Waste Management Announces Plan to Increase 2007 Stock Repurchases by up to $600 Million

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Cash Authorized for Return to Shareholders in 2007 Increases to $1.8 Billion

HOUSTON--(BUSINESS WIRE)--March 5, 2007--Waste Management, Inc. (NYSE:WMI) announced today that its Board of Directors has authorized the repurchase of up to an additional $600 million in common stock during 2007, which brings the total amount of cash authorized for return to shareholders to $1.8 billion for 2007.

"This announcement reinforces our commitment to return free cash flow to our shareholders," said David P. Steiner, Chief Executive Officer of Waste Management, Inc. "Waste Management is first and foremost a strong and consistent generator of cash flow. The Board of Directors and management continue to believe that a capital allocation program that benefits our shareholders is one of our most important initiatives."

Steiner continued, "From 2002 through December 31, 2006, Waste Management returned over $5 billion in cash to shareholders through our combined dividend and share repurchase program. Through the first two months of 2007, we have repurchased an additional $320 million of our stock, which reflects our strong cash and short-term investment position balances and our confidence in our ability to produce strong free cash flow."

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 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.

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. Statements relating to future events and performance are "forward-looking statements." The forward-looking statements that the Company makes are the Company's expectations, opinion, view or belief at the point in time of issuance but may change at some future point in time. By issuing estimates or making statements based on current expectations, opinions, views or beliefs, the Company has no obligation, and is not undertaking any obligation, to update such estimates or statements or to provide any other information relating to such estimates or statements. Outlined below are some of the risks that the Company faces and that could affect our financial statements for 2007 and beyond and that could cause actual results to be materially different from those that may be set forth in forward-looking statements made by the Company. However, they are not the only risks that the Company faces. There may be additional risks that we do not presently know or that we currently believe are immaterial which could also impair our business. We caution you not to place undue reliance on any forward-looking statements, which speak only as of their dates. The following are some of the risks that we face:

-- competition may negatively affect our profitability or cash flows, our price increases may have negative effects on volumes and price roll-backs and lower than average pricing to retain and attract customers may negatively affect our yield on base business;

-- we may be unable to maintain or expand margins if we are unable to control costs;

-- we may not be able to successfully execute or continue our operational or other margin improvement plans and programs, including pricing increases, passing on increased costs to our customers, and divesting under-performing assets and purchasing accretive businesses, any of which could negatively affect our revenues and margins;

-- weather conditions cause our quarter-to-quarter results to fluctuate, and extremely harsh weather or natural disasters may cause us to temporarily shut down operations;

-- inflation and resulting higher interest rates as well as other general and local economic conditions may negatively affect the volumes of waste generated, our financing costs and other expenses;

-- possible changes in our estimates of site remediation requirements, final capping, closure and post-closure obligations, compliance and regulatory developments may increase our expenses;

-- regulations may negatively impact our business by, among other things, restricting our operations, increasing costs of operations or requiring additional capital expenditures;

-- if we are unable to obtain and maintain permits needed to open, operate, and/or expand our facilities, our results of operations will be negatively impacted;

-- limitations or bans on disposal or transportation of out-of-state or cross-border waste or certain categories of waste can increase our expenses and reduce our revenues;

-- fuel price increases or fuel supply shortages may increase our expenses, including our tax expense if Section 45K credits are phased out due to continued high crude oil prices, or restrict our ability to operate;

-- increased costs to obtain financial assurance or the inadequacy of our insurance coverages could negatively impact our liquidity and increase our liabilities;

-- possible charges as a result of shut-down operations, uncompleted development or expansion projects or other events may negatively affect earnings;

-- fluctuating commodity prices may have negative effects on our operating revenues and expenses;

-- trends requiring recycling, waste reduction at the source and prohibiting the disposal of certain types of wastes could have negative effects on volumes of waste going to landfills and waste-to-energy facilities;

-- efforts by labor unions to organize our employees may increase operating expenses and we may be unable to negotiate acceptable collective bargaining agreements with those who have been chosen to be represented by unions, which could lead to union-initiated work stoppages, including strikes, which could adversely affect our results of operations and cash flows;

-- negative outcomes of litigation or threatened litigation or governmental proceedings may increase our costs, limit our ability to conduct or expand our operations, or limit our ability to execute our business plans and strategies;

-- problems with the operation of our current information technology or the development and deployment of new information systems may decrease our efficiencies and increase our costs to operate;

-- the adoption of new accounting standards or interpretations may cause fluctuations in reported quarterly results of operations or adversely impact our reported results of

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    operations; and

--  we may reduce or eliminate our dividend or share repurchase
    program or we may need to raise additional capital if cash
    flows are less than we expect or capital expenditures are more
    than we expect, and we may not be able to obtain any needed
    capital on acceptable terms.
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Additional information regarding these and/or other factors that could materially affect results and the accuracy of the forward-looking statements contained herein may be found in Part I, Item 1 of the Company's Annual Report on Form 10-K for the year ended December 31, 2005.

CONTACT: Waste Management, Inc., Houston
Analysts: Greg Nikkel, 713-265-1358
or
Media: Lynn Brown, 713-394-5093
http://www.wm.com

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