Fourth Quarter 2025 Earnings Presentation

December 17, 2025

Forward Looking Statements

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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: our success depends on our ability to gain profitable business despite competitive market pressures; our results of operations can be adversely affected by labor shortages, turnover, and labor cost increases; we may not be able to attract and retain qualified personnel and senior management we need to support our business; investments in and changes to our businesses, operating structure, or personnel relating to our strategic initiatives, including the implementation of strategic transformations, enhanced business processes, and technology initiatives may not have the desired effects on our financial condition and results of operations; our ability to preserve long-term client relationships is essential to our continued success; our use of subcontractors or joint venture partners to perform work under customer contracts exposes us to liability and financial risk; 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; decreases in commercial office space utilization due to hybrid work models and increases in office vacancy rates could adversely affect our financial conditions; negative changes in general economic conditions, such as recessionary pressures, high interest rates, durable and non-durable goods pricing, changes in energy prices, or changes in consumer goods pricing, could reduce the demand for services and, as a result, reduce our revenue and earnings and adversely affect our financial condition; 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; our ongoing implementation of new enterprise resource planning and related boundary systems could adversely impact our ability to operate our business and report our financial results; acquisitions, divestitures, and other strategic transactions could fail to achieve financial or strategic objectives, disrupt our ongoing business, and adversely impact our results of operations; we may not realize the growth opportunities and synergies that are anticipated from the WGNSTAR acquisition; we manage our insurable risks through a combination of third-party purchased policies 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 to our ultimate insurance loss reserves could result in material charges against our earnings; our risk management and safety programs may not have the intended effect of reducing our liability for personal injury or property loss; unfavorable developments in our class and representative actions and other lawsuits alleging various claims could cause us to incur substantial liabilities; we are subject to extensive legal and regulatory requirements, which could limit our profitability by increasing the costs of legal and regulatory compliance; a significant number of our employees are covered by collective bargaining agreements that could expose us to potential liabilities in relation 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; 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; future increases in the level of our borrowings and interest rates could affect our results of operations; impairment of goodwill and long-lived assets could have a material adverse effect on our financial condition and results of operations; 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; our business may be negatively impacted by adverse weather conditions; catastrophic events, disasters, pandemics, and terrorist attacks could disrupt our services; and actions of activist investors could disrupt our business. 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.

Use of Non-GAAP Financial Information

To supplement ABM's consolidated financial information, the Company has presented net income and net income per diluted share as adjusted for items impacting comparability for the fourth quarter and full fiscal years 2025 and 2024. 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 interest, taxes, depreciation and amortization and excluding items impacting comparability (adjusted EBITDA) for the fourth quarter and full fiscal years 2025 and 2024. Adjusted earnings per share and adjusted EBITDA are among the indicators management uses as a basis for planning and forecasting future periods. Adjusted EBITDA margin is defined as adjusted EBITDA divided by revenue excluding parking management reimbursement revenue. We cannot provide a reconciliation of forward-looking non-GAAP adjusted earnings per share to GAAP due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliation. The Company has also presented Free Cash Flow which is defined as net cash provided by (used in) operating activities less additions to property, plant and equipment. 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.)

We round amounts to millions but 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.

Q4 2025 – Prior Year Self-insurance Adjustments

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- **As previously communicated with our Disclosure Update included in our Q2 2025 earnings release,** we revised the definition of our non-GAAP financial measures — including adjusted net income, adjusted earnings per share, adjusted EBITDA, and adjusted EBITDA margin — to no longer exclude the positive or negative impact of "prior year self-insurance adjustments". Prior year self-insurance adjustments reflect the net changes to our self-insurance reserves for our general liability, workers' compensation, automobile, and health insurance programs, related to claims from incidents that occurred in previous years
- Also, as previously communicated, as prior year self-insurance adjustments are inherently difficult to forecast, the guidance provided in previous quarters did not give effect to any potential positive or negative prior year self-insurance adjustments
- The table below quantifies the impact of prior year self-insurance adjustments within the total reported results for Q4 2025 & 2024 and full year 2025 & 2024:

Metric	Q4 2025	PY Self-insurance adjustments included in Q4 2025 results	Q4 2024*	PY Self-insurance adjustments included in Q4 2024* results	FY 2025	PY Self-insurance adjustments included in FY 2025 results	FY 2024*	PY Self-insurance adjustments included in FY 2024* results
Adj. Net Income	$54.7M	-$15.8M	$55.8M	-$1.8M	$215.8M	-$16.6M	$212.6M	-$14.6M
Adj. EPS	$0.88	-$0.26	$0.88	-$0.02	$3.44	-$0.27	$3.34	-$0.23
Adj. EBITDA	$124.2M	-$22.2M	$125.6M	-$2.4M	$496.6M	-$23.3M	$477.7M	-$20.3M
Adj. EBITDA margin	5.6%	-100 bps	6.0%	-12 bps	5.9%	-28 bps	5.9%	-25 bps

* Fiscal 2024 results now reported including prior year self-insurance adjustments

Q4 2025 Review – Strong Operating Results

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Financial Results

- **Record Revenue** of \$2.3B
  - 5% organic growth
- **Net income** of \$34.8M
- **Adjusted net income**(1)(2) of \$54.7M
- **Adjusted EBITDA**(1)(3) of \$124.2M
- **GAAP EPS** of \$0.56
- **Adjusted EPS**(1)(2) of \$0.88
- **Adj. EBITDA margin**(1)(3) of 5.6%

