STANDARD & POOR'S

ABM Indus Inc

Quantitative Stock Report
Jan 14,2012
NYSE SYMBOL:**ABM**

S&P Quality Ranking: **A-**   Standard & Poor's Fair Value Rank : **2-**

ABM has an approximate 0.21% weighting in the **S&P SmallCap**

Sector: Industrials
Sub-Industry: Environmental & Facilities Services
Peer Group: Diversified Facilities & Environmental

Summary: This company provides janitorial, parking, security, engineering, and lighting services for commercial, industrial, institutional, and retail facilities in the U.S. and Canada.

Quantitative Evaluations

S&P Quality Ranking : A-

D	C	B-	B	B+	**A-**	A	A+

S&P Fair Value Rank: 2-

1	**2**	3	4	5

Lowest   Highest

Fair Value Calc: $18.20 **(Slightly Overvalued)**

S&P Investability Quotient Percentile

91%

1 Lowest   Highest 100

ABM scored higher than 91% of all companies for which an S&P Report is available.

Volatility: Average

Low	**Average**	High

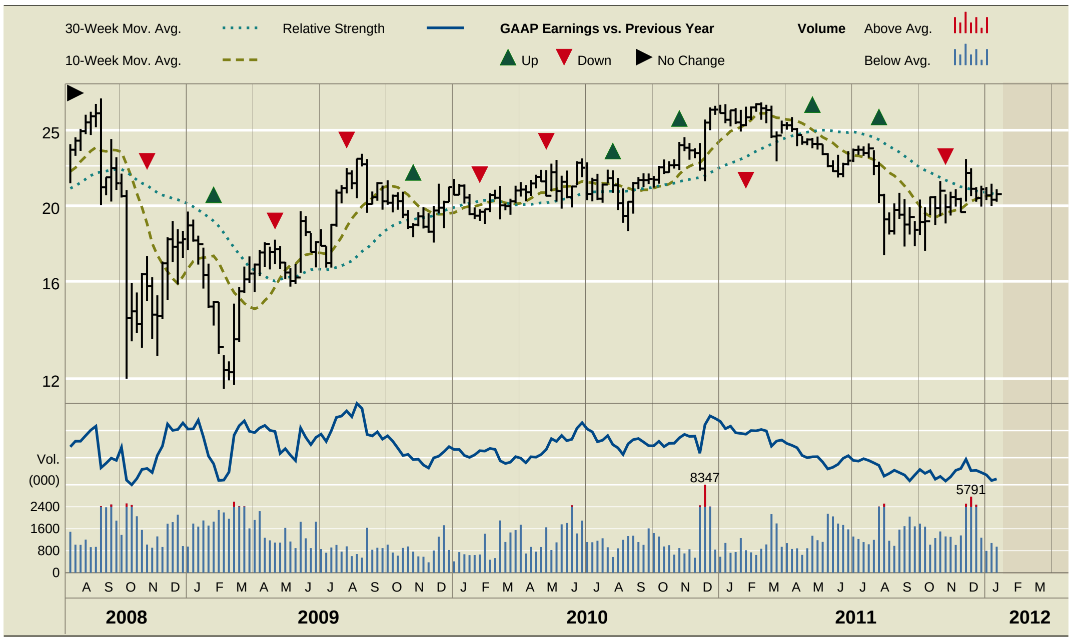
Technical Evaluation: NEUTRAL
Since December, 2011, the technical indicators for ABM have been NEUTRAL.

Relative Strength Rank: Moderate

47

1 Lowest   Highest 99

Price as of Jan 13,2012: $20.70   **52-Week Range: $27.14 - $17.29**



Options: Ph

Investment Strategy

Key financial variables to consider in assessing the investment merits of an industrial company are the following:

Sales: What is the trend? Is future sales growth expected to be greater than the past 5-year and 9-year growth average? Accelerating sales growth ultimately provides the fuel behind earnings growth.

Net Margin: As a key measure of company profitabilty, a rising net margin assesses management capability to wring out more net income from incremental sales.

% LT Debt to Capitalization: A rising percentage implies greater financial risk, all else being equal. Rising debt leverage without a concomitant rise in Return on Equity should raise warning signals of potential cash flow problems. Percentages above 40%-50% should also be considered a warning.

% Return on Equity: A key perfomance measurement of capital efficiency assesses what investment returns management can earn on a company's existing capital base. A sustained percentage above 20% is considered above average.

