

Waste Connections Reports Second Quarter Earnings of \$0.30 Per Share \$.02 Above Consensus, Excluding Charges

EPS Increases 36%, EBITDA Increases 109%

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FOLSOM, Calif.

Waste Connections, Inc. today announced second quarter earnings of \$.30 per share before stock compensation expense and loss on sale of assets. Second quarter Cash EPS (before amortization of goodwill) was \$.35 before stock compensation expense and loss on sale of assets. Revenue for the second quarter of 2000 was \$76.0 million, a 85.9% increase over revenue of \$40.9 million in the second quarter of 1999. Operating income for the quarter, excluding stock compensation and loss on sale of assets, increased 108.0% over \$9.1 million in the second quarter of 1999 to \$19.0 million or 25.0% of revenues. Earnings per share on a diluted basis for the quarter were \$.30, excluding non-cash stock compensation expense of \$54,481 and loss on sale of assets of \$915,000, on 22.1 million diluted shares. Diluted earnings per share including stock compensation and the loss on sale of assets were \$.27. EBITDA for the quarter increased 108.8% over \$12.2 million in the year ago quarter to \$25.6 million, or 33.6% of revenues. Results for the previous year are restated to include the effects of mergers accounted for under the pooling-of-interests method.

Ronald J. Mittelstaedt, Chairman and Chief Executive Officer, said, "This was a very successful quarter on every count. We renegotiated our credit facility, completed a large strategic acquisition of the Allied Waste Kansas assets and saw operations perform well throughout the company. In addition to the Wichita transaction, we completed five other acquisitions for a total acquired annualized revenue in the quarter of \$36.1 million. We are moving rapidly forward with the construction of our transfer station in Wichita to begin internalizing these waste volumes in the second half of 2001. We expect operating margins to expand throughout the balance of the year based on moderating commodity prices from recycling and because of how our recycling contracts are structured. We continue to have an active acquisition backlog at reasonable valuations and business conditions remain strong."

Waste Connections, Inc. is a regional, integrated, solid waste services company that provides solid waste collection, transfer, disposal and recycling services in secondary markets of the Western U.S. The Company serves more than 600,000 commercial, industrial and residential customers. Waste Connections, Inc. was founded in September 1997 and is headquartered in Folsom, California.

Certain statements contained in this press release are forward-looking in nature. These statements can be identified by the use of forward-looking terminology such as "believes," "expects," "may," "will," "should," or "anticipates" or the negative thereof or comparable terminology, or by discussions of strategy. Waste Connection's business and operations are subject to a variety of risks and uncertainties and, consequently, actual results may materially differ from those projected by any forward-looking statements. Factors that could cause actual results to differ from those projected include, but are not limited to, the following: (1) competition or unfavorable industry conditions could lead to a decrease in demand for the Company's services and to a decline in prices realized by the Company for its services, (2) the Company may be required to pay increased prices for acquisitions, and it may experience difficulty in integrating and deriving synergies from acquisitions, (3) the Company cannot be certain that it will always have access to the additional capital that it may require for its growth strategy or that its cost of capital will not increase, (4) governmental regulations may require increased capital expenditures or otherwise affect the Company's business, (5) companies that Waste Connections acquires could have undiscovered liabilities, and (6) the Company is highly dependent on the services of senior management. These risks and uncertainties, as well as others, are discussed in greater detail in the Company's filings with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K and its subsequent Quarterly Reports on Form 10-Q. The Company makes no commitment to revise or update any forward- looking statements in order to reflect events or circumstances after the date any such statement is made.

Waste Connections, Inc.
Condensed Consolidated Statements of Operations
Three Months and Six Months Ended June 30, 1999 and 2000
(in thousands, except share and per share amounts)
(Unaudited)

Three Months Ended	Six Months Ended
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	June 30, 1999 (a) (Restated)	2000	June 30, 1999 (a) (Restated)	2000
Revenues	\$40,901	\$76,022	\$74,079	\$140,033
Operating expenses:				
Cost of operations	25,275	44,049	46,911	80,853
Selling, general and administrative	3,380	6,401	6,308	11,792
Depreciation and amortization	3,123	6,599	5,686	12,584
Stock compensation	70	54	140	109
Acquisition related expenses	1,005	--	8,805	150
Income from operations	8,048	18,919	6,229	34,545
Interest expense	(2,195)	(7,828)	(3,252)	(13,722)
Other income (expense), net	38	(938)	2	(932)
Income before income tax provision	5,891	10,153	2,979	19,891
Income tax provision	(2,707)	(4,171)	(4,081)	(8,219)
Net income (loss)	\$3,184	\$5,982	\$(1,102)	\$11,672
Basic earnings per common share:				
Net income (loss) per common share	\$0.18	\$0.28	\$(0.06)	\$0.55
Diluted earnings per common share:				
Net income (loss) per common share	\$0.16 (b)	\$0.27 (c)	\$(0.06)	\$0.53
Shares used in the per share calculations:				
Basic	18,167,174	21,506,094	17,080,730	21,414,500
Diluted	19,542,372	22,136,247	17,080,730	22,050,855

(a) Restated to include the effects of mergers accounted for under the pooling-of-interests method through June 30, 2000.

(b) Diluted earnings per share were \$0.22 for the three months ended June 30, 1999 before non-cash stock compensation expense (\$70) and acquisition related expenses (\$1,005).

(c) Diluted earnings per share were \$0.30 for the three months ended June 30, 2000 before non-cash stock compensation (\$54) and loss on sale of assets (\$915).

SOURCE: Waste Communication Inc.

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