Demand Environment

- **B & I's** Prime office space markets largely unchanged from Q3
- **M&D** markets remain constructive, especially technology-related markets
- Solid air travel dynamics in **Aviation**
- **Education** remains stable
- Robust demand for electrification-related services, including microgrids in **Technical Solutions**

Highlights

- **Broad-based organic revenue growth**
- **Cash flow from operations of \$133.4 million and free cash flow of \$112.7M,** up significantly over prior year
- **\$1.9B in new bookings** for full fiscal 2025, up 12%
- **Repurchased 1.6M shares in Q4, 2.6M for full fiscal 2025**
- **Won large multi-year Aviation contract** after quarter close
- Announced **agreement to acquire WGNSTAR**

(1) Please refer to the appendix for a reconciliation of GAAP to non-GAAP measures
(2) Includes the negative impact of \$15.8M, or \$0.26 EPS, for prior year self insurance reserve adjustments, which are no longer reported as an item impacting comparability
(3) Includes the negative pre-tax impact of \$22.2M, for prior year self insurance reserve adjustments, which are no longer reported as an item impacting comparability

End-to-End Facility Solutions Across Diverse Markets

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Business & Industry

- Facility cleaning
- Building engineering & maintenance
- Infrastructure solutions
- Parking management
- Valet / shuttle services
- Optimized ventilation & HVAC
- Lighting
- Specialty facility services

Aviation

- Facility cleaning
- Building engineering & maintenance
- Cabin cleaning
- Passenger assistance
- Parking and shuttle operations management
- Electrical infrastructure services
- EV charging

Manufacturing & Distribution

- Facility cleaning
- Building engineering & maintenance
- Construction clean-up
- Industrial operations and production support
    - Corrugate handling
    - Pallet management
    - Pick & pack
    - Wrap & ship

Education

- Facility cleaning
- Building engineering & maintenance
- Landscaping & turf management
- Waste management & recycling
- Seasonal maintenance services
- Specialty facility services

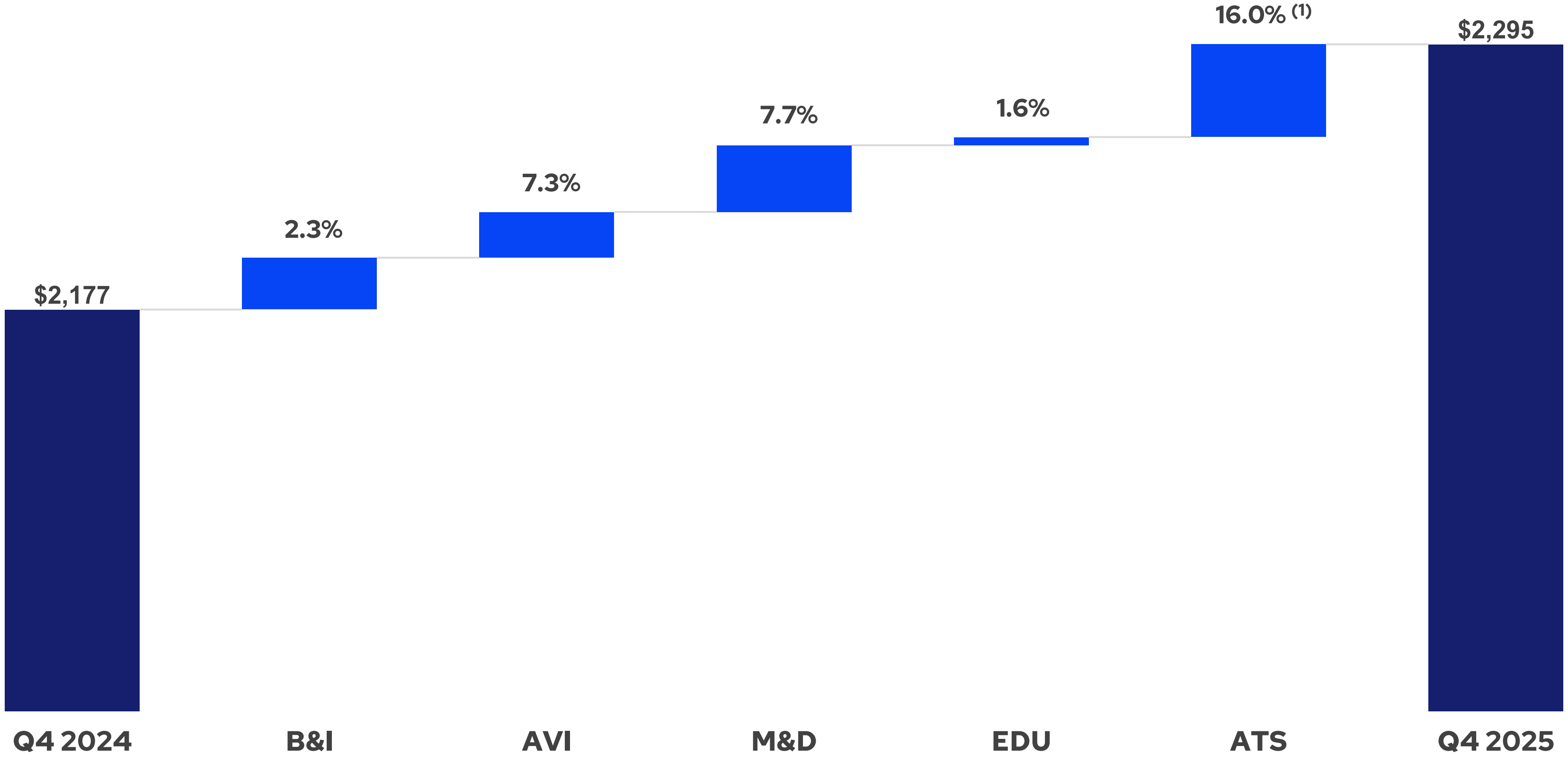
Technical Solutions

- Cleanroom services
- Tailored intelligent facilities solutions
- Downtime and data loss prevention
- Infrastructure maintenance
- Microgrids
- Battery energy storage systems

