2010	2009	
Revenues	\$ 869.9	\$ 887.5	(2.0)%
Net cash provided by operating activities	\$ (8.9)	\$ 26.1	(134.2)%
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Net income per diluted share	\$ 0.24	\$ 0.28	(14.3)%
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Adjusted income from continuing operations per diluted share	\$ 0.27	\$ 0.25	8.0 %

First Quarter 2010 Fiscal Highlights

- Essentially met our expectations for the first quarter
- Adjusted Income from Continuing Operations up 8.3% to \$14.0 million
 - On a per diluted share basis, Adjusted Income from Continuing Operations increased 8% to \$0.27
 - Operating profit, excluding corporate segment up 5.9%
- Adjusted EBITDA up 7.7% to \$32.7 million
 - Adjusted EBITDA margins increased 34 basis points year-over-year to 3.76%
- Cash Flow from operations a use of nearly \$9 million
 - Timing of account collections received from clients and payments made on vendor invoices
- Announced our 176th consecutive dividend

Q1 Financial Results (unaudited)

(in thousands)	Quarter Ended January 31,		Percent Change
	2010	2009	
Revenues	\$ 869,884	\$ 887,472	-2.0%
Operating expenses	782,101	787,268	
Selling, general and administrative	62,802	71,387	
Amortization of intangibles	2,775	2,823	
Operating profit	\$ 22,206	\$ 25,994	-14.6%
Interest expense	1,215	1,668	
Income from continuing operations before income taxes	20,991	24,326	
Provision for income taxes	8,155	9,571	
Income from continuing operations	12,836	14,755	-13.0%
Items impacting comparability, net of taxes	1,204	(1,792)	-167.2%
Adjusted income from continuing operations	\$ 14,040	\$ 12,963	8.3%
Adjusted EBITDA (a)	\$ 32,669	\$ 30,347	7.7%

(a) A reconciliation of certain non-GAAP financial information to GAAP financial measures is available on the Company's website under "Investor Relations" and at the end of this presentation

Cash Flow Highlights

CONDENSED CONSOLIDATED CASH FLOW INFORMATION (UNAUDITED)

	Quarter Ended January 31,	
	2010	2009 (a)
Net cash (used in) provided by continuing operating activities	(12,220)	13,460
Net cash provided by discontinued operating activities	3,307	12,619
Net cash (used in) provided by operating activities	\$ (8,913)	\$ 26,079
Net cash used in investing activities	\$ (6,924)	\$ (5,649)
Proceeds from exercises of stock options (including income tax benefit)	1,251	463
Dividends paid	(6,992)	(6,641)
Borrowings from line of credit	131,000	173,000
Repayment of borrowings from line of credit	(131,500)	(176,000)
Changes in book cash overdrafts	9,102	(13,852)
Net cash provided by (used) in financing activities	\$ 2,861	\$ (23,030)

(a) Amount shown for the quarter ended January 31, 2009 reflect an immaterial correction of certain net book credit cash balances; resulting in an increase in net cash used in financing activities for the quarter ended January 31, 2009 in the amount of \$13.9 million.

Condensed Balance Sheet (unaudited)

	January 31, 2010 (unaudited)	October 31, 2009
Assets		
Cash and cash equivalents	\$ 21,177	\$ 34,153
Trade accounts receivable, net	476,910	445,241
Prepaid income taxes	12,205	13,473
Current assets of discontinued operations	8,480	10,787
Prepaid expenses	40,332	38,781
Notes receivable and other	17,567	21,374
Deferred income taxes, net	49,729	52,171
Insurance recoverables	4,917	5,017
Total current assets	631,317	620,997
Non-current assets of discontinued operations	3,573	4,567
Insurance deposits	42,289	42,500
Other investments and long-term receivables	5,884	6,240
Deferred income taxes, net	61,018	63,444
Insurance recoverables	65,800	67,100
Other assets	31,852	32,446
Investments in auction rate securities	19,651	19,531
Property, plant and equipment, net	57,562	56,892
Other intangible assets, net	57,425	60,199
Goodwill	547,830	547,237
Total assets	\$ 1,524,201	\$ 1,521,153
Liabilities		
Trade accounts payable	\$ 79,524	\$ 84,701
Accrued liabilities		
Compensation	83,658	93,095
Taxes - other than income	20,401	17,539
Insurance claims	78,174	78,144
Other	70,629	66,279
Income taxes payable	1,950	1,871
Current liabilities of discontinued operations	1,170	1,065
Total current liabilities	335,506	342,694
Income taxes payable	20,713	17,763
Line of credit	172,000	172,500
Retirement plans and other	31,983	32,963
Insurance claims	267,883	268,183
Total liabilities	828,085	834,103
Stockholders' Equity		
	696,116	687,050
Total liabilities and stockholders' equity	\$ 1,524,201	\$ 1,521,153

Division Revenues¹

(\$ in thousands)

	First Quarter		
	2010	2009	Change
Janitorial	\$ 584,079	\$ 608,420	(4.0)%
Parking	112,588	115,669	(2.7)%
Security	83,597	85,583	(2.3)%
Engineering	89,351	77,216	15.7 %
Total Division Revenues	\$ 869,615	\$ 886,888	(1.9)%

