

**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**

November 2, 2022

Date of report (date of earliest event reported)

SP PLUS CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

000-50796

(Commission File Number)

16-1171179

(IRS Employer Identification No.)

200 E. Randolph Street, Suite 7700, Chicago, Illinois 60601-7702

(Address of Principal Executive Offices) (Zip Code)

(312) 274-2000

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(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	SP	Nasdaq Global Select Market

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.

Item 7.01. Regulation FD Disclosure.

The following information is furnished pursuant to Item 2.02, “Results of Operations and Financial Condition” and Item 7.01, “Regulation FD Disclosure.”

On November 2, 2022, SP Plus Corporation (“SP” or the “Company”) issued a press release setting forth its third quarter 2022 results. A copy of SP’s press release is attached hereto as Exhibit 99 and is hereby incorporated by reference.

Item 9.01. Financial Statements and Exhibits.

[99](#) [Press release, dated November 2, 2022, issued by the Company \(furnished herewith\).](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

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.

SP Plus Corporation

Date: November 2, 2022

By: /s/ KRISTOPHER H. ROY
Kristopher H. Roy
Chief Financial Officer

SP Plus Corporation Announces Third Quarter 2022 Results

--Strong Quarterly Performance Marks Completion of Company's Post-Pandemic Financial Recovery--

--Re-Affirms Full Year EBITDA and EPS Guidance to Exceed Pre-Pandemic Levels--

--Acquisition Expands Technology Capabilities to Drive Future Growth--

CHICAGO, Nov. 02, 2022 (GLOBE NEWSWIRE) -- SP Plus Corporation (Nasdaq:SP), a leading provider of technology-driven mobility solutions for aviation, commercial, hospitality and institutional clients throughout North America and Europe, today announced its third quarter 2022 results.

Management Commentary

Marc Baumann, Chairman and Chief Executive Officer, said, "The third quarter's adjusted gross profit was essentially back to pre-pandemic levels this quarter, driven by performance at same locations and strong new business. The quarter marks the completion of our financial recovery from the pandemic, and we're proud of this accomplishment which reflects strategic choices that included structural changes to our business model and continued investment in technology. These actions, in addition to driving improved financial performance, enabled us to gain market share and expand our addressable market, providing a pathway to a higher growth trajectory.

"In the third quarter, our Commercial segment adjusted gross profit increased 13% year-on-year benefitting from strong demand across multiple verticals, led by commercial, municipal and large venue. Adjusted gross profit in the Aviation segment increased 31% year-on-year driven by new wins and increased business activity.

"Our technology solutions continue to serve as a key catalyst for new business. We continue to invest in resources to develop, implement, and support our technology solutions across the breadth of our client base. We believe our recent acquisition of U.K.-based KMP Associates and its e-commerce platform, AeroParker, broadens our technology capabilities and further enhances and complements our proprietary Sphere suite of service offerings in addition to giving us a global presence. Together with our existing capabilities, this acquisition positions **SP+** to accelerate the digital transformation of our industry."

Financial Summary

In millions except per share	Three Months Ended September 30, 2022		Three Months Ended September 30, 2021	
	GAAP	Adjusted/ Non-GAAP ⁽¹⁾	GAAP	Adjusted/ Non-GAAP ⁽¹⁾
Gross profit ^{(2),(3)}	\$54.8	\$58.2	\$43.1	\$49.5
General and administrative expenses ⁽³⁾	\$27.2	\$26.0	\$21.1	\$20.8
Operating income ⁽³⁾	\$23.8	\$27.1	\$18.9	\$24.9
Net income attributable to SP Plus ⁽³⁾	\$14.3	\$16.8	\$11.5	\$13.9
Net income per diluted share (EPS) ⁽³⁾	\$0.68	\$0.80	\$0.54	\$0.65
EBITDA ^{(1),(3)}	NA	\$31.5	NA	\$28.0
Net cash provided by operating activities	\$39.9	NA	\$6.8	NA
Free cash flow ⁽¹⁾	NA	\$31.1	NA	\$3.9

