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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of Earliest Event Reported): July 29, 2010 (June 30, 2010)**

**Republic Services, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation)

**1-14267**  
(Commission File Number)

**65-0716904**  
(IRS Employer Identification No.)

**18500 North Allied Way**  
**Phoenix, Arizona**  
(Address of principal executive offices)

**85054**  
(Zip Code)

**Registrant's telephone number, including area code: (480) 627-2700**

**Not Applicable**

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02 Results of Operations and Financial Condition.**

On July 29, 2010, Republic Services, Inc. (the "Company") issued a press release containing information about the Company's results of operations for the three and six months ended June 30, 2010. A copy of this press release is incorporated herein by reference as Exhibit 99.1.

**Item 8.01 Other Events**

On July 29, 2010, the Company issued a press release announcing that its Board of Directors approved a five percent increase in the Company's regular quarterly dividend to \$0.20 per share. A copy of this press release is incorporated herein by reference as Exhibit 99.2.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release of Republic Services, Inc. issued July 29, 2010 to announce the financial results for the three and six months ended June 30, 2010.
99.2	Press release of Republic Services, Inc. issued July 29, 2010 to announce the Board of Directors' approval of a five percent increase in the Company's regular quarterly dividend to \$0.20 per share.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Republic Services, Inc.

Date: July 29, 2010

By: /s/ Tod C. Holmes

Tod C. Holmes

Executive Vice President and Chief Financial  
Officer (Principal Financial Officer)

By: /s/ Charles F. Serianni

Charles F. Serianni

Senior Vice President and Chief Accounting  
Officer (Principal Accounting Officer)

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**REPUBLIC SERVICES, INC. REPORTS  
SECOND QUARTER POSITIVE INTERNAL GROWTH  
AND INCREASES EARNINGS GUIDANCE**

- Company increases 2010 guidance
  - o Adjusted EPS guidance raised from a range of \$1.63-\$1.67 per diluted share to \$1.69-\$1.71
  - o Adjusted Free Cash Flow guidance raised by \$25 million to a range of \$725 million to \$750 million
- Internal growth positive for the first time since 2008
- Adjusted EBITDA margin for the three months ended June 30, 2010 of 31.3%

**Phoenix, AZ, July 29, 2010**...Republic Services, Inc. (NYSE: RSG) today reported net income of \$159.7 million, or \$0.42 per diluted share, for the three months ended June 30, 2010, versus \$225.9 million, or \$0.59 per diluted share, for the comparable period last year. During the three months ended June 30, 2009, the Company recorded a gain of \$150.1 million, or \$0.24 per diluted share, associated with divestitures mandated by the United States Department of Justice.

Republic's net income for the three months ended June 30, 2010 and 2009 includes a number of charges and other expenses that impacted its results. A detail of these charges and other expenses is contained in the Reconciliation of Certain Non-GAAP Measures section of this document. Excluding these items, net income for the three months ended June 30, 2010 and 2009 would have been \$166.4 million, or \$0.43 per diluted share, and \$146.9 million, or \$0.39 per diluted share, respectively.

Excluding certain charges and other expenses recorded during 2010 and 2009 as described in the Reconciliation of Certain Non-GAAP Measures section of this document, adjusted earnings before interest, taxes, depreciation,

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depletion, amortization and accretion (adjusted EBITDA) for the three months ended June 30, 2010 would have been \$645.8 million, or 31.3% as a percentage of revenue, compared to \$633.5 million, or 30.7% as a percentage of revenue, for the comparable 2009 period.

Revenue for the three months ended June 30, 2010 increased to \$2,066.4 million compared to \$2,066.1 million for the same period in 2009. Core price for the three months ended June 30, 2010 increased 1.6%, fuel surcharges increased 1.1% and commodity pricing increased 1.5%. Offsetting this growth of 4.2% for the three months ended June 30, 2010 were decreases of 3.3% in core volume and 0.9% related to divestitures.

