

FOR IMMEDIATE RELEASE**ADVANCED DISPOSAL ANNOUNCES SECOND QUARTER RESULTS****Cash flow from operations improved \$21.0 million during the second quarter compared to prior year despite COVID-19 pandemic headwinds**

PONTE VEDRA, Fla. (July 30, 2020) – Advanced Disposal Services, Inc. (NYSE: ADSW), (d/b/a Advanced Disposal) announced today revenue of \$380.3 million for the three months ended June 30, 2020 versus \$419.1 million in the same period of the prior year. Net income during the second quarter 2020 was \$6.2 million or \$0.07 per diluted share, which was an improvement of \$7.2 million or 0.08 per diluted share compared to the prior year. Adjusted net income, which excludes certain gains and expenses, was \$17.0 million, or \$0.19 per diluted share.

"We are extremely pleased with the results the team delivered" said Richard Burke, CEO. "The second quarter was one of the most challenging business environments we have ever faced with unprecedented changes to our economy driven by the COVID-19 pandemic. We also are now fifteen months from the original announcement of our pending merger with Waste Management, which could have easily distracted the team. Yet despite these headwinds, we were able to achieve significant improvements in operating income, net income, and cash flow from operations during the quarter. This is the collective result of our over 6,000 team members living out our Service First, Safety Always culture, and it underscores our team's commitment to our customers, communities, and company."

Second Quarter Financial Highlights

- Revenue of \$380.3 million represented a (9.2%) decrease
- Achieved average yield of 3.8% but suffered volume declines of (12.2%) primarily related to the pandemic
- Net income improved \$7.2 million to \$6.2 million or \$0.07 per diluted share
- Achieved adjusted EBITDA of \$103.8 million
- Adjusted EBITDA margins improved 110 basis points to 27.3% despite sharp volume declines as the company focused on managing controllable costs
- Adjusted net income improved \$8.0 million to \$17.0 million
- Cash provided by operating activities improved \$21.0 million during the second quarter to \$97.0 million
- Adjusted free cash flow improved \$29.2 million during the second quarter to \$61.8 million

Investor Communications

On June 24, 2020, Advanced Disposal, Waste Management, Inc. ("Waste Management"), and the merger subsidiary of Waste Management entered into Amendment No. 1 to the merger agreement. In exchange for agreeing to reduce the per share merger consideration to \$30.30 per share in cash, Advanced Disposal and Waste Management agreed to amend the terms of the original merger agreement to provide increased closing certainty to the Advanced Disposal stockholders, including by: (i) extending the end date from July 13, 2020 to September 30, 2020, which will be further extended automatically to November 30, 2020, subject to certain conditions; (ii) providing for a \$250,000,000 (increased from \$150,000,000) termination fee payable by Waste Management to Advanced Disposal in certain circumstances; (iii) providing that Waste Management must use "best efforts" to take all actions to consummate the transactions by the end date, including using its "best efforts" to obtain antitrust approval; (iv) eliminating the \$200,000,000 revenue threshold on the divestiture obligation of Waste Management as provided in the original merger agreement; and (v) providing that each party has certified to the other that such party's closing conditions with respect to the accuracy of its representations and performance of its covenants, and, with respect to Waste Management, the absence of a material adverse effect on Advanced Disposal, would be satisfied as of the date of the merger agreement amendment if the closing were to occur on such date (and that Waste Management and its merger subsidiary will not assert that any of such conditions are not satisfied at the closing as a result of what such parties had knowledge of as of the date of the merger agreement amendment).

In light of the pending transaction, we elected to cease conducting quarterly earnings conference calls until transaction closing, although we will continue to provide a quarterly earnings release. We also elected to enter into an extended quiet period related to investor communications and are no longer providing forward-looking guidance until the transaction is closed.

You should read the following information in conjunction with our audited consolidated financial statements and notes thereto as of and for the year ended December 31, 2019, appearing in our Annual Report on Form 10-K as filed with the Securities and Exchange Commission and our unaudited condensed consolidated financial statements and notes thereto as of and for the three and six months ended June 30, 2020, appearing in our Form 10-Q, to be filed with the Securities and Exchange Commission.

The calculation of free cash flow and adjusted free cash flow, as well as details of charges and other expenses that are excluded from EBITDA and net (loss) income in arriving at adjusted EBITDA and adjusted net income, are contained in the “Reconciliation of Certain Non-GAAP Measures” section of this press release.