Revenues/Earnings Data Fiscal year ending Oct. 31

Revenues (Million $)

	2011	2010	2009	2008	2007	2006
1Q	1,029	869.9	887.5	887.8	703.6	666.6
2Q	1,060	855.5	855.7	906.4	697.9	660.1
3Q	1,076	869.0	870.6	923.7	717.6	689.3
4Q	1,081	901.4	868.0	905.8	723.9	696.7
Year	4,247	3,496	3,482	3,624	2,843	2,793

Earnings per Share ($)

	2011	2010	2009	2008	2007	2006
1Q	0.16	0.24	0.29	0.13	0.18	0.08
2Q	0.26	0.16	0.25	0.30	0.33	0.21
3Q	0.51	0.40	0.24	0.32	0.32	0.35
4Q	0.33	0.41	0.29	0.28	0.30	1.24
Year	1.27	1.21	1.07	1.03	1.04	1.88

Next earnings report expected: NA

Historical GAAP earnings are as reported.

Key Growth Rates and Averages

Past Growth Rate (%)	1 Year	3 Year	5 Year	9 Year
Sales	21.49	4.92	7.95	7.48
Net Income	7.56	9.79	-2.49	6.51

Ratio Analysis (Average)				
Net Margin	1.62	1.68	1.67	1.80
%LT Debt to Capitalization	27.38	21.14	17.95	9.97
% Return on Equity	8.95	8.75	8.77	9.71

Key Stock Statistics

Average Daily Volume	**0.271 mil.**	Beta	**1.14**
Market Capitalization	**$1.104 Bil.**	Trailing 12 Month EPS	**$1.27**
Institutional Holdings (%)	**86**	12 Month P/E	**16.3**
Shareholders of Record	**2,883**	Current Yield (%)	**2.80**

Value of $10,000 Invested five yrs Ago : **$9,621**

Please read the required disclosures and Reg. AC certification on the last page of this report.
This report was prepared by Standard & Poor's Quantitative Services.

The McGraw-Hill Companies

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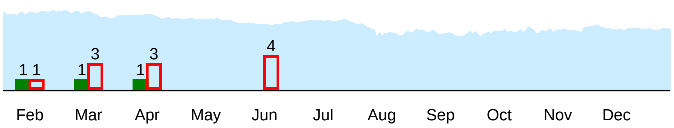
Wall Street Opinions/Average (Mean) Opinion: Hold

	No. of Ratings	% of Total	1 Mo. Prior	3 Mo. Prior
Buy	1	25	1	1
Buy/Hold	0	0	0	1
Hold	3	75	3	2
Weak Hold	0	0	0	0
Sell	0	0	0	0
No Opinion	0	0	0	0
Total	4	100	4	4

Insider Moves

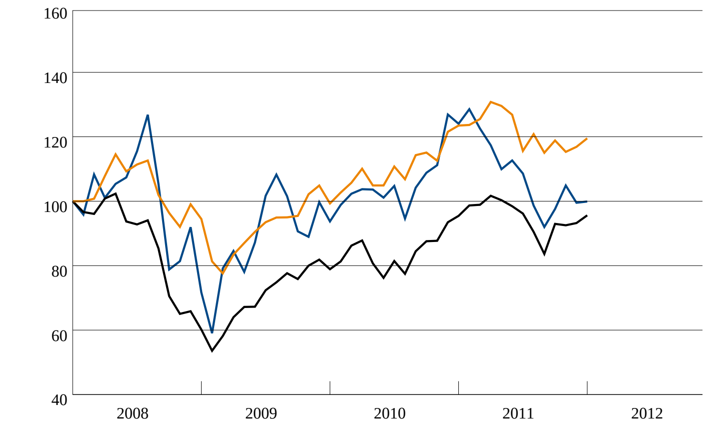
Insider Buys   Insider Sells   Price History



Dividend Data Dividend have been paid since 1965

Amount($)	Date Decl.	Ex. Div. Date	Stock of Record	Payment Date
0.140	Mar.7	Apr.5	Apr.7	May.02 '11
0.140	Jun.7	Jul.5	Jul.7	Aug.01 '11
0.140	Sep.8	Oct.4	Oct.6	Nov.07 '11
0.145	Dec.13	Jan.3	Jan.5	Feb.06 '12