In millions except per share	Nine Months Ended September 30, 2022		Nine Months Ended September 30, 2021	
	GAAP	Adjusted/ Non-GAAP ⁽¹⁾	GAAP	Adjusted/ Non-GAAP ⁽¹⁾
Gross profit ^{(2),(3)}	\$159.4	\$168.5	\$121.8	\$136.0
General and administrative expenses ⁽³⁾	\$78.4	\$76.7	\$64.1	\$62.9
Operating income ⁽³⁾	\$69.5	\$78.3	\$48.2	\$61.2
Net income attributable to SP Plus ⁽³⁾	\$40.4	\$46.9	\$22.8	\$30.2
Net income per diluted share (EPS) ⁽³⁾	\$1.90	\$2.21	\$1.07	\$1.41
EBITDA ^{(1),(3)}	NA	\$89.6	NA	\$70.0
Net cash provided by operating activities	\$75.6	NA	\$30.1	NA
Free cash flow ⁽¹⁾	NA	\$56.6	NA	\$21.0

(1) Refer to the disclosure regarding use of non-GAAP financial measures and the accompanying financial tables for a reconciliation of all non-GAAP financial measures to U.S. GAAP.

(2) GAAP gross profit updated to include depreciation and amortization expense. Please refer to the table accompanying this release for a reconciliation of GAAP gross profit.

(3) Adjusted gross profit, adjusted general and administrative expenses, adjusted operating income, adjusted net income attributable to SP Plus, adjusted net income per diluted share attributable to SP Plus ("adjusted EPS"), and adjusted earnings before interest, income taxes, depreciation and amortization ("adjusted EBITDA") are all non-GAAP financial measures that exclude, for the periods presented, (a) acquisition, restructuring and other costs; (b) impairment charges; (c) the amortization of acquired intangible assets; and (d) with respect to adjusted gross profit, depreciation and amortization expense. Please refer to the accompanying financial tables for a reconciliation of these adjusted measures to U.S. GAAP.

Third Quarter Operating Results

Reported gross profit in the third quarter of 2022 increased 27% year-over-year, to \$54.8 million. Excluding depreciation, restructuring and other costs, and non-cash impairment charges in 2021, adjusted gross profit increased 18% to \$58.2 million, compared to \$49.5 million in the prior year quarter, reflecting the strong business environment and recent contract wins.

Third quarter 2022 reported general and administrative ("G&A") expenses were \$27.2 million, compared to \$21.1 million in the year ago quarter. Excluding acquisition, restructuring and other costs, adjusted G&A expenses for the third quarter of 2022 increased 25% to \$26.0 million, compared to \$20.8 million in the third quarter of 2021, mainly due to higher performance-based compensation and investments in business development, technology and other resources. Adjusted G&A in the third quarter of 2022 was flat as compared to the same quarter of 2019, as permanent cost reductions over the past two years were offset by additional investments in technology and growth initiatives and an increase in compensation and benefit related costs.

Third quarter 2022 reported net income attributable to SP Plus was \$14.3 million, representing a 24% increase from the \$11.5 million reported in the comparable prior year quarter. Reported earnings per share were \$0.68, an increase of 26% from the year ago reported earnings per share of \$0.54. Excluding the aforementioned costs, third quarter 2022 adjusted earnings per share were \$0.80, an increase of 23% compared to adjusted earnings per share of \$0.65 for the third quarter of 2021.

Year-to-date cash flow from operations of \$75.6 million and free cash flow of \$56.6 million includes, as was expected, the receipt of a \$20.5 million U.S. Federal income tax refund. Both with and without this refund, cash flow from operations and free cash flow in 2022 was significantly higher than the \$30.1 million and \$21.0 million, respectively, generated in the first nine months of 2021.

2022 Outlook Affirmed

	Reported	Adjusted
Gross Profit	\$203 - \$223 million	\$215 - \$235 million
EBITDA	NA	\$115 - \$125 million
Net Income	\$53 - \$58 million	\$60 - \$65 million
EPS	\$2.52 - \$2.76	\$2.86 - \$3.10
Operating Cash Flow	\$90 - \$104 million	NA
Free Cash Flow	N/A	\$75 - \$85 million

Mr. Baumann concluded, "Our year-to-date performance has put us firmly on track to achieve significant growth in fiscal 2022, and we are pleased to re-affirm our full year guidance. We expect key profitability metrics, including Adjusted EPS and EBITDA, to exceed 2019 levels, which was a record year for the Company.