**SUPPLEMENTAL UNAUDITED FINANCIAL INFORMATION AND OPERATING
DATA**

**Advanced Disposal Services, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations (Unaudited)**

(in millions, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Service revenues	\$ 380.3	\$ 419.1	\$ 767.0	\$ 803.1
Operating costs and expenses				
Operating (exclusive of items shown separately below)	242.3	277.2	499.7	526.6
Selling, general and administrative	45.7	62.2	96.7	112.0
Depreciation and amortization	64.1	70.3	128.7	136.2
Acquisition and development costs	—	0.2	—	1.0
Loss on disposal of assets and asset impairments	0.5	0.5	0.6	0.7
Total operating costs and expenses	352.6	410.4	725.7	776.5
Operating income	27.7	8.7	41.3	26.6
Other (expense) income				
Interest expense	(19.8)	(26.2)	(42.4)	(52.2)
Other income (expense), net	0.2	(3.5)	0.9	(2.8)
Total other expense	(19.6)	(29.7)	(41.5)	(55.0)
Income (loss) before income taxes	8.1	(21.0)	(0.2)	(28.4)
Income tax expense (benefit)	1.9	(20.0)	(0.1)	(21.4)
Net income (loss)	\$ 6.2	\$ (1.0)	\$ (0.1)	\$ (7.0)
Net income (loss) attributable to common stockholders per share				
Basic income (loss) per share	\$ 0.07	\$ (0.01)	\$ —	\$ (0.08)
Diluted income (loss) per share	\$ 0.07	\$ (0.01)	\$ —	\$ (0.08)
Basic average shares outstanding	90,424,107	88,857,948	90,167,026	88,790,157
Diluted average shares outstanding	91,557,116	88,857,948	90,167,026	88,790,157

Advanced Disposal Services, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets (Unaudited)

(in millions, except share data)

	<u>June 30, 2020</u>	<u>December 31, 2019</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 31.4	\$ 12.5
Accounts receivable, net of allowance for doubtful accounts of \$4.8 and \$4.5, respectively	193.8	208.3
Prepaid expenses and other current assets	34.6	44.0
Total current assets	259.8	264.8
Other assets		
Property and equipment, net of accumulated depreciation of \$1,809.6 and \$1,720.7, respectively	1,748.2	1,767.6
Goodwill	1,224.8	1,224.8
Other intangible assets, net of accumulated amortization of \$333.6 and \$318.1, respectively	217.5	233.0
Total assets	<u>\$ 3,502.9</u>	<u>\$ 3,543.5</u>
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	\$ 121.9	\$ 120.7
Accrued expenses	109.1	124.5
Deferred revenue	67.5	71.3
Current maturities of accrued landfill retirement obligations	20.2	28.0
Current maturities of long-term debt	41.3	76.1
Total current liabilities	360.0	420.6
Other long-term liabilities		
Long-term debt, less current maturities	1,762.7	1,792.1
Accrued landfill retirement obligations, less current maturities	255.1	236.2
Deferred income taxes	89.1	88.5
Total liabilities	2,557.0	2,620.1
Equity		
Common stock: \$.01 par value, 1,000,000,000 shares authorized, 90,906,005 and 89,836,069 issued including shares held in treasury, respectively	0.9	0.9
Treasury stock at cost, 178,540 and 132,930 shares, respectively	(5.6)	(4.1)
Additional paid-in capital	1,551.0	1,527.7
Accumulated deficit	(598.2)	(598.1)
Accumulated other comprehensive loss	(2.2)	(3.0)
Total stockholders' equity	945.9	923.4
Total liabilities and stockholders' equity	<u>\$ 3,502.9</u>	<u>\$ 3,543.5</u>

Advanced Disposal Services, Inc. and Subsidiaries
Consolidated Statements of Cash Flows (Unaudited)

(in millions)