Stock Performance



ABM   S&P 1500   Environmental Svcs

	Company(%)	Industry(%)	S&P 1500(%)
YTD Return	1.1	2.3	2.6
One Year Return	-19.1	-0.1	0.2
Three Year Return (% Annualized)	7.5	8.2	14.6
Five Year Return (% Annualized)	-0.8	3.1	-1.6
Value of $10,000 Invested 5 Years Ago	$9,621	$11,675	$9,215

Company Financials Fiscal year ending Oct. 31

Per Share Data & Valuation Ratios ($)	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Tangible Book Value	NM	1.51	1.54	0.90	6.58	5.54	4.24	3.95	5.01	4.47
Cash Flow	2.24	1.89	1.71	1.57	1.41	2.29	1.25	0.96	1.02	1.21
Earnings	1.27	1.21	1.07	1.03	1.04	1.88	0.86	0.61	0.73	0.92
Dividends	0.56	0.54	0.52	NA	0.48	0.44	0.42	0.40	0.38	0.36
Payout Ratio	44%	45%	49%	NA	46%	23%	49%	66%	52%	39%
Prices:High	27.14	26.95	23.32	NA	31.20	24.00	21.89	22.49	17.99	19.75
Prices:Low	17.29	18.56	11.64	NA	19.04	16.11	17.83	16.77	12.50	12.92
P/E Ratio:High	21	22	22	NA	30	13	25	37	25	21
P/E Ratio:Low	14	15	11	NA	18	9	21	27	17	14
Income Statement Analysis (Million $)										
Revenue	4,247	3,496	3,482	3,624	2,843	2,793	2,587	2,416	2,262	2,182
Operating Income	170	145	116	142	99	105	93.5	-112	70.4	75.5
Depreciation	52.7	36.3	33.3	28.1	18.8	20.7	19.6	17.7	14.8	15.2
Interest Expense	15.8	4.64	5.88	15.2	0.47	0.50	0.88	1.02	0.76	1.05
Pretax Income	106	104	84.7	84.3	79.8	158	64.4	46.4	54.9	69.3
Effective Tax Rate	NA	NA	34%	37%	34%	41%	32%	34%	34%	33%
Net Income	68.7	63.9	55.5	52.7	52.4	93.2	43.6	30.5	36.4	46.7
Balance Sheet & Other Financial Data (Million $)										
Cash	26.5	39.5	34.2	0.71	136	134	56.8	63.4	111	19.4
Current Assets	734	609	621	635	643	632	521	486	501	438
Total Assets	1,880	1,549	1,521	1,550	1,121	1,016	904	843	796	705
Current Liabilities	443	334	343	361	290	319	275	254	257	227
Long Term Debt	300	141	173	230	Nil	Nil	Nil	Nil	Nil	Nil
Common Equity	796	739	687	644	606	541	476	442	444	387
Total Capital	1,096	880	860	874	606	541	476	442	444	387
Capital Expenditures	22.1	23.9	18.6	34.1	22.1	14.1	11.5	11.5	11.6	7.49
Cash Flow	121	100	88.8	80.8	71.2	114	63.1	48.1	51.2	61.9
Current Ratio	1.7	1.8	1.8	1.8	2.2	2.0	1.9	1.9	2.0	1.9
% Long Term Debt of Capitalization	27.4	16.0	20.1	26.3	Nil	Nil	Nil	Nil	Nil	Nil
% Net Income of Revenue	1.6	1.8	1.6	1.5	1.9	3.3	1.7	1.3	1.6	2.1
% Return on Assets	4.0	4.2	3.6	4.0	4.9	9.7	5.0	3.7	4.9	6.7
% Return on Equity	9.0	9.0	8.3	8.4	9.1	18.3	9.5	7.0	8.8	12.5

Data as orig. reptd; bef. results of disc opers/spec. items. Per share data adj. for stk. divs. as of ex-div date. NA-Not Available. NM-Not Meaningful. NR-Not Ranked.