"As we look ahead to 2023, we believe SP+ is well positioned for continued growth. We are a market leader with a well-trained workforce and an industry-leading suite of Sphere technology solutions, bolstered by the recent acquisition. Our commercial portfolio is primarily comprised of management contracts, which we believe provide greater visibility and resilience in an uncertain economic environment, and our aviation business still has more upside on the horizon. We continue to opportunistically repurchase shares under our \$60 million share repurchase authorization announced in mid-May of this year, and have purchased \$35.2 million of SP+ shares through November 1, 2022, a strong indication of the confidence we have in our company's future prospects."

Conference Call

The Company's quarterly earnings conference call will be held at 4 p.m. (CT) on November 2, 2022 and will be available live and in replay to all analysts and investors through a webcast service. To listen to the live call, individuals are directed to the Company's Investor Relations page at <http://ir.spplus.com> at least 15 minutes early to register and download and install any necessary audio software. For those who cannot listen to the live broadcast, replays will be available shortly after the call on the SP Plus website and can be accessed for 30 days after the call.

About SP+

SP+ facilitates the efficient movement of people, vehicles and personal belongings with the goal of enhancing the consumer experience while improving bottom line results for our clients. The Company provides professional parking management, ground transportation, remote baggage check-in and handling, facility maintenance, security, event logistics, and other technology-driven mobility solutions to aviation, commercial, hospitality, healthcare and government clients across North America and Europe. For more information, visit www.spplus.com.

You should not construe the information on those websites to be a part of this release. SP Plus Corporation's annual reports filed on Form 10-K, its quarterly reports on Form 10-Q, and its current reports on Form 8-K are available on the Internet at www.sec.gov and can also be accessed through the Investor Relations section of the SP Plus website.

Cautionary Note Regarding Forward-Looking Statements

This release and the attached tables contain forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, including the statements under the caption "2022 Outlook Affirmed", expectations regarding gross profits, G&A, revenue volatility, actions to limit discretionary spending, impacts of COVID-19 on our business, and other statements regarding expectations, beliefs, plans, intentions and strategies of the Company. The Company has tried to identify these statements by using words such as "expect", "anticipate", "believe", "confident", "could", "should", "estimate", "intend", "may", "plan", "guidance", "will", and similar terms and phrases, but such words, terms and phrases are not the exclusive means of identifying such statements. These forward-looking statements are made based on management's expectations and beliefs concerning future events affecting the Company and are subject to uncertainties and factors relating to operations and the business environment. Actual results, performance and achievements could differ materially from those expressed in, or implied by, these forward-looking statements due to a variety of risks, uncertainties and other factors, including, but not limited to, the following: the impact of the COVID-19 pandemic or other contagious illnesses on global economic conditions, on the aviation, commercial, hospitality and institutional industries in general and on the financial position and operating results of our company in particular; intense competition; changing consumer preferences and legislation; ability to preserve client relationships; the Company's ability to successfully effect its strategic growth plan; difficulty obtaining insurance coverage or obtaining insurance coverage at a reasonable cost; volatility associated with high deductible and high retention insurance programs; risk that insurance reserves are inadequate; losses not covered by insurance; risk management and safety programs do not have the intended effect; risks relating to the Company's acquisition strategy; risks associated with management type contracts and lease type contracts; deterioration in general economic and business conditions, including inflation or rising interest rates, or changes in demographic trends; information technology disruption, cyber-attacks, cyber-terrorism and security breaches; labor disputes; catastrophic events such as natural disasters, pandemic outbreaks and military or terrorist attacks could disrupt business; seasonal fluctuations and the impact of weather-related trends; risk that state and municipal government clients sell or enter into long-term lease type contracts with the Company's competitors or clients for parking-related assets; risks associated with joint ventures; adverse litigation judgments or settlements; risks associated with operating in a highly regulated environment and the impact of public and private regulations or governmental orders; the impact of Federal health care reform; adverse changes in tax laws or rulings; risks due to the Company's substantial indebtedness, including failure to comply with credit facility covenants or meet payment obligations which may accelerate repayment of the Company's indebtedness; lack of availability of adequate capital, financing, or revenues to grow the Company's business or satisfy liquidity needs; goodwill impairment charges or impairment of long-lived assets; the effectiveness of the actions we have taken to address our liquidity needs and reduce costs; financial difficulties or bankruptcy of major clients; the Company's ability to obtain performance bonds; failure to attract and retain senior management and other qualified personnel; actions of activist investors; and the long-term impact of climate change on our business.