	Six Months Ended June 30,	
	2020	2019
Cash flows from operating activities		
Net loss	\$ (0.1)	\$ (7.0)
Adjustments to reconcile net loss to net cash provided by operating activities		
Depreciation and amortization	128.7	136.2
Change in fair value of derivative instruments	—	4.6
Amortization of debt issuance costs and original issue discount	3.0	2.8
Accretion on landfill retirement obligations	8.9	8.7
Other accretion and amortization	3.5	3.4
Provision for doubtful accounts	2.7	3.2
Loss on disposition of property and equipment	0.6	0.7
Stock based compensation	2.9	6.3
Deferred tax expense (benefit)	0.3	(17.8)
Earnings in equity investee	(0.4)	(1.1)
Write-off of 2012 Veolia acquisition related indemnification receivable	—	3.9
Changes in operating assets and liabilities, net of businesses acquired		
Decrease (increase) in accounts receivable	11.8	(10.2)
Decrease in prepaid expenses and other current assets	9.4	3.4
(Increase) decrease in other assets	(1.2)	1.9
Increase in accounts payable	8.3	15.4
(Decrease) increase in accrued expenses	(15.4)	4.4
Decrease in deferred revenue	(3.8)	(1.1)
Increase (decrease) in other long-term liabilities	7.1	(1.7)
Capping, closure and post-closure obligations	(4.6)	(7.5)
Net cash provided by operating activities	<u>161.7</u>	<u>148.5</u>
Cash flows from investing activities		
Purchases of property and equipment and construction and development	(87.5)	(83.4)
Proceeds from sale of property and equipment and insurance recoveries	0.8	1.7
Acquisition of businesses, net of cash acquired	—	(27.1)
Net cash used in investing activities	<u>(86.7)</u>	<u>(108.8)</u>
Cash flows from financing activities		
Proceeds from borrowings on debt instruments	70.0	101.0
Repayment on debt instruments, including finance leases	(145.0)	(140.1)
Proceeds from stock option exercises net of stock repurchases	18.9	3.3
Net cash used in financing activities	<u>(56.1)</u>	<u>(35.8)</u>
Net increase in cash and cash equivalents	18.9	3.9
Cash and cash equivalents, beginning of period	12.5	6.8
Cash and cash equivalents, end of period	<u>\$ 31.4</u>	<u>\$ 10.7</u>

You should read the following information in conjunction with our audited consolidated financial statements and notes thereto as of and for the year ended December 31, 2019, appearing in our Annual Report on Form 10-K as filed with the Securities and Exchange Commission and our unaudited condensed consolidated financial statements and notes thereto as of and for the three and six months ended June 30, 2020, appearing in our Form 10-Q, to be filed with the Securities and Exchange Commission. The information presented is considered unaudited.

REVENUE

The following table reflects our revenue by line of business for the periods presented (in millions and as a percentage of revenue):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2020		2019		2020		2019	
Collection	\$ 259.9	68.3 %	\$ 279.4	66.7 %	\$ 528.7	68.9 %	\$ 547.6	68.2 %
Disposal	129.0	33.9 %	152.5	36.4 %	252.1	32.9 %	279.6	34.8 %
Sale of recyclables	3.8	1.0 %	2.7	0.6 %	6.6	0.9 %	6.3	0.8 %
Fuel and environmental charges	24.2	6.4 %	30.3	7.2 %	51.7	6.7 %	59.2	7.4 %
Other revenue	35.7	9.4 %	34.6	8.3 %	71.2	9.3 %	62.0	7.7 %
Intercompany eliminations	(72.3)	(19.0)%	(80.4)	(19.2)%	(143.3)	(18.7)%	(151.6)	(18.9)%
Total service revenues	<u>\$ 380.3</u>	<u>100.0 %</u>	<u>\$ 419.1</u>	<u>100.0 %</u>	<u>\$ 767.0</u>	<u>100.0 %</u>	<u>\$ 803.1</u>	<u>100.0 %</u>

The table set forth below reflects changes in revenue, as compared to the prior year:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Average yield	3.8 %	3.2 %	3.7 %	3.6 %
Recycling	0.2 %	(0.2)%	— %	(0.2)%
Fuel surcharge revenue	(1.0)%	— %	(0.6)%	0.2 %
Total yield	3.0 %	3.0 %	3.1 %	3.6 %
Organic volume	(12.2)%	0.8 %	(7.8)%	0.2 %
Acquisitions	— %	1.5 %	0.2 %	1.5 %
Total revenue change	<u>(9.2)%</u>	<u>5.3 %</u>	<u>(4.5)%</u>	<u>5.3 %</u>