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Tel: **212-297-0200**
Email: **info@abm.com**
Website: **http://www.abm.com**
Chrmn: **M. C. Herringer**

Pres & CEO: **H. C. Slipsager**
Dirs: **D. T. Bane, L. Chavez, J. P. Ferguson, A. G. Fernandes, L. S. Helms, M. C. Herringer, H. L. Kotkins, Jr., H. C. Slipsager, W. W. Steele**
EVP & CFO: **J. S. Lusk**
Secy, General Counsel & SVP: **S. H. McConnell**

SVP, Cntlr & Chief Acctg Officer: **D. A. Chin**
Investor Contact: **George B. Sundby(415-733-4000)**
Founded: **1909**
Domicile: **Delaware**
Employees: **96,000**

ABM Indus Inc

S&P Quality Ranking: **A-** Standard & Poor's Fair Value Rank : **2-**

Sub-Industry Outlook

Our neutral fundamental outlook for the environmental & facilities services sub-industry for the next 12 months is based on our view of still soft and uncertain economic conditions, and a competitive pricing environment. We still expect collection and landfill volume to gradually recover during 2012 assuming economic conditions improve, while contractual price hikes continue to drive top-line growth. However, solid waste volume generally tracks GDP growth, and S&P is forecasting 1.7% real GDP growth for 2012. Cash generation should remain strong, with haulers targeting share repurchases, dividend hikes, debt reduction and strategic acquisitions.

In our view, the largest North American haulers will continue to divest underperforming assets and make accretive "tuck-in" acquisitions, while seeking to enhance customer services as an incentive to maintain a high retention rate. Despite strong housing starts in November driven by multi-family units, we expect construction and demolition (C&D) volume to remain soft near term, with some recovery, while special waste volume shows more favorable trends. We believe commodity prices will stabilize, and expect recycling prices to rebound again in 2012, aiding revenue growth, while waste haulers continue to focus on controlling vehicle maintenance, safety and medical insurance costs. Despite excess landfill capacity (averaging over 20 years), we see price increases at landfills, which tend to have higher margins. Longer term, we see a favorable environmental trend from the conversion of methane gas at landfills into energy. Waste Management (WM 32, Hold) is targeting the construction of waste-to-energy plants in China, while also seeking to grow its medical waste services business.

We expect acquisitions to continue to pick up as smaller haulers find it difficult to operate in a soft environment and acquisition multiples remain attractive for the major players, near or below the average historical 6X EBITDA range. However, private equity firms are beginning to show interest again in this industry, which could drive up selling prices.

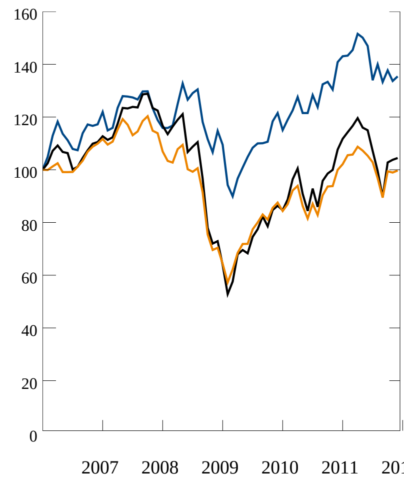
Year to date through December 16, the S&P Environmental & Facilities Services Index was down 7.7%, while the S&P 1500 slipped 3.2%. For the past 13 weeks, the group was down 3.8%, while index edged up 0.3%. The shares recently traded at a P/E of 15.5X our 2012 EPS estimate, a steep premium to our projected multiple for the S&P 1500. The dividend yield of 2.6% exceeded the market's 2.2% yield, and we see EPS growing more than 11% in 2012. Relative strength was average, in our view.

-- Stewart Scharf

Stock Performance

GICS Sector: Industrials
Sub-Industry: Environmental & Facilities Services

Based on S&P 1500 Indexes
Month-end Price Performance as of 12/30/11



NOTE: All Sector & Sub-Industry information is based on the Global Industry Classification Standard (GICS)

Sub-Industry : Environmental & Facilities Services Peer Group*: Diversified Facilities & Environmental

Peer Group	Stock Symbol	Stk.Mkt. Cap. (Mil. $)	Recent Stock Price($)	52 Week High/Low($)	Beta	Yield (%)	P/E Ratio	Fair Value Calc.($)	Quality Ranking	S&P IQ %ile	Return on Revenue (%)	LTD to Cap (%)
ABM Indus Inc	**ABM**	**1,104**	**20.70**	**27.14/17.29**	**1.14**	**2.8**	**16**	**18.20**	**A-**	**91**	**1.6**	**27.4**
Clean Harbors	CLH	3,324	62.69	65.32/41.14	0.48	Nil	30	51.70	B-	97	7.4	25.3
Rollins Inc	ROL	3,217	21.99	23.74/16.51	0.51	1.3	33	NA	A	96	7.9	NA
Standard Parking'A'	STAN	268	17.21	19.47/14.48	0.56	Nil	15	NA	NR	84	2.4	72.3
Versar Inc	VSR	28	3.01	3.94/2.37	1.32	Nil	8	NA	B-	41	2.5	NA

NA-Not Available NM-Not Meaningful NR-Not Rated. *For Peer Groups with more than 15 companies or stocks, selection of issues is based on market capitalization.