Revenue *(% of Q4 2025 Total Company Revenue)*	Business & Industry	Aviation	Manufacturing & Distribution	Education	Technical Solutions
	$1,049M	$297M	$417M	$234M	$299M
	46%	13%	18%	10%	13%

Q4 2025 Revenue

Segment Growth Rates



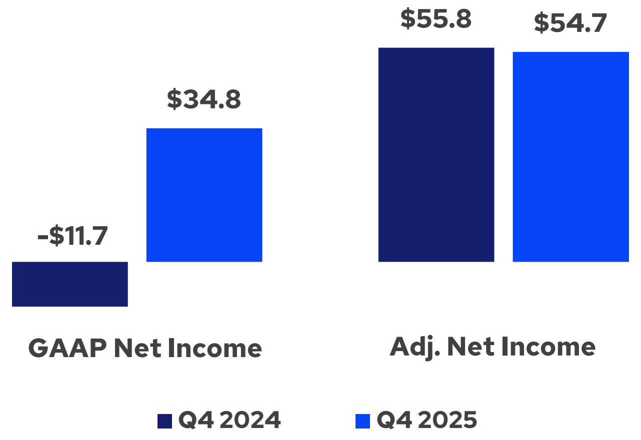
- Record quarterly revenue of $2.3B, up 5.4%
  - 4.8% organic growth
- Organic growth across all segments
- Robust microgrid and datacenter activity in Technical Solutions
- Aviation remains strong
- M&D growth driven by new wins

(1) Comprised of 10.7% organic revenue growth and 5.3% revenue growth from acquisitions

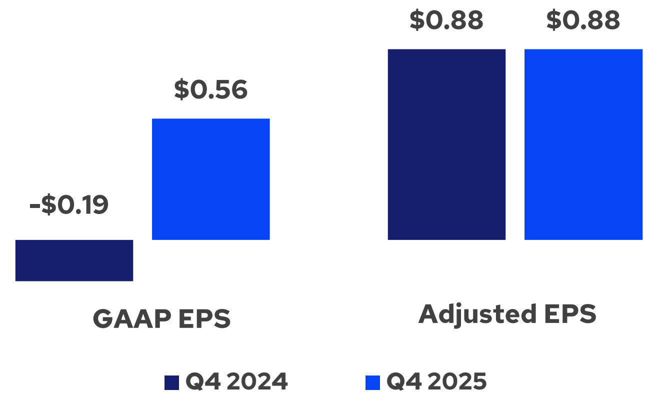
Q4 2025 Profitability

$ in millions

NET INCOME/(LOSS) (1)

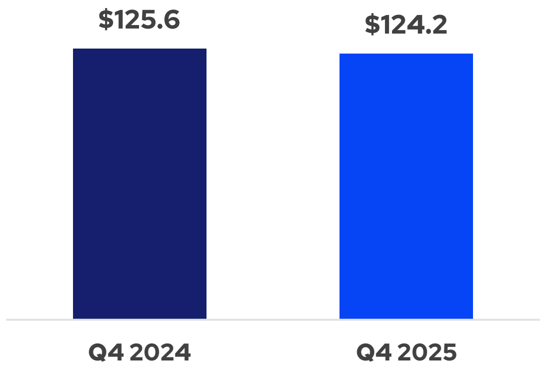


EARNINGS PER SHARE (1)

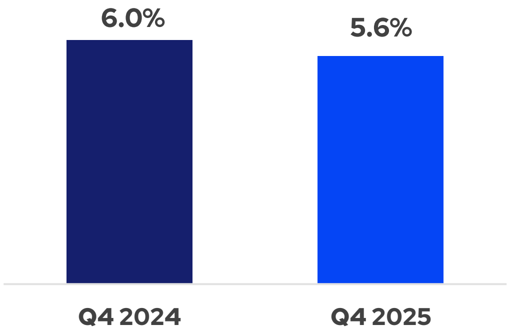


$ in millions

ADJUSTED EBITDA (1)



ADJ. EBITDA MARGIN (1)



- Increases in GAAP net income and GAAP EPS largely reflect a $61.3M benefit from the absence of the large contingent consideration recorded in the prior year and higher segment earnings, partially offset by a ($15.8M) impact from prior year self-insurance adjustments and ($9.5M) of restructuring costs
- Changes in adjusted net income, adjusted EPS, and adjusted EBITDA primarily driven by the impact of prior year self-insurance adjustments, largely offset by higher segment earnings and benefits from restructuring actions