OPERATING EXPENSES

The following table summarizes our operating expenses for the periods presented (in millions and as a percentage of revenue):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2020		2019		2020		2019	
Operating	\$ 237.9	62.6%	\$ 272.8	65.1%	\$ 490.8	64.0%	\$ 517.9	64.5%
Accretion of landfill retirement obligations	4.4	1.1%	4.4	1.0%	8.9	1.1%	8.7	1.1%
Operating expenses	<u>\$ 242.3</u>	<u>63.7%</u>	<u>\$ 277.2</u>	<u>66.1%</u>	<u>\$ 499.7</u>	<u>65.1%</u>	<u>\$ 526.6</u>	<u>65.6%</u>

The following table summarizes the major components of our operating expenses, excluding accretion expense on landfill retirement obligations for the periods presented (in millions and as a percentage of revenue):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2020		2019		2020		2019	
Labor and related benefits	\$ 83.6	22.0%	\$ 88.2	21.0%	\$ 173.7	22.6%	\$ 173.9	21.7%
Transfer and disposal costs	49.6	13.0%	57.7	13.8%	102.0	13.3%	107.9	13.4%
Maintenance and repairs	40.3	10.6%	41.7	9.9%	80.8	10.5%	81.6	10.2%
Fuel	11.2	2.9%	19.9	4.7%	27.7	3.6%	38.9	4.8%
Franchise and host fees	9.2	2.4%	11.3	2.7%	17.9	2.3%	20.6	2.6%
Risk management	9.6	2.5%	9.2	2.2%	19.8	2.6%	18.6	2.3%
Other	34.4	9.2%	35.2	8.5%	68.9	9.1%	66.8	8.3%
Subtotal	\$ 237.9	62.6%	\$ 263.2	62.8%	\$ 490.8	64.0%	\$ 508.3	63.3%
Landfill remediation expenses	—	—%	9.6	2.3%	—	—%	9.6	1.2%
Total operating expenses, excluding accretion expense	\$ 237.9	62.6%	\$ 272.8	65.1%	\$ 490.8	64.0%	\$ 517.9	64.5%

SELLING, GENERAL AND ADMINISTRATIVE

The following table summarizes our selling, general and administrative expenses for the periods presented (in millions and as a percentage of revenue):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2020		2019		2020		2019	
Salaries	\$ 29.1	7.7%	\$ 30.6	7.3%	\$ 59.7	7.8%	\$ 62.4	7.8%
Legal and professional	5.6	1.5%	15.8	3.8%	10.7	1.4%	20.1	2.5%
Other	11.0	2.8%	15.8	3.7%	26.3	3.4%	29.5	3.6%
Total selling, general and administrative expenses	\$ 45.7	12.0%	\$ 62.2	14.8%	\$ 96.7	12.6%	\$ 112.0	13.9%

ADDITIONAL STATISTICS

The following table reflects cash interest and cash taxes for the periods presented (in millions):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2020		2019		2020		2019	
Cash paid for interest	\$	23.7	\$	30.0	\$	38.7	\$	48.3
Cash paid for taxes (net of refunds)	\$	0.8	\$	0.4	\$	0.9	\$	1.5

Internalization for the three months ended June 30, 2020: 60%

Days Sales Outstanding for the three months ended June 30, 2020: 46 (30 net of deferred revenue)

RECONCILIATION OF CERTAIN NON-GAAP MEASURES

EBITDA, adjusted EBITDA, adjusted EBITDA margin, free cash flow, adjusted free cash flow, adjusted net income, and adjusted earnings per share are not defined terms under U.S. generally accepted accounting principles (“non-GAAP measures”). Non-GAAP measures should not be considered in isolation or as a substitute for net income, income per diluted share or cash flow data prepared in accordance with GAAP and may not be comparable to calculations of similarly titled measures by other companies.

We define EBITDA as net income (loss) from continuing operations adjusted for interest, taxes, depreciation and amortization and accretion. We define adjusted EBITDA as EBITDA adjusted to exclude non-cash and non-recurring items as well as other adjustments permitted in calculating covenant compliance under the agreements governing our outstanding debt securities and credit facilities. We believe adjusted EBITDA is useful to investors in evaluating our performance compared to other companies in our industry because it eliminates the effect of financing, income taxes and the accounting effects of capital spending, as well as certain items that are not indicative of our performance on an ongoing basis. Management uses adjusted EBITDA to measure the performance of our core operations at the consolidated, segment and business unit levels and as a metric for a significant portion of our management incentive plans.