For a detailed discussion of factors that could affect the Company's future operating results, please see the Company's filings with the Securities and Exchange Commission, including the disclosures under "Risk Factors" in those filings. Except as expressly required by the federal securities laws, the Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, changed circumstances or future events or for any other reason.

Use of Non-GAAP Financial Measures

To supplement its consolidated financial statements presented in accordance with U.S. GAAP, the Company considers certain financial measures that are not prepared in accordance with U.S. GAAP. Certain non-GAAP measures, such as adjusted gross profit, adjusted general and administrative expenses (adjusted G&A), adjusted operating income, adjusted net income attributable to SP Plus (adjusted net income), adjusted net income per diluted share attributable to SP Plus (adjusted EPS), and adjusted EBITDA exclude items that management does not consider indicative of its core performance. Such adjustments include, among other things: (i) acquisition, restructuring and other costs; (ii) impairment charges; (iii) non-routine settlements; (iv) the amortization of acquired intangible assets; (v) the impact of non-routine asset sales or dispositions; (vi) the net loss or gains and the financial results related to sold businesses; (vii) gain/loss on termination of joint ventures or sale of other investments; (viii) non-routine tax items; and (ix) with respect to adjusted gross profit, depreciation and amortization expense. Pre-tax adjustments are tax affected at a statutory tax rate of 27% for adjusted net income and adjusted EPS purposes.

The Company defines Adjusted EBITDA, a non-GAAP financial measure, as U.S. GAAP net income attributable to the Company before (i) interest expense net of interest income, (ii) provision (benefit) for income taxes, (iii) depreciation and amortization, (iv) gain on sale of a business or contribution of a business to an unconsolidated entity, (v) gain/loss on termination of joint ventures or sale of other investments, and (vi) other items that management does not consider indicative of its core performance, as defined per above. The Company believes that the presentation of adjusted EBITDA provides useful information regarding the Company's operating performance and are useful measures to facilitate comparisons to our historical and future operating

results. The Company's definition of adjusted EBITDA may not be comparable to similarly titled measures presented by other companies.

The Company defines free cash flow as net cash provided by (used in) operating activities, less cash used for investing activities (exclusive of cash used for acquisitions or the purchase of intangible assets and net after-tax cash proceeds from the sale of businesses or joint venture related assets), less distributions to non-controlling interests, plus the effect of exchange rate changes on cash and cash equivalents. The Company believes that the presentation of free cash flow provides useful information regarding its ability to generate cash flow from business operations after funding capital expenditures, that can be used to, among other things, repay debt, fund strategic acquisitions, and return value to shareholders. The Company's definition of free cash flow may not be comparable to similarly titled measures presented by other companies.

The Company uses these non-GAAP financial measures, in addition to U.S. GAAP financial measures, to evaluate its operating and financial performance and to compare such performance to that of prior periods and to the performance of its competitors. Additionally, the Company uses these non-GAAP financial measures in making operational and financial decisions and in the Company's budgeting and planning process. The Company believes that providing these non-GAAP financial measures to investors helps investors evaluate the Company's operating performance, profitability and business trends in a way that is consistent with how management evaluates such performance and consistent with guidance previously provided by the Company. Adjusted gross profit, adjusted G&A, adjusted operating income, adjusted net income, adjusted EPS, adjusted EBITDA, and free cash flow should not be considered in isolation of, or as alternatives to or more meaningful indicators of, the Company's operating performance or liquidity than gross profit, G&A, operating income, net income, EPS, or net cash provided by (used in) operating activities, as determined in accordance with U.S. GAAP. In addition, the Company's calculation of these non-GAAP measures may not be comparable to similarly titled measures presented by other companies.