(1) Refer to the appendix for a reconciliation of GAAP to non-GAAP measures

Q4 2025 Segment Performance

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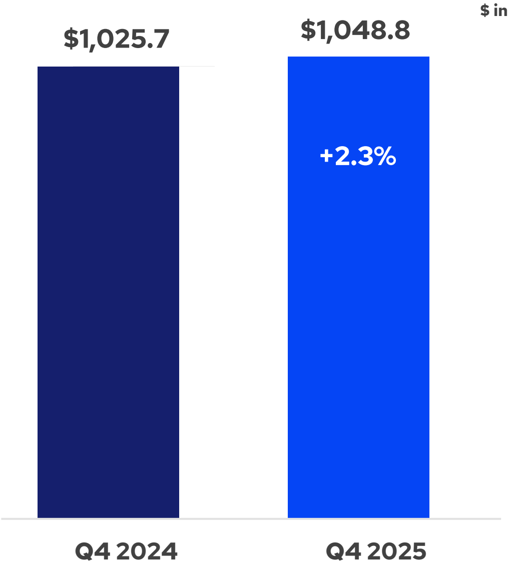
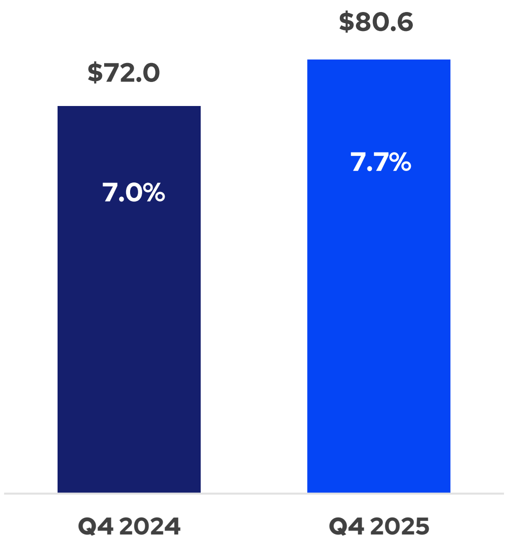
Business & Industry

Revenue



Operating Profit & Margin

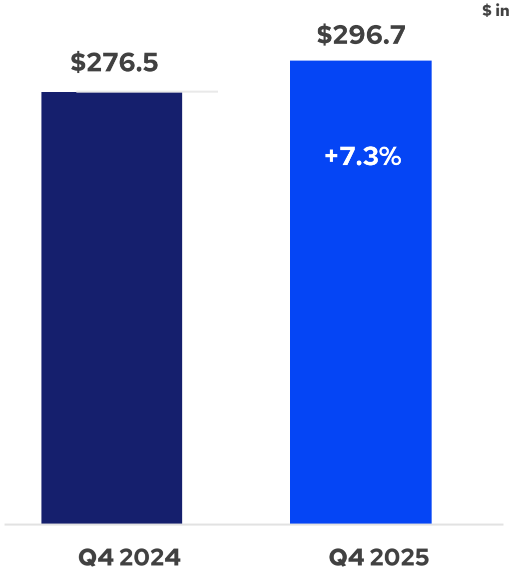
$ in millions



- Revenue growth driven by increases in work orders, expansion with existing clients and strength in our UK markets
- Profit and margin increases largely due to restructuring benefits and the absence of prior year discrete costs

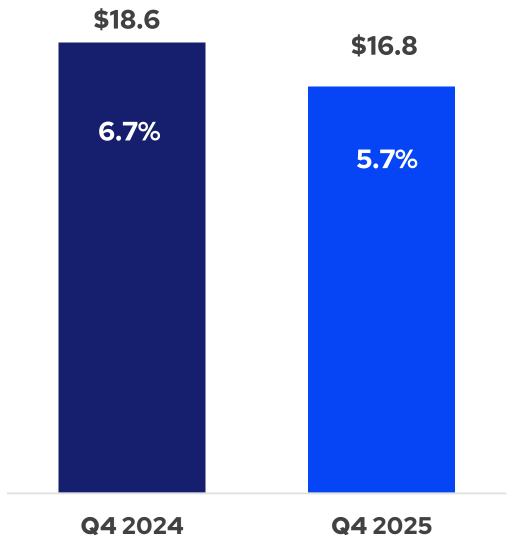
Aviation

Revenue



Operating Profit & Margin

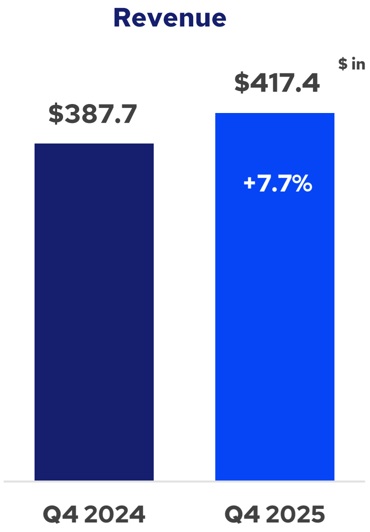
$ in millions

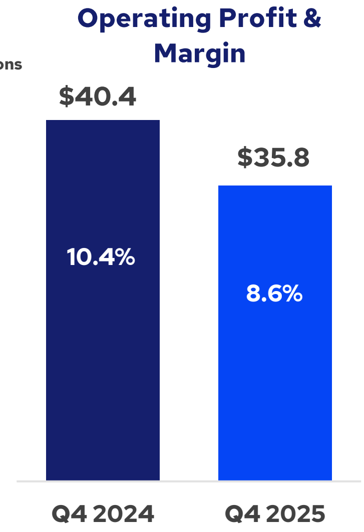


- Revenue growth driven by healthy travel markets and several new clients coming on board
- Profit and margin results reflect timing of escalations and mix, including frictional costs of new contracts

