



# 2019 Q2 EARNINGS OVERVIEW



“Our employees continued to produce outstanding results in the second quarter, underpinned by organic revenue growth in the collection and disposal business of more than 7%.”

Jim Fish, President & CEO

## REVENUES

**\$3.95B**

UP 5.5%

Overall Revenue Growth Driven by Strong Collection and Disposal Business

ADJUSTED EARNINGS PER DILUTED SHARE<sup>+</sup>  
**\$1.11**

ADJUSTED OPERATING EBITDA<sup>++</sup>  
**\$1.13B**  
6.9% Increase  
Highest Quarter Ever



## RECYCLING BUSINESS

Continued Focus on Building Sustainable Business Model with Education, Technology and Cost Recovery



VOLUMES  
**UP 4%**

CUSTOMER FOCUS  
**8.5%**  
YTD Churn  
Improved 60 Basis Points



CORE PRICE<sup>\*</sup>  
**5.4%**

CASH FROM OPERATIONS  
**\$1.01B**  
3.6% Increase

LANDFILL MUNICIPAL SOLID WASTE YIELD  
**3.6%**

“Through the first six months of 2019 we are on track to achieve our full-year goals. In the second half of 2019, we expect that our collection and disposal business will continue to generate strong earnings and more than offset an anticipated decline in our recycling business from depressed commodity prices. Despite our updated expectation for a full-year recycling headwind of \$0.01 to \$0.02 per diluted share we are reaffirming our full-year 2019 guidance of adjusted earnings per diluted share of \$4.28 to \$4.38, adjusted operating EBITDA of \$4.40 to \$4.45 billion, and free cash flow of \$2.025 to \$2.075 billion.”<sup>+</sup>

Jim Fish, President & CEO

Take a deeper look at our earnings by visiting [investors.wm.com](http://investors.wm.com)

<sup>+</sup>“Adjusted” measures and free cash flow are non-GAAP financial measures that management believes can supplement investors’ understanding of operating results. Please see our press release at [investors.wm.com](http://investors.wm.com) for a discussion of these measures and related reconciliations to GAAP.

<sup>\*</sup>Core price is a performance metric, based on certain historical assumptions, used by management to evaluate the effectiveness of our pricing strategies; it is not derived from our financial statements. Operating EBITDA is defined as income from operations before depreciation and amortization. These measures may not be comparable to measures presented by other companies.

All statements regarding future events, performance, earnings and free cash flow (including 2019 guidance) are forward looking statements. You should view these statements with caution, as actual results may be materially different. Please see the July 25, 2019 press release at [investors.wm.com](http://investors.wm.com) and the Company’s most recent Form 10-K and subsequent Form 10-Qs filed with the SEC for information about risks and uncertainties applicable to our business.

All comparisons are with 2018 Q2 or where noted the YTD period ended June 30, 2018.