For reconciliations of these non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures, see the accompanying tables to this release.

The summary consolidated financial statements presented below reflect a combination of certain line items from our consolidated financial statements and should be read in conjunction with the financial statements and notes set forth in our Annual Report on Form 10-K and quarterly filings with the SEC.

Contact:

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SP Plus Corporation				
Summary Consolidated Statements of Income				
<i>(millions, except for share and per share data)</i>				
<i>(unaudited)</i>	Three Months Ended		Nine Months Ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Total services revenue	\$ 404.4	\$ 311.6	\$ 1,135.2	\$ 834.0
Total cost of services (exclusive of depreciation and amortization shown below)	346.2	265.6	966.8	703.2
General and administrative expenses	27.2	21.1	78.4	64.1
Depreciation and amortization	7.2	6.0	20.5	18.5
Operating income	23.8	18.9	69.5	48.2
Total other expenses, net	3.8	5.1	11.8	15.8
Earnings before income taxes	20.0	13.8	57.7	32.4
Income tax expense	4.9	1.6	15.0	6.5
Net income	15.1	12.2	42.7	25.9
Less: Net income attributable to noncontrolling interest	0.8	0.7	2.3	3.1
Net income attributable to SP Plus Corporation	\$ 14.3	\$ 11.5	\$ 40.4	\$ 22.8
Common stock data				
Net income per common share				
Basic	\$ 0.69	\$ 0.54	\$ 1.92	\$ 1.08
Diluted	\$ 0.68	\$ 0.54	\$ 1.90	\$ 1.07
Weighted average shares outstanding				
Basic	20,744,813	21,184,583	21,054,095	21,158,667
Diluted	20,977,667	21,400,386	21,223,982	21,365,282

SP Plus Corporation					
Revenue and Gross Profit, before depreciation and amortization expense - by Contract type					
<i>(millions) (unaudited)</i>					
	Three Months Ended			Nine Months Ended	
	September 30, 2022	September 30, 2021		September 30, 2022	September 30, 2021
Lease type contracts					
Service revenue	\$ 72.2	\$ 59.7		\$ 205.4	\$ 153.3
Subtract: Cost of services (exclusive of depreciation and amortization)	(59.0)	(48.0)		(166.9)	(122.8)
Lease type gross profit, before depreciation and amortization expense	\$ 13.2	\$ 11.7		\$ 38.5	\$ 30.5
Management type contracts					
Service revenue	\$ 134.9	\$ 101.9		\$ 382.6	\$ 278.2
Subtract: Cost of services (exclusive of depreciation and amortization)	(89.9)	(64.1)		(252.7)	(174.3)
Management type gross profit, before depreciation and amortization expense	\$ 45.0	\$ 37.8		\$ 129.9	\$ 103.9
Other revenue and cost of services					
Reimbursed management type contract revenue	\$ 197.3	\$ 150.0		\$ 547.2	\$ 402.5
Subtract: Reimbursed management type contract expense	(197.3)	(150.0)		(547.2)	(402.5)
Subtract: Lease impairment	—	(3.5)		—	(3.6)
Other gross profit, before depreciation and amortization expense	\$ 0.0	\$ (3.5)		\$ 0.0	\$ (3.6)