Q4 2025 Segment Performance

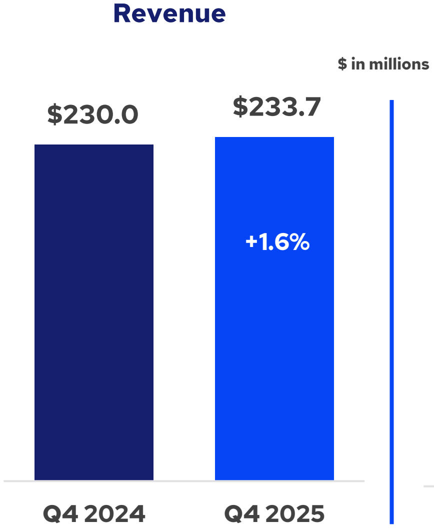
Manufacturing & Distribution

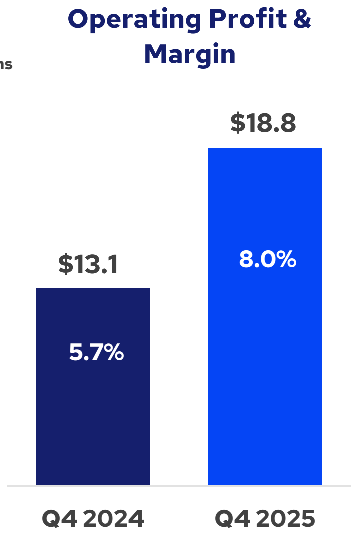




- Revenue growth driven by expansions and new wins
- Profit and margin performance reflects business mix, including recent wins

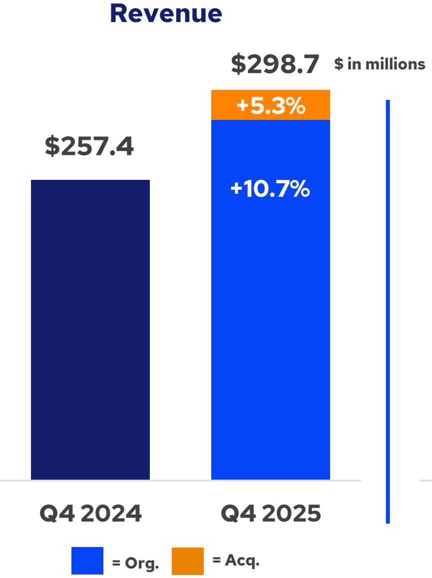
Education

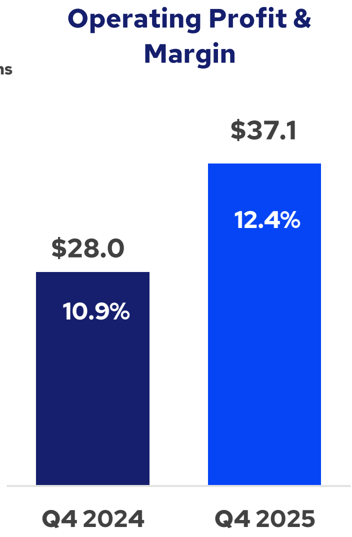




- Revenue growth driven by favorable net-pricing and strong client retention
- Profit and margin growth reflects strong execution, including labor efficiency and escalations

