

REPUBLIC SERVICES, INC.
UNAUDITED CONDENSED COMBINED FINANCIAL DATA
(In millions)

The following table summarizes our costs and expenses for the three months ended December 31, 2009 and 2008. Amounts for the three months ended December 31, 2008 assume the merger with Allied Waste Industries, Inc. occurred on January 1, 2008.

	Three Months Ended December 31,	
	2009	2008 ⁽¹⁾
REVENUE	\$ 1,999.0	\$ 2,248.8
EXPENSES:		
Cost of operations	1,201.1	1,457.7
Depreciation, amortization and depletion	211.0	211.6
Accretion	21.4	20.0
Selling, general and administrative	221.7	296.2
Asset impairments and losses on sales of businesses	7.3	151.1
Restructuring charges	7.3	82.7
OPERATING INCOME	<u>\$ 329.2</u>	<u>\$ 29.5</u>
EBITDA	<u>\$ 561.6</u>	<u>\$ 261.1</u>

⁽¹⁾ For the three months ended December 31, 2008, revenue includes \$3.1 of intercompany activity between Allied and Republic. The year-over-year revenue change of (11.1%) includes (8.7%) of internal growth and (0.2%) due to the elimination of intercompany activity during 2008 and (2.2%) due to divested operations.

The following table calculates operating income before depreciation, amortization, depletion and accretion for the three months ended December 31, 2009 and 2008. Amounts for the three months ended December 31, 2008 assume the merger with Allied Waste Industries, Inc. occurred on January 1, 2008.

	Three Months Ended December 31,	
	2009	2008
Operating Income	\$ 329.2	\$ 29.5
Depreciation, Amortization and Depletion	211.0	211.6
Accretion	21.4	20.0
EBITDA	<u>\$ 561.6</u>	<u>\$ 261.1</u>

The following table calculates adjusted operating income before depreciation, amortization, depletion and accretion for the three months ended December 31, 2009 and 2008. Amounts for the three months ended December 31, 2008 assume the merger with Allied Waste Industries, Inc. occurred on January 1, 2008.

	Three Months Ended December 31,	
	2009	2008
Operating Income before Depreciation, Amortization, Depletion and Accretion	\$ 561.6	\$ 261.1
Loss on disposition of assets and impairments, net	7.3	151.1
Restructuring charges	7.3	82.7
Costs to achieve synergies	9.9	2.9
Remediation charges	2.1	87.8
Adjusted EBITDA	<u>\$ 588.2</u>	<u>\$ 585.6</u>

REPUBLIC SERVICES, INC.
UNAUDITED COMBINED SUMMARY DATA
(In millions, except percentages)

The following tables provide the components of our operating costs in dollars and as a percentage of revenues. Amounts for the three months ended December 31, 2008 assume the merger with Allied Waste Industries, Inc. occurred on January 1, 2008.

Three Months Ended December 31,

	2009		2008	
	<u>2009</u>		<u>2008</u>	
Labor & Related Benefits	\$ 370.5	18.5%	\$ 417.9	18.6%
Transfer & Disposal Costs	174.7	8.7%	184.0	8.2%
Maintenance & Repairs	156.1	7.8%	179.9	8.0%
Transportation & Subcontract Costs	116.5	5.8%	161.3	7.2%
Fuel	96.1	4.8%	109.8	4.9%
Disposal & Franchise Fees, & Taxes	98.3	4.9%	112.3	5.0%
Landfill Operating Costs	33.7	1.7%	128.7	5.7%
Risk Management	66.9	3.3%	68.1	3.0%
Cost of Goods Sold	16.6	0.8%	14.6	0.6%
Other	71.6	3.8%	81.1	3.6%
Total Cost of Operations	<u>\$ 1,201.0</u>	<u>60.1%</u>	<u>\$ 1,457.7</u>	<u>64.8%</u>

Cost of operations includes labor and related benefits, which consists of salaries and wages, health and welfare benefits, incentive compensation and payroll taxes. It also includes transfer and disposal costs representing tipping fees paid to third-party disposal facilities and transfer stations; maintenance and repairs relating to our vehicles, equipment, and containers, including related labor and benefit costs; transportation and subcontractor costs which include costs for independent haulers who transport our waste to disposal facilities and costs for local operators who provide waste handling services associated with our national accounts in markets outside our standard operating areas; fuel which includes the direct cost of fuel used by our vehicles, net of fuel credits; disposal and franchise fees, and taxes consisting of landfill taxes, municipal franchise fees, host community fees and royalties; landfill operating costs which includes financial assurance, leachate disposal and other landfill maintenance costs; risk management which includes casualty insurance premiums and claims; cost of goods sold which includes material costs paid to suppliers associated with recycling commodities; and other which includes expenses such as facility operating costs, equipment rent and gains or losses on sale of assets used in our operations.

