

Waste Management Announces Plan to Increase Quarterly Dividend Payments and Authorization for up to \$1 Billion in Share Repurchases

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Per Share Dividend to Increase from \$1.54 to \$1.64 on an Annual Basis

HOUSTON--(BUSINESS WIRE)--Dec. 14, 2015-- Waste Management, Inc. (NYSE: WM) today announced that its Board of Directors has approved a 6.5% increase in the planned quarterly dividend rate, from \$0.385 to \$0.41 per share. On an annual basis, the per share dividend increases from \$1.54 to \$1.64. This marks the thirteenth consecutive year that the Company has increased its planned quarterly dividend. Waste Management's Board of Directors must declare each future quarterly dividend prior to payment.

The Company also received authorization from its Board of Directors to repurchase \$1 billion of the Company's common stock in future periods. This authorization refreshes the Company's previous \$1 billion share buyback authorization under which Waste Management entered into agreements in 2015 to repurchase \$750 million of its common stock.

David P. Steiner, Chief Executive Officer of Waste Management, Inc., said, "Over the last few years, we have seen our base generation of free cash flow increase from between \$1.2 and \$1.3 billion to a new base of approximately \$1.4 billion. We are taking these actions to adjust our capital allocation strategy to align with our business.^(a) The growth in our free cash flow has allowed us to increase this year's dividend more than we have in the recent past, and combined with share repurchase authorization, demonstrates our confidence in the free cash flow generation of our business."^(a)

The Board of Directors intends to declare the first quarter 2016 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 2016.

The Company recently entered into an accelerated share repurchase program to repurchase \$150 million of our common stock in early 2016. This \$150 million accelerated repurchase was made under the prior authorization. Future share repurchases, including those under the new \$1 billion authorization, 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.

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 amount, declaration, timing and payment of dividends in 2016, future share repurchases, and future free cash flow. 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; 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.

(a) *The Company discusses free cash flow and 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.

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 free cash flow amounts set forth in the press release are estimated and subject to many variables, some of which are not under our control, and, therefore, are not necessarily indicative of actual results. Due to the current uncertainty of these variables, the Company does not have information available to provide a quantitative reconciliation of future free cash flow to GAAP “Net cash provided by operating activities.” The Company anticipates providing a reconciliation that will illustrate one or more scenarios for our 2016 projected free cash flow in conjunction with the release of fourth quarter 2015 earnings results.

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 or www.thinkgreen.com.

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