Technical Solutions

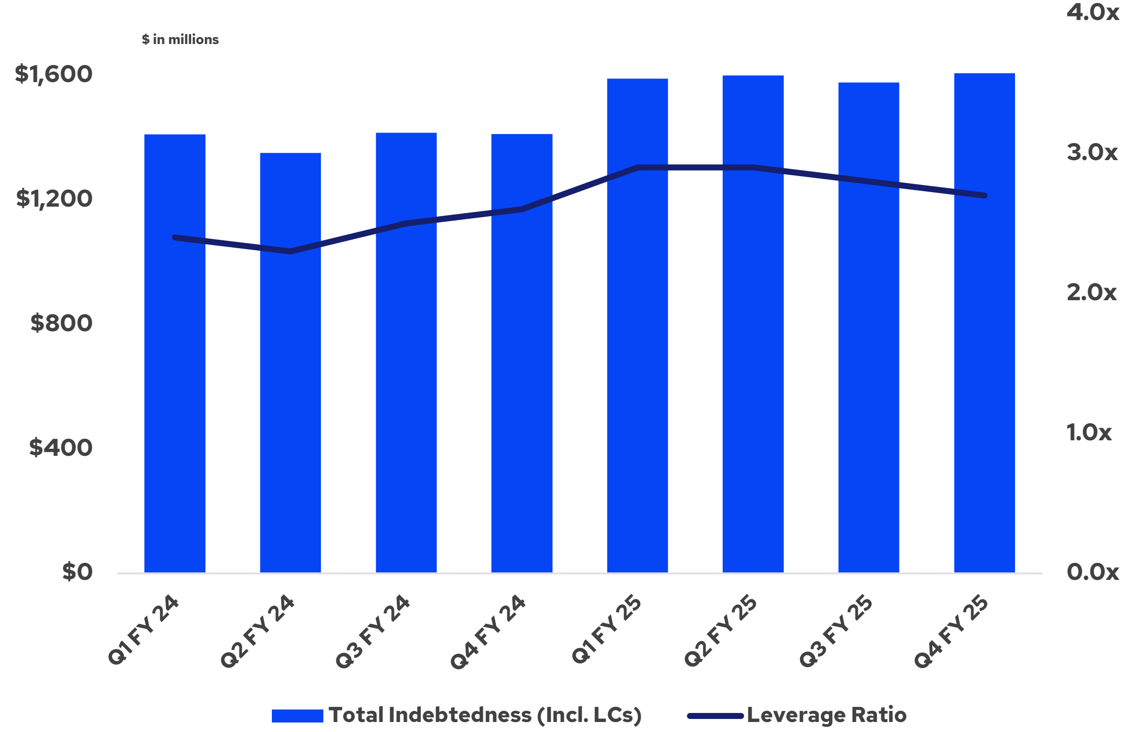




- Revenue growth driven by strong microgrid activity and acquisitions
- Profit and margin performance reflects higher volume and positive mix, and the absence of a $4.3M discrete charge taken last year

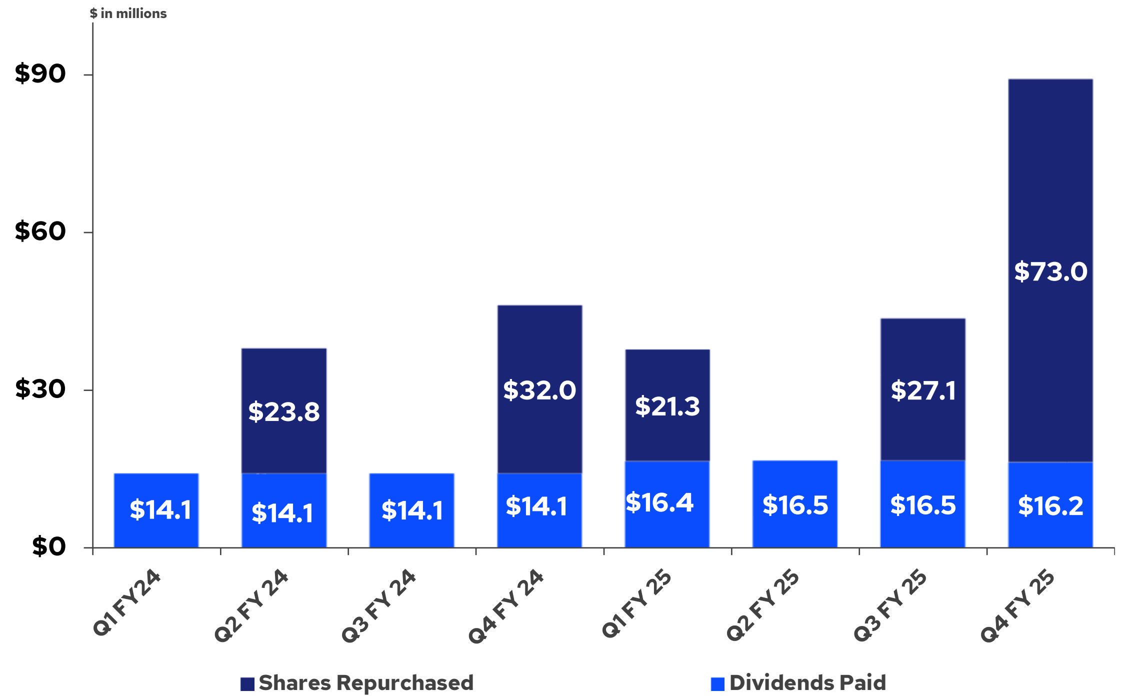
Q4 2025 Leverage & Shareholder Returns

Leverage



- Total indebtedness of $1.6B in Q4 2025; Leverage at 2.7X
- Q4 free cash flow(1) of $112.7M, up significantly from prior year reflecting strong cash collections

Shareholder Returns



- Repurchased 1.6M shares in Q4 for $73.0M at average cost of $45.84
- Repurchased 2.6M shares for full year 2025 at an average cost of $47.35, totaling $121.3M
- $183M total capacity currently remaining under share repurchase authorization

(1) Please refer to the appendix for a reconciliation of GAAP to non-GAAP measures.