SP Plus Corporation						
Reconciliation of Non-GAAP Measures						
<i>(millions, except for share and per share data)</i>						
<i>(unaudited)</i>						
	Three Months Ended			Nine Months Ended		
	September 30, 2022	September 30, 2021	September 30, 2019	September 30, 2022	September 30, 2021	September 30, 2019
Gross profit						
Total services revenue	\$ 404.4	\$ 311.6	\$ 418.6	\$ 1,135.2	\$ 834.0	\$ 1,242.2
Subtract: Total cost of services (exclusive of depreciation and amortization)	(346.2)	(265.6)	(359.9)	(966.8)	(703.2)	(1,068.4)
Gross profit, before depreciation and amortization expense	58.2	46.0	58.7	168.4	130.8	173.8
Subtract: Depreciation and amortization	(3.4)	(2.9)	(2.5)	(9.0)	(9.0)	(6.9)
Gross profit, GAAP (1)	54.8	43.1	56.2	159.4	121.8	166.9
Add: Depreciation and amortization	3.4	2.9	2.5	9.0	9.0	6.9
Add: Acquisition, restructuring and other costs	—	0.1	—	0.1	1.8	—
Add: Non-cash impairment charges	—	3.5	—	—	3.6	—
Other, rounding	—	(0.1)	—	—	(0.2)	—
Adjusted gross profit	\$ 58.2	\$ 49.5	\$ 58.7	\$ 168.5	\$ 136.0	\$ 173.8
<i>Decline from 2019</i>	<i>-1%</i>	<i>-16%</i>		<i>-3%</i>	<i>-22%</i>	
(1) GAAP gross profit updated to include depreciation and amortization expense						
	Three Months Ended			Nine Months Ended		
	September 30, 2022	September 30, 2021	September 30, 2019	September 30, 2022	September 30, 2021	September 30, 2019
General and administrative expenses						
General and administrative expenses,	\$ 27.2	\$ 21.1	\$ 26.0	\$ 78.4	\$ 64.1	\$ 80.8

GAAP						
Subtract: Acquisition, restructuring and other costs	(1.3)	(0.2)	—	(1.8)	(1.0)	(1.3)
Other, rounding	0.1	(0.1)	—	0.1	(0.2)	—
Adjusted G&A	\$ 26.0	\$ 20.8	\$ 26.0	\$ 76.7	\$ 62.9	\$ 79.5
Decline from 2019	0%	-20%		-4%	-21%	
	Three Months Ended			Nine Months Ended		
Operating income	September 30, 2022	September 30, 2021		September 30, 2022	September 30, 2021	
Operating income, GAAP	\$ 23.8	\$ 18.9		\$ 69.5	\$ 48.2	
Add: Acquisition, restructuring and other costs	1.3	0.3		1.9	2.8	
Add: Non-cash impairment charges	—	3.5		—	3.6	
Add: Amortization of acquired intangibles	2.1	2.2		7.0	6.5	
Other, rounding	(0.1)	—		(0.1)	0.1	
Adjusted operating income	\$ 27.1	\$ 24.9		\$ 78.3	\$ 61.2	
	Three Months Ended			Nine Months Ended		
Net income attributable to SP Plus	September 30, 2022	September 30, 2021		September 30, 2022	September 30, 2021	
Net income attributable to SP Plus, GAAP	\$ 14.3	\$ 11.5		\$ 40.4	\$ 22.8	
Add: Acquisition, restructuring and other costs	1.3	0.3		1.9	2.8	
Add: Non-cash impairment charges	—	3.5		—	3.6	
Add: Amortization of acquired intangibles	2.1	2.2		7.0	6.5	
Net tax effect of adjustments	(0.9)	(1.6)		(2.4)	(3.5)	
Non-routine tax	—	(2.0)		—	(2.0)	
Other, rounding	—	—		—	—	
Adjusted net income attributable to SP Plus	\$ 16.8	\$ 13.9		\$ 46.9	\$ 30.2	
Adjusted net income per share						
Basic	\$ 0.81	\$ 0.66		\$ 2.23	\$ 1.43	
Diluted	\$ 0.80	\$ 0.65		\$ 2.21	\$ 1.41	
	Three Months Ended			Nine Months Ended		
Adjusted EBITDA	September 30, 2022	September 30, 2021	September 30, 2019	September 30, 2022	September 30, 2021	September 30, 2019
Net income attributable to SP Plus, GAAP	\$ 14.3	\$ 11.5	\$ 14.2	\$ 40.4	\$ 22.8	\$ 40.0
Add (subtract):						
Income tax expense	4.9	1.6	5.7	15.0	6.5	14.6
Interest expense, net	3.8	5.1	4.7	11.8	15.8	14.4
Total depreciation and amortization expense	7.2	6.0	7.3	20.5	18.5	21.8
Acquisition, restructuring and other costs	1.3	0.3	—	1.9	2.8	1.3
Non-cash impairment charges	—	3.5	—	—	3.6	—
Other, rounding	—	—	(0.1)	—	—	—
Adjusted EBITDA	\$ 31.5	\$ 28.0	\$ 31.8	\$ 89.6	\$ 70.0	\$ 92.1
Decline from 2019	-1%	-12%		-3%	-24%	

