



## Waste Management Announces Plan to Increase Quarterly Dividend Payments and Authorization for \$600 Million in Share Repurchases

February 18, 2014

HOUSTON--(BUSINESS WIRE)--Feb. 18, 2014-- Waste Management, Inc. (NYSE: WM) today announced that its Board of Directors has approved a 2.7% increase in the planned quarterly dividend rate, from \$0.365 to \$0.375 per share. On an annual basis, the per share dividend increases from \$1.46 to \$1.50. This marks the eleventh consecutive year that the Company has increased its planned quarterly dividend. Each future quarterly dividend must be declared by its Board of Directors prior to payment.

The Company also announced today that its Board of Directors has authorized the purchase of up to \$600 million of the Company's common stock. Future share repurchases will be made at the discretion of management and will depend on a number of factors, including the Company's net earnings, financial condition, cash required for future business plans and other factors deemed relevant.

David P. Steiner, Chief Executive Officer of Waste Management, Inc., said, "In 2013, we returned over \$900 million to our shareholders in the form of dividends and share repurchases. The increase in both the planned dividend and share repurchase authorization for 2014 demonstrates our confidence that we will achieve our free cash flow target. Free cash flow in 2014 is projected to exceed \$1.3 billion despite headwinds of approximately \$125 million from cash taxes due to the expiration of bonus depreciation and incentive compensation payments."<sup>(a)</sup>

The Board of Directors intends to declare the first quarter 2014 dividend in February, at which time the Company will announce the record and payment dates for this dividend. It is expected that the first increased dividend will be paid in March of 2014.

*The Company, from time to time, provides estimates of financial and other data, comments on expectations relating to future periods and makes statements of opinion, view or belief about current and future events. This press release contains such forward-looking statements, including statements regarding the declaration and payment of dividends in 2014, future share repurchases, 2014 free cash flow, and 2014 cash taxes and incentive compensation payments. You should view these statements with caution. They are based on the facts and circumstances known to the Company as of the date the statements are made. These forward-looking statements are subject to risks and uncertainties that could cause actual results to be materially different from those set forth in such forward-looking statements, including but not limited to, commodity price fluctuations; increased competition; pricing actions; failure to implement our optimization and growth initiatives and overall business strategy; failure to successfully implement our restructuring actions and/or failure of those actions to achieve the goals and cost savings intended; business disruption and employee distraction resulting from our restructuring; changes in our organizational structure and workforce and resulting restructuring or impairment charges; environmental and other regulations; disposal alternatives and waste diversion; declining waste volumes; failure to develop and protect new technology; significant environmental or other incidents resulting in liabilities and brand damage; weakness in economic conditions; failure to obtain and maintain necessary permits; labor disruptions; impairment charges; and negative outcomes of litigation or governmental proceedings. Please also see the Company's filings with the SEC, including Part I, Item 1A of the Company's most recently filed Annual Report on Form 10-K, for additional information regarding these and other risks and uncertainties applicable to our business. The Company assumes no obligation to update any forward-looking statement, including financial estimates and forecasts, whether as a result of future events, circumstances or developments or otherwise.*

*The Company provides a projection of free cash flow, which is a non-GAAP measure, because it believes that it is indicative of our ability to pay our quarterly dividends, repurchase common stock, fund acquisitions and other investments and, in the absence of refinancings, to repay our debt obligations. Free cash flow is not intended to replace "Net cash provided by operating activities," which is the most comparable U.S. GAAP measure, and investors are urged to take into account GAAP measures as well as non-GAAP measures in evaluating the Company. We believe free cash flow gives investors useful insight into how the Company views its liquidity. Nonetheless, the use of free cash flow as a liquidity measure has material limitations because it excludes certain expenditures that are required or that we have committed to, such as declared dividend payments and debt service requirements.*

(a)

*The Company defines free cash flow as net cash provided by operating activities, less capital expenditures, plus proceeds from divestitures of business (net of cash divested) and other sales of assets. The Company's definition of free cash flow may not be comparable to similarly titled measures presented by other companies.*

*The following reconciliation illustrates two scenarios that show our projected free cash flow for 2014. The amounts used in the reconciliation are subject to many variables, some of which are not under our control and, therefore, are not necessarily indicative of actual results.*

<i>(Dollars in Millions, Unaudited)</i>	<i>Scenario 1</i>	<i>Scenario 2</i>
<i>Net cash provided by operating activities</i>	<i>\$ 2,475</i>	<i>\$ 2,525</i>
<i>Capital expenditures</i>	<i>(1,250 )</i>	<i>(1,300 )</i>
<i>Proceeds from divestitures of businesses (net of cash divested) and other sales of assets</i>	<i>100</i>	<i>175</i>

Projected Full Year 2014 Free Cash Flow

\$ 1,325    \$ 1,400

## **ABOUT WASTE MANAGEMENT**

Waste Management, Inc., based in Houston, Texas, is the leading provider of comprehensive waste management services in North America. Through its subsidiaries, the company provides collection, transfer, recycling and resource recovery, and disposal services. It is also a leading developer, operator and owner of waste-to-energy and landfill gas-to-energy facilities in the United States. The company's customers include residential, commercial, industrial, and municipal customers throughout North America. To learn more information about Waste Management visit [www.wm.com](http://www.wm.com) or [www.thinkgreen.com](http://www.thinkgreen.com).

Source: Waste Management, Inc.

### **Waste Management**

#### **Analysts:**

Ed Egl, 713-265-1656

[eeql@wm.com](mailto:eeql@wm.com)

or

#### **Media**

Toni Beck, 713-394-5093

[tbeck3@wm.com](mailto:tbeck3@wm.com)

**Web site:** [www.wm.com](http://www.wm.com)