Fiscal 2026 – Initial Outlook

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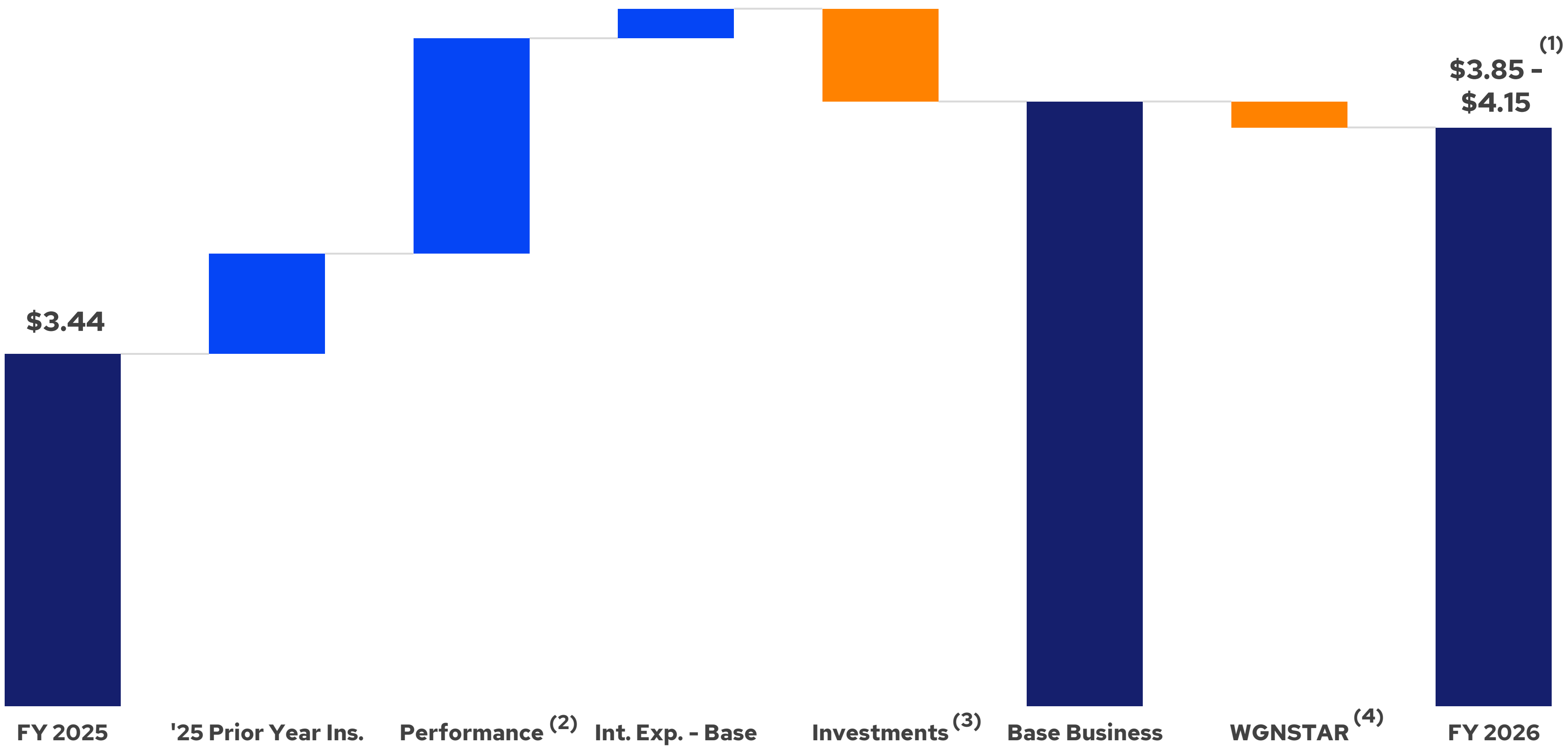
Metric	Outlook
Organic revenue growth	3% - 4%
Total revenue growth	4% - 5%
Segment operating profit (1)	7.8% - 8.0%
Tax rate - excluding discrete tax items and impact of non-taxable items	29% - 30%
Interest expense	$95M - $105M
Adjusted EPS (2) (3)	$3.85 - $4.15

2026 Working Days				
Quarter	**Q1**	**Q2**	**Q3**	**Q4**
Days	65	64	66	65
Δ y-o-y	-1	+1	0	-1

(1) Segment operating margin defined as total operating profit minus corporate expenses, divided by total revenue
(2) This outlook does not give effect to any potential positive or negative prior year self-insurance adjustments
(3) When the company provides expectations for adjusted EPS on a forward-looking basis, a reconciliation of the differences between these non-GAAP expectations and the corresponding GAAP measures generally is not available without unreasonable effort. See "Use of Non-GAAP Financial Information" for additional information

FY 2026 Adjusted EPS Bridge[1]

Adjusted EPS of base business up over 10% at the mid-point



- Revenue up 4% to 5%
  - Organic growth 3% - 4%
  - Organic growth across all segments
- Investing in sales and technical talent, AI, cybersecurity and technology
- WGNSTAR expected to close in Q2
  - Expected to be solidly accretive in 2027 and beyond

(1) Does not include any FY 2026 positive or negative impacts from prior year self-insurance adjustments
(2) Includes pricing, volume, mix, restructuring benefits
(3) Includes investments in AI, cybersecurity, talent, telematics, software, other
(4) Includes acquisition-related amortization and interest expense

Appendix

Unaudited Reconciliation of Non-GAAP Financial Measures

$ in millions	Three Months Ended October 31,		Years Ended October 31,	
	2025	2024	2025	2024
Reconciliation of Net Income (loss) to Adjusted Net Income				
Net income (loss)	$ 34.8	$ (11.7)	$ 162.4	$ 81.4
Items impacting comparability[(a)(b)]				
Restructuring and related[(c)]	13.1	—	13.4	—
Legal costs and other settlements	—	3.7	2.5	3.9
Acquisition and integration related costs[(d)]	6.3	3.8	17.7	11.4
Transformation initiative costs[(e)]	9.8	10.1	39.9	37.9
Change in fair value of contingent consideration[(f)]	(1.6)	59.7	(1.6)	95.7
Employee Retention Credit[(g)]	—	—	(1.2)	—
Other[(h)]	0.2	0.3	4.0	3.8
Total items impacting comparability	27.9	77.5	74.7	152.6
Income tax benefit[(i) (j)]	(8.0)	(10.0)	(21.3)	(21.3)
Items impacting comparability, net of taxes	19.9	67.5	53.4	131.3
Adjusted net income	$ 54.7	$ 55.8	$ 215.8	$ 212.6