The following tables provide the components of our selling, general and administrative costs in dollars and as a percentage of revenues. Amounts for the three months ended December 31, 2008 assume the merger with Allied Waste Industries, Inc. occurred on January 1, 2008.

Three Months Ended December 31,

	2009		2008	
	<u>2009</u>		<u>2008</u>	
Salaries	\$ 133.8	6.7%	\$ 154.4	6.9%
Provision for Doubtful Accounts	10.5	0.5%	39.8	1.8%
Costs to Achieve Synergies	9.9	0.5%	2.9	0.1%
Other	67.5	3.4%	99.1	4.4%
Total Selling, General and Administrative Expenses	<u>\$ 221.7</u>	<u>11.1%</u>	<u>\$ 296.2</u>	<u>13.2%</u>

Selling, general and administrative expenses include salaries, health and welfare benefits and incentive compensation for corporate and field general management, field support functions, sales force, accounting and finance, legal, management information systems and clerical and administrative departments. It also includes provisions for estimated uncollectible accounts receivable and other expenses such as rent and office costs, fees for professional services provided by third parties, marketing, investor and community relations, directors' and officers' insurance, employee relocation, travel, entertainment and bank charges, but excludes any such amounts recorded as restructuring charges. Costs to achieve synergies includes wages and related benefits for transitional employees from the notification date of their termination through the last day of employment and a synergy-related bonus.

REPUBLIC SERVICES, INC.
UNAUDITED SUMMARY DATA
(In millions, except percentages)

The following tables provide the components of our operating costs in dollars and as a percentage of revenues.

Three Months Ended December 31,

	2009		2008	
Labor & Related Benefits	\$	370.5 18.5%	\$	245.3 19.7%
Transfer & Disposal Costs		174.7 8.7%		111.1 8.9%
Maintenance & Repairs		156.1 7.8%		102.9 8.3%
Transportation & Subcontract Costs		116.5 5.8%		82.7 6.6%
Fuel		96.1 4.8%		58.1 4.7%
Disposal & Franchise Fees, & Taxes		98.3 4.9%		54.1 4.3%
Landfill Operating Costs		33.7 1.7%		105.0 8.4%
Risk Management		66.9 3.3%		49.4 4.0%
Cost of Goods Sold		16.6 0.8%		10.0 0.8%
Other		71.6 3.8%		44.6 3.7%
Total Cost of Operations	\$	<u>1,201.0 60.1%</u>	\$	<u>863.2 69.4%</u>

Cost of operations includes labor and related benefits, which consists of salaries and wages, health and welfare benefits, incentive compensation and payroll taxes. It also includes transfer and disposal costs representing tipping fees paid to third-party disposal facilities and transfer stations; maintenance and repairs relating to our vehicles, equipment, and containers, including related labor and benefit costs; transportation and subcontractor costs which include costs for independent haulers who transport our waste to disposal facilities and costs for local operators who provide waste handling services associated with our national accounts in markets outside our standard operating areas; fuel which includes the direct cost of fuel used by our vehicles, net of fuel credits; disposal and franchise fees, and taxes consisting of landfill taxes, municipal franchise fees, host community fees and royalties; landfill operating costs which includes financial assurance, leachate disposal and other landfill maintenance costs; risk management which includes casualty insurance premiums and claims; cost of goods sold which includes material costs paid to suppliers associated with recycling commodities; and other which includes expenses such as facility operating costs, equipment rent and gains or losses on sale of assets used in our operations.

The following tables provide the components of our selling, general and administrative costs in dollars and as a percentage of revenues.

Three Months Ended December 31,

	2009		2008	
Salaries	\$	133.8 6.7%	\$	81.5 6.5%
Provision for Doubtful Accounts		10.5 0.5%		30.2 2.4%
Costs to Achieve Synergies		9.9 0.5%		2.9 0.2%
Other		67.5 3.4%		68.1 5.6%
Total Selling, General and Administrative Expenses	\$	<u>221.7 11.1%</u>	\$	<u>182.7 14.7%</u>

Selling, general and administrative expenses include salaries, health and welfare benefits and incentive compensation for corporate and field general management, field support functions, sales force, accounting and finance, legal, management information systems and clerical and administrative departments. It also includes provisions for estimated uncollectible accounts receivable and other expenses such as rent and office costs, fees for professional services provided by third parties, marketing, investor and community relations, directors' and officers' insurance, employee relocation, travel, entertainment and bank charges, but excludes any such amounts recorded as restructuring charges. Costs to Achieve Synergies include the synergy bonus and wages and related benefits for transitional employees from the notification date of their termination through the last day of employment.