Selected Segment Data (millions, unaudited)

Commercial Segment	Three Months Ended		Nine Months Ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Gross Profit, GAAP (1)	\$ 40.9	\$ 32.7	\$ 120.5	\$ 94.5
Add: Depreciation and amortization	2.1	1.8	5.5	5.8
Add: Non-cash impairment charges	—	3.5	—	3.5
Add: Acquisition, restructuring and other costs	—	—	0.1	1.2
Other, rounding	—	(0.1)	—	(0.1)
Adjusted Gross Profit	\$ 43.0	\$ 37.9	\$ 126.1	\$ 104.9
General and administrative expenses, GAAP	\$ 7.2	\$ 5.9	\$ 21.1	\$ 16.9
Subtract: Acquisition, restructuring and other costs	—	—	(0.7)	(0.1)
Other, rounding	0.1	(0.1)	0.1	—
Adjusted G&A	\$ 7.3	\$ 5.8	\$ 20.5	\$ 16.8
Operating income, GAAP	\$ 32.4	\$ 25.5	\$ 96.7	\$ 73.6
Add: Amortization of acquired intangibles	1.1	1.2	3.2	3.5
Add: Non-cash impairment charges	—	3.5	—	3.5
Add: Acquisition, restructuring and other costs	—	—	0.8	1.3
Adjusted Operating Income	\$ 33.5	\$ 30.2	\$ 99.7	\$ 81.9

(1) GAAP gross profit updated to include depreciation and amortization expense

Aviation Segment	Three Months Ended		Nine Months Ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Gross Profit, GAAP (1)	\$ 13.9	\$ 10.4	\$ 38.9	\$ 27.3
Add: Depreciation and amortization	1.3	1.1	3.5	3.2
Add: Non-cash impairment charges	—	—	—	0.1
Add: Acquisition, restructuring and other costs	—	0.1	—	0.6
Adjusted Gross Profit	\$ 15.2	\$ 11.6	\$ 42.4	\$ 31.2
General and administrative expenses, GAAP	\$ 3.1	\$ 2.9	\$ 8.7	\$ 8.6
Subtract (Add): Acquisition, restructuring and other costs	—	(0.3)	0.4	(0.8)
Other, rounding	0.1	0.1	—	—
Adjusted G&A	\$ 3.2	\$ 2.7	\$ 9.1	\$ 7.8
Operating income, GAAP	\$ 9.7	\$ 6.5	\$ 26.3	\$ 15.6
Add: Amortization of acquired intangibles	1.0	1.0	3.8	3.0
Add: Non-cash impairment charges	—	—	—	0.1
Add (Subtract): Acquisition, restructuring and other costs	—	0.4	(0.4)	1.4
Other, rounding	(0.1)	(0.1)	(0.1)	—
Adjusted Operating Income	\$ 10.6	\$ 7.8	\$ 29.6	\$ 20.1

(1) GAAP gross profit updated to include depreciation and amortization expense

SP Plus Corporation**Summary Consolidated Balance Sheets**

(millions, except for share and per share data)

	September 30, 2022	December 31, 2021
Assets	(unaudited)	
Cash and cash equivalents	\$ 18.4	\$ 15.7
Accounts and notes receivable, net	153.2	139.6