We define free cash flow as net cash provided by operating activities less capital expenditures (purchases of property and equipment, excluding expenditures for significant new municipal contracts and significant purchases of land for future landfill airspace), net of proceeds from the sale of property and equipment. We define adjusted free cash flow as free cash flow excluding restructuring payments, capital markets costs, and non-recurring items. Management uses adjusted free cash flow to evaluate the Company’s ability to generate cash to fund its activities on an ongoing basis, and we believe adjusted free cash flow is useful to investors in evaluating our performance compared to other companies in our industry because it eliminates the effect of restructuring payments, capital market costs, and other non-recurring items, which are not indicative of our ability to generate cash on an ongoing basis.

We define adjusted net income and adjusted earnings per share as net income (loss) from continuing operations and diluted earnings per share adjusted to exclude non-cash and non-recurring items. We believe adjusted net income and adjusted earnings per share provide an understanding of operational activities before the financial impact of certain items. We believe that these measures are useful in evaluating our operations as these measures are adjusted for items that affect comparability between periods.

In fiscal 2016, we entered into interest rate caps as economic hedges of a rise in interest rates for fiscal 2017, fiscal 2018 and the nine months ended September 30, 2019. We believe that excluding realized and unrealized gains and losses from interest rate derivatives from our adjusted EBITDA provides useful additional information in evaluating ongoing financial performance of the business as these derivatives represent a risk management tool to reduce our exposure to rising interest rates and are viewed by management as a financing cost similar to interest expense. We also purchased additional interest rate caps in fiscal 2017 to hedge the risk of rising interest rates from October 1, 2019 to September 30, 2021. These interest rate caps qualify for hedge accounting and realized gains and losses will flow through interest expense, which is excluded from adjusted EBITDA.

ADJUSTED EBITDA

The following table calculates adjusted earnings before interest, taxes, depreciation, amortization and accretion adjusted for certain other costs (in millions except percentages):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Net income (loss)	\$ 6.2	\$ (1.0)	\$ (0.1)	\$ (7.0)
Income tax expense (benefit)	1.9	(20.0)	(0.1)	(21.4)
Interest expense	19.8	26.2	42.4	52.2
Depreciation and amortization	64.1	70.3	128.7	136.2
Accretion on landfill retirement obligations	4.4	4.4	8.9	8.7
Accretion on loss contracts and other long-term liabilities	0.1	0.1	0.2	0.2
EBITDA	96.5	80.0	180.0	168.9
EBITDA adjustments:				
Acquisition and development costs	—	0.2	—	1.0
Stock based compensation	1.3	2.2	2.9	6.3
Landfill remediation expenses	—	9.6	—	9.6
Earnings in equity investee, net	0.3	(0.1)	0.6	(0.7)
Restructuring charges	—	—	—	0.6
Loss on disposal of assets and asset impairments	0.5	0.5	0.6	0.7
Unrealized loss on derivatives	—	2.1	—	4.6
Realized gain on derivatives	—	(1.7)	—	(3.7)
Fee case settlement and related expenses	—	9.7	—	9.7
Merger related expenses	2.9	3.6	6.0	4.1
Merger retention bonus	2.2	—	4.5	—
Write-off of acquisition related indemnification receivable	—	3.9	—	3.9
Other	0.1	—	0.2	—
Adjusted EBITDA	\$ 103.8	\$ 110.0	\$ 194.8	\$ 205.0
Revenue	\$ 380.3	\$ 419.1	\$ 767.0	\$ 803.1
Adjusted EBITDA margin	27.3%	26.2%	25.4%	25.5%

FREE CASH FLOW AND ADJUSTED FREE CASH FLOW

The following table calculates free cash flow and adjusted free cash flow (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Net cash provided by operating activities	\$ 97.0	\$ 76.0	\$ 161.7	\$ 148.5
Purchases of property and equipment and landfill construction and development	(40.4)	(50.9)	(87.5)	(83.4)
Proceeds from sale of property and equipment and insurance recoveries	0.5	0.7	0.8	1.7
Free cash flow	57.1	25.8	75.0	66.8
Assumptions of long-term care and closure reserve	0.8	2.2	2.3	3.4
Restructuring payments	—	0.1	—	0.8
Greentree costs, net of insurance recoveries	—	0.3	—	0.8
Landfill remediation expenses	1.1	2.6	2.9	5.1
Fee case settlement and related expenses	—	0.3	—	0.3
Merger related expenses	2.8	3.0	4.9	3.0
Merger retention bonus	—	—	8.5	—
Other	—	—	0.2	—
Adjusted free cash flow	61.8	34.3	93.8	80.2
Realized gain on derivatives	—	(1.7)	—	(3.7)
Adjusted free cash flow excluding realized gain on derivatives	\$ 61.8	\$ 32.6	\$ 93.8	\$ 76.5