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S&P Analyst Research Notes and other Company News

October 19, 2011
Steven M. Zaccagnini, Executive Vice President, is leaving ABM Industries Inc. on January 15, 2012. Mr. Zaccagnini's responsibilities relating to the company are being transferred to other current officers of the Company. Mr. Zaccagnini will remain an employee of the Company through January 15, 2012.

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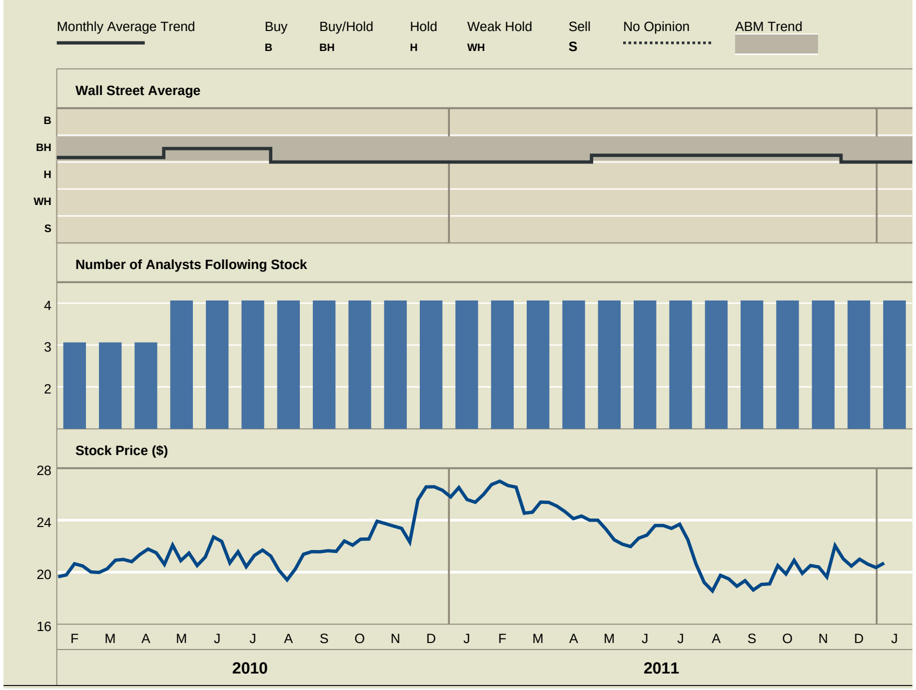
Analysts' Recommendations



Of the total 4 companies following ABM, 4 analysts currently publish recommendations.

	No. of Ratings	% of Total	1 Mo. Prior	3 Mos. Prior
Buy	1	25	1	1
Buy/Hold	0	0	0	1
Hold	3	75	3	2
Weak Hold	0	0	0	0
Sell	0	0	0	0
No Opinion	0	0	0	0
Total	**4**	**100**	**4**	**4**

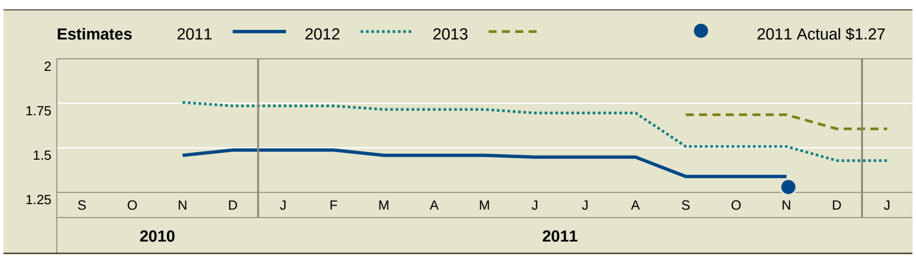
Wall Steet Consensus Opinion

BUY/HOLD

Companies Offering Coverage

BB&T Capital Markets
CL King & Associates, Inc
Robert W. Baird & Co.
Sidoti & Company, LLC