Prepaid expenses and other current assets		14.4		32.2
Total current assets		186.0		187.5
Right-of-use assets		175.4		201.2
Goodwill		526.3		526.6
Other intangible assets, net		49.2		54.4
Other assets, net		143.0		146.5
Total noncurrent assets		893.9		928.7
Total assets	\$	1,079.9	\$	1,116.2
Liabilities and stockholders' equity				
Accounts payable	\$	128.7	\$	118.5
Accrued and other current liabilities		116.6		123.3
Short-term lease liabilities		61.4		65.4
Current portion of long-term borrowings		11.8		25.6
Total current liabilities		318.5		332.8
Long-term borrowings, excluding current portion		293.4		298.4
Long-term lease liabilities		165.6		200.3
Other noncurrent liabilities		60.8		62.6
Total noncurrent liabilities		519.8		561.3
Total SP Plus Corporation stockholders' equity		241.7		222.5
Noncontrolling interest		(0.1)		(0.4)
Total stockholders' equity		241.6		222.1
Total liabilities and stockholders' equity	\$	1,079.9	\$	1,116.2

SP Plus Corporation				
Summary Consolidated Statements of Cash Flows				
<i>(millions) (unaudited)</i>				
		Nine Months Ended		
		September 30,		September 30,
		2022		2021
Net cash provided by operating activities	\$	75.6	\$	30.1
Net cash used in investing activities		(18.1)		(7.4)
Net cash used in financing activities		(54.1)		(18.7)
Effect of exchange rate changes on cash and cash equivalents		(0.7)		—
Increase in cash and cash equivalents		2.7		4.0
Cash and cash equivalents at beginning of year		15.7		13.9
Cash and cash equivalents at end of period	\$	18.4	\$	17.9
Supplemental disclosures				
Cash paid (received) during the period for				
Interest	\$	11.6	\$	14.4

Income taxes, net	\$	(9.8)	\$	0.6
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SP Plus Corporation					
Free Cash Flow					
<i>(millions) (unaudited)</i>					
	Three Months Ended		Nine Months Ended		
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	
Net cash provided by operating activities	\$ 39.9	\$ 6.8	\$ 75.6	\$ 30.1	
Net cash used in investing activities	(7.4)	(2.2)	(18.1)	(7.4)	
plus: Acquisition of other intangible assets	—	—	1.8	—	
Distributions to noncontrolling interests	(0.8)	(0.5)	(2.0)	(1.7)	
Effect of exchange rate changes on cash and cash equivalents	(0.6)	(0.1)	(0.7)	—	
Other, rounding	—	(0.1)	—	—	
Free cash flow	\$ 31.1	\$ 3.9	\$ 56.6	\$ 21.0	

SP Plus Corporation			
Commercial Segment Facilities			
	September 30, 2022	December 31, 2021	September 30, 2021
Leased facilities	426	423	420
Managed facilities	2,664	2,601	2,575
Total Commercial Segment facilities	3,090	3,024	2,995

SP Plus Corporation		
Reconciliation of forward-looking non-GAAP measures to their comparable GAAP measures		
	2022 Outlook ⁽¹⁾	
Gross profit, GAAP ⁽²⁾	\$203 - \$223 million	
plus: Depreciation and amortization	Approximately \$12 million	
Adjusted Gross Profit	\$215 - \$235 million	
Net income attributable to SP Plus, GAAP	\$53 - \$58 million	
plus: Income tax expense	\$20 - \$23 million	
plus: Interest expense, net of interest income	\$16 - \$18 million	
plus: Total depreciation and amortization expense	Approximately \$25 million	
Adjusted EBITDA	\$115 - \$125 million	
		Per Share ⁽³⁾
Net income attributable to SP Plus, GAAP	\$53 - \$58 million	\$2.52 - \$2.76
plus: Amortization of acquired intangibles, after tax	Approximately \$7 million	
Adjusted net income attributable to SP Plus	\$60 - \$65 million	\$2.86 - \$3.10
Net cash from operating activities ⁽⁴⁾	\$90 - \$104 million	
less: Capital expenditures, net	\$19 - \$23 million	
less: Distributions to noncontrolling interests	Approximately \$3 million	
Free cash flow ⁽⁴⁾	\$75 - \$85 million	

(1) 2022 Outlook does not include acquired businesses

(2) GAAP gross profit updated to include depreciation and amortization expense

(3) Assumes approximately 21.2 million fully diluted weighted average shares outstanding in 2022

(4) Includes receipt of \$20.5 million tax refund that was delayed from 2021