



## Waste Management and aPriori Capital Partners Announce Definitive Agreement for Waste Management to Acquire Deffenbaugh Disposal

October 6, 2014

HOUSTON & KANSAS CITY, Kan.--(BUSINESS WIRE)--Oct. 6, 2014-- Waste Management, Inc. (NYSE:WM) and aPriori Capital Partners L.P. today announced the signing of a definitive agreement under which a subsidiary of Waste Management will acquire the outstanding stock of Deffenbaugh Disposal, Inc. ("Deffenbaugh").

"This proposed acquisition aligns perfectly with our goal of driving shareholder value by maximizing our focus on our core business," said David P. Steiner, President and Chief Executive Officer of Waste Management. "It affords us the opportunity to expand our service offerings to residential, commercial, and industrial customers in Kansas, Missouri, Nebraska and Arkansas and enter an attractive market – Kansas City – where we currently have very limited presence. It also allows us to replace a portion of the earnings and cash flow from our pending divestiture of Wheelabrator Technologies, Inc. at an attractive price, while preserving our strong balance sheet."

"Deffenbaugh's management team runs a terrific business and the company's employees operate it superbly. I am confident that the addition of Deffenbaugh to our operations will create years of shareholder value, additional benefits for customers in the region and opportunities for the employees of both companies to learn and grow from each other's operational, customer service and community involvement expertise," continued Steiner.

"This is an exciting day for Deffenbaugh," said Jim Donahue, President and Chief Executive Officer, Deffenbaugh. "Today's announcement is a testament to our strong business operation, deep community engagement and the hard work of our employees. I speak for all of us at Deffenbaugh when I say we are excited to be joining forces with Waste Management, the largest and most respected name in the industry."

"Over the past five years, Deffenbaugh has modernized its fleet, improved operations efficiency and expanded its footprint. We are proud to have partnered with the team to build a world-class business," said Susan Schnabel, Board Member and Co-Managing Partner at aPriori Capital.

With approximately 1,000 employees, Deffenbaugh provides services in the cities of Omaha, NE, St. Joseph, MO, Kansas City metropolitan area and Topeka, KS, as well as in Northwest Arkansas. In addition to these hauling operations, the company operates one municipal solid waste landfill, one construction and demolition landfill, two material recovery facilities, and seven transfer stations. In 2013, Deffenbaugh collected more than 1.7 million tons of waste and recyclable material with the majority processed at its recycling facilities or disposed at its landfills.

"Jim Donahue and the Deffenbaugh Industries team have been a strong and important presence in our entire Midwest region," said Mark Holland, Mayor/CEO of The Unified Government of Wyandotte County/Kansas City, KS. "They adhere to highest standards of corporate leadership and community involvement. We look forward to Deffenbaugh's continued engagement in our community."

The transaction, which is subject to expiration or termination of the waiting period under the Hart-Scott-Rodino Act as well as other customary closing conditions, is anticipated to close in the next several months.

Stifel is serving as exclusive financial advisor to Deffenbaugh in connection with its acquisition by Waste Management.

### ABOUT WASTE MANAGEMENT

Waste Management, based in Houston, Texas, is the leading provider of comprehensive waste management services in North America. Our subsidiaries provide collection, transfer, recycling and resource recovery, and disposal services. We are the largest residential recycler and also a leading developer, operator and owner of waste-to-energy and landfill-gas-to-energy facilities in the United States. Our customers include residential, commercial, industrial and municipal customers throughout North America. To learn more visit [www.wm.com](http://www.wm.com).

### ABOUT DEFFENBAUGH INDUSTRIES

Deffenbaugh, headquartered in Kansas City, Kansas is one of the largest privately owned refuse firms in the Midwest. Deffenbaugh and its affiliates operate from locations in Kansas, Missouri, Arkansas and Nebraska. Company and affiliate services include commercial, industrial and residential waste disposal and recycling, construction waste services and portable toilet services. Deffenbaugh's Johnson County Landfill, located in Shawnee, Kansas, is situated on nearly 1,000 acres and is the largest, safest, Subtitle D landfill in the Midwest. To learn more visit <http://www.deffenbaughinc.com>.

### ABOUT aPRIORI CAPITAL

aPriori Capital Partners ("aPriori") is a leveraged buyout fund advisor created through the spin-off of DLJ Merchant Banking Partners ("DLJ MBP") from Credit Suisse in 2014. The firm is focused on mid-market opportunities in the US and in Europe. As of December 31, 2013, the funds collectively managed approximately \$2 billion of value across 22 portfolio companies. DLJMBP's history as one of the most active and successful private equity investors in North American and Europe was built upon leading leveraged buyout and related transactions in the middle market. aPriori is headed by Colin Taylor and Susan Schnabel and operates from offices in New York, Los Angeles and London. aPriori's principals bring decades of experience to our multi-sector investment strategy which emphasizes businesses in the retail and consumer, business services, healthcare, and energy sectors. To learn more visit [www.aprioricapital.com](http://www.aprioricapital.com).

This press release contains forward-looking statements, including statements regarding the timing and completion of the acquisition of Deffenbaugh, Waste Management's future operation of the Deffenbaugh business, generation of earnings and cash flow and shareholder value, divestiture of the

Wheelabrator business, the strength of Waste Management's future balance sheet, expanded service offerings and service areas and other results from the acquisition. You should view these statements with caution. They are based on the facts and circumstances known to the parties 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, changes in timing and expectations with respect to closing and obtaining necessary approvals and consents, including potential impediments that may arise in connection with Hart-Scott-Rodino antitrust review, fulfillment of other conditions, economic conditions, difficulties integrating the acquired operations, failure to achieve anticipated synergies and overall business and capital allocation strategy. Please also see Waste Management's filings with the SEC, including Part I, Item 1A of Waste Management's most recently filed Annual Report on Form 10-K, for additional information regarding these and other risks and uncertainties applicable to its business. The parties assume 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.

Source: Waste Management, Inc.

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