Wall Street Consensus Estimates



Fiscal Years	Avg Est.	High Est.	Low Est.	# of Est.	Est. P/E
2013	1.61	1.65	1.58	3	12.9
2012	1.43	1.47	1.40	4	14.5
2013 vs. 2012	▲ 13%	▲ 12%	▲ 13%	▼ -25%	▼ -11%
Q1'13	0.25	0.28	0.21	3	82.8
Q1'12	0.22	0.24	0.18	4	94.1
Q1'13 vs. Q1'12	▲ 14%	▲ 17%	▲ 17%	▼ -25%	▼ -12%

A company's earnings outlook plays a major part in any investment decision. Standard & Poor's organizes the earnings estimates of over 2,300 Wall Street analysts, and provides their consensus of earnings over the next two years. This graph shows the trend in analyst estimates over the past 15 months.

Wall Street Consensus vs. Performance

For fiscal year 2012, analysts estimate that ABM will earn $1.43. For fiscal year 2013, analysts estimate that ABM's earnings per share will grow by 13% to $1.61.

The McGraw-Hill Companies

Glossary

S&P Quality Ranking - Growth and stability of earnings and dividends are deemed key elements in establishing S&P's quality ranking for common stocks, which are designed to capsulize the nature of this record in a single symbol. It should be noted that, however, that the process also takes into consideration certain adjustments and modifications deemed desirable in establishing such rankings, The final score for each stock is measured against a scoring matrix determined by analysis of the scores of a large and representative sample of stocks. The range of scores in the array of this sample has been aligned with the following ladder of rankings:

A+	Highest	B	Lower
A	High	B-	Below Average
A-	Above Average	C	Lowest
B+	Average	D	In Reorganization
NR	Not Ranked		

S&P Fair Value Rank - Using S&P's exclusive proprietary quantitative model, stocks are ranked in one of five groups, ranging from Group 5, listing the most undervalued stocks, to Group 1, the most overvalued issues. Group 5 stocks are expected to generally outperform all others. A positive (+) or negative (-) Timing Index is placed next to the Fair Value ranking to further aid the selection process. A stock with a (+) added to the Fair Value Rank simply means that this stock has a somewhat better chance to outperform other stock with the same Fair Value Rank. A stock with a (-) has a somewhat lesser chance to outperform other stocks with the same Fair Value Rank. The Fair Value rankings imply the following: 5-Stock is significantly undervalued; Fair Value Rank. A stock with a (-) has a somewhat lesser chance to outperform other stocks with the same Fair Value Rank. The Fair Value rankings imply the following: 5-Stock is significantly undervalued; 4-Stock is moderately undervalued; 3-Stock is fairly valued; 2-Stock is modestly overvalued; 1-Stock is significantly overvalued.

Funds From Operations (FFO) - FFO is Funds from Operations and equal to a REIT's net income, excluding gains or losses from sales of property, plus real estate depreciation.

Fair Value Calculation - The current price at which a stock should sell today as calculated by S&P's computers using our quantitative model based on the company's earnings, growth potential, return on equity relative to the S&P 500 and its industry group, price to book ratio history, current yield relative to the S&P 500, and other factors.

Investability Quotient (IQ) - The IQ is a measure of investment desirability. It serves as an indicator of potential medium-to-long-term return and as a caution against downside risk. The measure takes into account variables such as technical indicators, earnings estimates, liquidity, financial ratios and selected S&P proprietary measures.

Standard & Poor's IQ Rationale:
ABM Indus Inc

	Raw Score	Max Value
Proprietary S&P Measures	25	115
Technical Indicators	21	40
Liquidity/Volatility Measures	14	20
Quantitative Measures	59	75
IQ Total	119	250

Volatility - Rates the volatility of the stock's price over the past year.

Technical Evaluation - In researching the past market history of prices and trading volume for each company, S&P's computer models apply special technical methods and formulas to identify and project price trends for the stock.

Relative Strength Rank - Shows, on a scale of 1 to 99, how the stock has performed versus all other companies in S&P's universe on a rolling 13-week basis.

Global Industry Classification Standard (GICS) - An industry classification standard, developed by Standard & Poor's in collaboration with Morgan Stanley Capital International (MSCI). GICS is currently comprised of 10 Sectors, 24 Industry Groups , 67 Industries, and 147 Sub-Industries.

Dividends on American Depository Receipts (ADRs) and American Depository Shares (ADSs) are net of taxes (paid in the country of origin).

Required Disclosures

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