Summary

- Revenue base has stabilized
- Engineering revenue up again on a year-over-year basis as sales momentum continues
- Parking recorded \$56 million related solely for reimbursable costs compared to \$60 million in 2009
- Tag revenue averaged approximately \$13 million per month in the quarter
- Sales pipeline and sales activity remain robust, sales cycle is being extended

¹Excludes Corporate

Division Profits¹

(\$ in thousands)

	First Quarter		
	2010	2009	Change
Janitorial	\$ 34,084	\$ 32,311	5.5 %
Parking	5,026	4,142	21.3 %
Security	1,346	1,794	(25.0)%
Engineering	4,992	4,666	7.0 %
Total Division Profits	\$ 45,448	\$ 42,913	5.9 %

Summary

- Continued focus on managing job profitability leads to another quarter of growth in division profits despite higher than anticipated state unemployment taxes
- Parking achieves another quarter of double digit growth
- Security segment significantly impacted by higher state unemployment taxes
- Taking the appropriate action across the Company to mitigate the effect of higher state unemployment taxes

¹Excludes Corporate

Fiscal 2010 Outlook

- Continue to anticipate sequential revenue growth
 - Expect revenue in second half of fiscal year to be above prior year comparable
- Working to leverage investments in infrastructure to generate savings in fiscal 2011
- Positioned for improving cash flow. Cash tax rate for fiscal 2010 to be approximately 2%
- Guidance
 - Reiterating previously issued range for full year income from continuing operations of \$1.25 to \$1.35 per diluted share
 - Adjusted income from continuing operations of \$1.35 to \$1.45 per diluted share
 - The second quarter of fiscal 2010 has one more work day compared to the second quarter of 2009

Unaudited Reconciliation of non-GAAP Financial Measures (in thousands, except per share data)

	Quarter Ended January 31,	
	2010	2009
Reconciliation of Adjusted Income from Continuing Operations to Net Income		
Adjusted Income from Continuing Operations	\$ 14,040	\$ 12,963
Items Impacting Comparability, net of taxes	(1,204)	1,792
Income from Continuing Operations	<u>12,836</u>	<u>14,755</u>
Loss from Discontinued Operations	(61)	(538)
Net Income	<u>\$ 12,775</u>	<u>\$ 14,217</u>
Reconciliation of Adjusted Income from Continuing Operations to Income from Continuing Operations		
Adjusted Income from Continuing Operations	\$ 14,040	\$ 12,963
Items Impacting Comparability:		
Corporate Initiatives and other (a)	(1,970)	(6,648)
Third-Party Administrator Legal Settlement	-	9,601
Total Items Impacting Comparability	<u>(1,970)</u>	<u>2,953</u>
Income Taxes (Benefit) Expense	(766)	1,161
Items Impacting Comparability, net of taxes	<u>(1,204)</u>	<u>1,792</u>
Income from Continuing Operations	<u>\$ 12,836</u>	<u>\$ 14,755</u>

(a) Corporate initiatives and other include: (i) costs associated with the implementation of a new payroll and human resources information system, (ii) the upgrade of the Company's accounting system, (iii) the completion of the corporate move from San Francisco, (iv) the integration costs associated with OneSource, and (v) the write-off of deferred acquisition costs due to the adoption of an accounting pronouncement.

Unaudited Reconciliation of non-GAAP Financial Measures (in thousands, except per share data)

Reconciliation of Adjusted EBITDA to Net Income

Adjusted EBITDA	\$ 32,669	\$ 30,347
Items Impacting Comparability	(1,970)	2,953
Discontinued Operations	(61)	(538)
Income Tax	(8,155)	(9,571)
Interest Expense	(1,215)	(1,668)
Depreciation and Amortization	(8,493)	(7,306)
Net Income	<u>\$ 12,775</u>	<u>\$ 14,217</u>

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

	Quarter Ended January 31,	
	2010	2009
Adjusted Income from Continuing Operations per Diluted Share	\$ 0.27	\$ 0.25
Items Impacting Comparability, net of taxes	(0.03)	0.04
Income from Continuing Operations per Diluted Share	<u>\$ 0.24</u>	<u>\$ 0.29</u>
Diluted Shares	52,548	51,470

Unaudited Reconciliation of non-GAAP

ABM Industries Incorporated

Reconciliation of Estimated Adjusted Income from Continuing Operations per Diluted Share to Income from Continuing Operations per Diluted Share for the Year Ending October 31, 2010

	Year Ending October 31, 2010	
	Low Estimate	High Estimate
	(per diluted share)	
Adjusted Income from Continuing Operations per Diluted Share	\$ 1.35	\$ 1.45
Adjustments to Income from Continuing Operations (a)	(0.10)	(0.10)
Income from Continuing Operations per Diluted Share	<u>\$ 1.25</u>	<u>\$ 1.35</u>

(a) Adjustments to income from continuing operations are expected to include additional costs associated with the implementation of new information technology systems and other unique items impacting comparability.