ADJUSTED NET INCOME

The following table calculates adjusted net income (in millions except share and per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Net income (loss)	\$ 6.2	\$ (1.0)	\$ (0.1)	\$ (7.0)
Amortization of intangibles	7.8	7.8	15.5	15.6
Acquisition and development costs	—	0.2	—	1.0
Landfill remediation expenses	—	9.6	—	9.6
Restructuring charges	—	—	—	0.6
Loss on disposal of assets and asset impairments	0.5	0.5	0.6	0.7
Unrealized loss on derivatives	—	2.1	—	4.6
Realized gain on derivatives	—	(1.7)	—	(3.7)
Fee case settlement and related expenses	—	9.7	—	9.7
Merger related expenses	2.9	3.6	6.0	4.1
Merger retention bonus	2.2	—	4.5	—
Write-off of 2012 Veolia acquisition related indemnification receivable	—	3.9	—	3.9
Net benefit from 2012 Veolia acquisition related tax audit settlement	—	(17.6)	—	(17.6)
Other	0.1	—	0.2	—
Tax effect	(2.7)	(8.1)	(5.6)	(10.7)
Adjusted net income	<u>\$ 17.0</u>	<u>\$ 9.0</u>	<u>\$ 21.1</u>	<u>\$ 10.8</u>
Diluted earnings per common share:				
Adjusted average shares outstanding	91,557,116	90,717,523	91,415,381	90,322,546
Adjusted earnings per common share	\$ 0.19	\$ 0.10	\$ 0.23	\$ 0.12

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements within the meaning of the U.S. federal securities laws. All statements other than statements of historical facts in this document, including, without limitation, those regarding our business strategy, financial position, results of operations, plans, prospects and objectives of management for future operations (including development plans and objectives relating to our activities), are forward-looking statements. Many, but not all, of these statements can be found by looking for words like “expect,” “anticipate,” “goal,” “project,” “plan,” “believe,” “seek,” “will,” “may,” “forecast,” “estimate,” “intend,” “future” and similar words. Statements that address activities, events or developments that we intend, expect or believe may occur in the future are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and section 21E of the Securities Exchange Act of 1934, as amended and are subject to safe harbor created by those sections. Forward-looking statements do not guarantee future performance and may involve risks, uncertainties and other factors which could cause our actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in those forward-looking statements.

There are a number of risks, uncertainties and other important factors, many of which are beyond our control, which could cause actual results to differ materially from the forward-looking statements contained in this release. Such risks, uncertainties and factors include those set forth under the heading Risk Factors in our most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission.

Examples of these risks, uncertainties and other factors include, but are not limited to:

- significant public health crises, epidemics or pandemics, including the novel strain of coronavirus (“COVID-19”), may adversely affect our business, results of operations and financial condition;
- our ability to achieve future profitability will depend on us executing our strategy and controlling costs;
- future results may be impacted by the expiration of net operating losses (NOLs);
- our tax position may be affected by recent changes in U.S. tax law;
- operating in a highly competitive industry and the inability to compete effectively with larger and better capitalized companies and governmental service providers;
- our results are vulnerable to economic conditions;
- we may lose contracts through competitive bidding, early termination or governmental action;
- some of our customers, including governmental entities, have suffered financial difficulties affecting their credit risk, which could negatively impact our operating results;
- our financial and operating performance may be affected by the inability, in some instances, to renew or expand existing landfill permits or acquire new landfills. Further, the cost of operation and/or future construction of our existing landfills may become economically unfeasible causing us to abandon or cease operations;
- we could be precluded from maintaining permits or entering into certain contracts if we are unable to obtain sufficient third-party financial assurance or adequate insurance coverage;
- our accruals for our landfill site closure, post-closure and contamination related costs may be inadequate;
- our cash flow may not be sufficient to finance our high level of capital expenditures;
- our acquisitions, including our ability to integrate acquired businesses, or that acquired businesses may have unexpected risks or liabilities;
- the seasonal nature of our business and "event-driven" waste projects that could cause our results to fluctuate;
- adverse and destructive weather conditions that could result in higher fuel costs, higher labor costs, reduced municipal contract productivity and higher disposal costs;