Unaudited Reconciliation of Non-GAAP Financial Measures - Footnotes

[a] The Company adjusts net income 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] After communications with the staff of the Securities and Exchange Commission, we have revised the definition of our non-GAAP financial measures—including adjusted net income, adjusted earnings per share, adjusted EBITDA, and adjusted EBITDA margin—to no longer exclude the positive or negative impact of "prior year self-insurance adjustments". Prior year self-insurance adjustments reflect the net changes to our self-insurance reserves for our general liability, workers' compensation, automobile, and health insurance programs, related to claims from incidents that occurred in previous years. This definitional change has been applied to our fourth quarter 2025 results and retroactively to all presented periods to ensure comparability.

[c] Represents costs associated with restructuring program to further streamline our operations and improve the efficiency of our support functions

[d] Represents acquisition and integration related costs primarily associated with recent acquisitions.

[e] Represents discrete transformational costs that primarily consists of general and administrative costs for developing technological needs and alternatives, project management, testing, training and data conversion, consulting and professional fees for i) new enterprise resource planning system, ii) client facing technology, iii) workforce management tools and iv) data analytics. These costs are not expected to recur beyond the deployment of these initiatives.

[f] Represents an adjustment to the estimate of the fair value of the contingent consideration associated with the RavenVolt acquisition.

[g] Represents Employee Retention Credit (ERC) refunds received from the Internal Revenue Service.

[h] The year ended October 31, 2025 includes a parking tax audit settlement related to prior years. The year ended October 31, 2024 includes severance costs related to the permanent elimination of the role of Executive Vice President, Chief Strategy & Transformation Officer.

[i] The Company's tax impact is calculated using the federal and state statutory rate of 27.72% for FY2025 and 28.11% for FY 2024. For purposes of calculating the tax impact, the change in the fair value of the contingent consideration related to RavenVolt acquisition is deemed to be a non-taxable item.
We calculate tax from the underlying whole-dollar amounts, as a result, certain amounts may not recalculate based on reported numbers due to rounding.

[j] The Company's tax impact also includes the following discrete items:

- For the three months ended October 31, 2024
  - $4.9 million prior year tax benefit related to our Puerto Rico operations
- For the year ended October 31, 2024
  - $4.9 million prior year tax benefit related to our Puerto Rico operations
  - $0.4 million benefit for uncertain tax positions with expiring statues

Unaudited Reconciliation of Non-GAAP Financial Measures

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$ in millions. except per share amounts

	Three Months Ended October 31,		Years Ended October 31,	
	2025	2024	2025	2024
Reconciliation of Net Income (loss) to Adjusted EBITDA				
Net income (loss)	$ 34.8	$ (11.7)	$ 162.4	$ 81.4
Items impacting comparability	27.9	77.5	74.7	152.6
Income tax provision	10.5	10.9	57.6	52.2
Interest expense	24.3	21.8	96.4	85.0
Depreciation and amortization	26.7	27.0	105.6	106.6
Adjusted EBITDA	$ 124.2	$ 125.6	$ 496.6	$ 477.7
Net income (loss) margin as a % of revenues	1.5 %	(0.5)%	1.9 %	1.0 %

	Three Months Ended October 31,		Years Ended October 31,	
	2025	2024	2025	2024
Revenues Excluding Management Reimbursement				
Revenues	$ 2,295.3	$ 2,177.3	$ 8,745.9	$ 8,359.4
Management reimbursement	(86.9)	(81.6)	(342.1)	(318.2)
Revenues excluding management reimbursement	$ 2,208.5	$ 2,095.8	$ 8,403.8	$ 8,041.2
Adjusted EBITDA margin as a % of revenues excluding management reimbursement	5.6 %	6.0 %	5.9 %	5.9 %

	Three Months Ended October 31,		Years Ended October 31,	
	2025	2024	2025	2024
Reconciliation of Net Income (loss) per Diluted Share to Adjusted Net Income per Diluted Share				
Net income (loss) per diluted share	$ 0.56	$ (0.19)	$ 2.59	$ 1.28
Items impacting comparability, net of taxes	0.32	1.07	0.85	2.06
Adjusted Net Income per diluted share	$ 0.88	$ 0.88	$ 3.44	$ 3.34

Unaudited Reconciliation of Non-GAAP Financial Measures

$ in millions	Three Months Ended October 31,		Years Ended October 31,	
	2025	2024	2025	2024
Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow				
Net cash provided by operating activities	$ 133.4	$ 30.3	$ 234.4	$ 226.7
Additions to property, plant and equipment	(20.7)	(14.8)	(79.3)	(59.4)
Free Cash Flow	$ 112.7	$ 15.5	$ 155.1	$ 167.3

Thank You

Get in touch with us

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ABM.com

ABM

FACILITY / ENGINEERING & INFRASTRUCTURE **SOLUTIONS**

ABM drives possibility through facility, engineering, and infrastructure solutions across a wide range of industries. Our diverse, inclusive teams work together to advance a healthier, more sustainable, ever-changing world. Under our care, systems perform, businesses prosper, and occupants thrive. Every day, over 100,000 of us partner with our clients to care for the people, places, and spaces important to you. We are making spaces smarter, modernizing infrastructure, and transforming facilities to become more resilient.

Driving possibility, together.