- we may be subject in the normal course of business to judicial, administrative or other third-party proceedings that could interrupt or limit our operations, result in adverse judgments, settlements or fines and create negative publicity;
- fuel supply and prices may fluctuate significantly and we may not be able to pass on cost increases to our customers;
- fluctuations in the prices of commodities may adversely affect our financial condition, results of operations and cash flows;
- increases in labor and disposal costs and related transportation costs could adversely impact our financial results;
- efforts by labor unions could divert management attention and adversely affect operating results;
- we depend significantly on the services of the members of our senior, regional and local management teams, and the departure of any of those persons could cause our operating results to suffer;
- we are increasingly dependent on technology in our operations and, if our technology fails, our business could be adversely affected;
- a cybersecurity incident could negatively impact our business and our relationships with customers;
- operational and safety risks, including the risk of personal injury to employees and others;
- we are subject to substantial governmental regulation and failure to comply with these requirements, as well as enforcement actions and litigation arising from an actual or perceived breach of such requirements, could subject us to fines, penalties and judgments, and impose limits on our ability to operate and expand;
- our operations being subject to environmental, health and safety laws and regulations, as well as contractual obligations that may result in significant liabilities;
- future changes in laws or renewed enforcement of laws regulating the flow of solid waste in interstate commerce could adversely affect our operating results;
- fundamental change in the waste management industry as traditional waste streams are increasingly viewed as renewable resources and changes in laws and environmental policies may limit the items that enter the waste stream, any of which may adversely impact volumes and tipping fees at our landfills. Alternatives to landfill disposal may cause our revenues and operating results to decline;
- risks associated with our substantial indebtedness and working capital deficit;
- risks associated with our ability to implement our growth strategy as and when planned; and
- the other risks described in the "Risk Factors" section of our 2019 Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q.

In addition, actual results may vary materially from those expressed or implied by forward-looking statements based on a number of factors related to the pending acquisition of Advanced Disposal, including, without limitation (1) risks related to the consummation of the merger, including the risks that (a) the merger may not be consummated within the anticipated time period, or at all, (b) the parties may fail to secure the termination or expiration of any waiting period applicable under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and (c) other conditions to the consummation of the merger under the merger agreement may not be satisfied, including obtaining stockholder approval; (2) the effects that any termination of the merger agreement may have on Advanced Disposal or its business, including the risk that Advanced Disposal's stock price may decline significantly if the merger is not completed; (3) the effects that the announcement or pendency of the merger may have on Advanced Disposal and its business, including the risks that as a result (a) Advanced Disposal's business, operating results or stock price may suffer, (b) Advanced Disposal's current plans and operations may be disrupted, (c) Advanced Disposal's ability to retain or recruit key employees may be adversely affected, (d) Advanced Disposal's business relationships (including, customers and suppliers) may be adversely affected, or (e) Advanced Disposal's management's or employees' attention may be diverted from other important matters; (4) the effect of limitations that the merger agreement places on Advanced Disposal's ability to operate its business, return capital to stockholders or engage in alternative transactions; (5) the nature, cost and outcome of pending and future litigation and other legal proceedings, including any such

proceedings related to the merger and instituted against Advanced Disposal and others; (6) the risk that the merger and related transactions may involve unexpected costs, liabilities or delays; and (7) other economic, business, competitive, legal, regulatory, and/or tax factors.

The above examples are not exhaustive and new risks may emerge from time to time. Except as required by law, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Such forward-looking statements are based on our current beliefs, assumptions, expectations, estimates and projections regarding our present and future business strategies and the environment in which we will operate in the future. These forward-looking statements speak only as of the date of this press release. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in our expectations with regard thereto or any change of events, conditions or circumstances on which any such statement was based.

About Advanced Disposal

Advanced Disposal (NYSE: ADSW) brings fresh ideas and solutions to the business of a clean environment. We provide integrated, non-hazardous solid waste collection, recycling and disposal services to residential, commercial, industrial and construction customers across 16 states and the Bahamas. Our team is dedicated to finding effective, sustainable solutions to preserve the environment for future generations. We welcome you to learn more at AdvancedDisposal.com or follow us on Facebook.

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