For the six months ended June 30, 2010, net income was \$224.7 million, or \$0.59 per diluted share, compared to \$338.9 million, or \$0.89 per diluted share, for the comparable period last year. Republic's net income for the six months ended June 30, 2010 and 2009 includes a number of charges and other expenses and net gain on disposition of assets that impacted our results. A detail of these charges and other expenses and net gain on disposition of assets is contained in the Reconciliation of Certain Non-GAAP Measures section of this document. Excluding these items, net income for the six months ended June 30, 2010 and 2009 would have been \$324.0 million, or \$0.84 per diluted share, and \$289.4 million, or \$0.76 per diluted share, respectively.

Excluding certain charges and other expenses and net gain on disposition of assets recorded during 2010 and 2009 as described in the Reconciliation of Certain Non-GAAP Measures section of this document, adjusted EBITDA for the six months ended June 30, 2010 would have been \$1,265.4 million, or 31.4% as a percentage of revenue, compared to \$1,280.6 million, or 31.0% as a percentage of revenue, for the comparable 2009 period.

Revenue for the six months ended June 30, 2010 decreased to \$4,024.1 million compared to \$4,126.6 million for the same period in 2009. Core price for the six months ended June 30, 2010 increased 1.9%, fuel surcharges increased 0.7% and commodities pricing increased 1.7%. Offsetting this growth of 4.3% for the six months ended June 30, 2010, were decreases of 5.2% in core volume and 1.6% related to divestitures.

"I am very pleased with the Company's progress through the first half of 2010," said James E. O'Connor, Chairman and Chief Executive Officer of Republic Services, Inc. "We have successfully integrated two large companies and have secured substantial synergy savings. The Company is well positioned to take advantage of an improving economy and return cash to our stockholders."

### **Updated Financial Guidance**

Republic Services is increasing its 2010 guidance for adjusted earnings per diluted share and adjusted free cash flow to reflect our first six month performance and current business conditions.

- **Adjusted Earnings Per Share:** We raised adjusted earnings per share guidance to a range of \$1.69 to \$1.71 per diluted share. Adjusted earnings per diluted share exclude restructuring charges, costs to achieve synergies, gain/loss on disposition of assets, and loss on extinguishment of debt. Our previous guidance was a range of \$1.63 to \$1.67 per diluted share.
- **Adjusted Free Cash Flow:** We increased adjusted free cash flow guidance to a range of \$725 million to \$750 million. Adjusted free cash flow consists of cash provided by operating activities, less property and equipment received, plus proceeds from the sales of property and equipment, plus merger related expenditures, net of tax, plus tax settlement related to BFI risk management companies. Our previous guidance for adjusted free cash flow was \$700 million to \$725 million.

“This is the first quarter that we have experienced positive internal growth since the third quarter of 2008,” said Donald W. Slager, President and Chief Operating Officer of Republic Services, Inc. “Our strong revenue performance and expense controls enabled us to increase our dividend five percent. Republic Services remains committed to a consistent cash utilization strategy that includes both dividend growth and share repurchase.”

### Quarterly Dividend

Republic’s Board of Directors has approved a five percent increase in the regular quarterly dividend. The quarterly dividend of \$0.20 per share will be paid on October 15, 2010 to shareholders of record on October 1, 2010.

### About Republic

Republic Services, Inc. provides recycling and solid waste collection, transfer and disposal services in the United States. The Company’s various operating units, including collection companies, transfer stations, recycling centers and landfills, are focused on providing reliable environmental services and solutions for commercial, industrial, municipal and residential customers. For more information, visit the Republic Services web site at [www.republicservices.com](http://www.republicservices.com). The Company participates in investor presentations and conferences throughout the year. Interested parties can find a schedule of these conferences at [www.republicservices.com](http://www.republicservices.com) by selecting “Calendar” under the Investor Relations tab. Live audio presentations from earnings calls and investor conferences are web cast on the Republic web site.

**SUPPLEMENTAL UNAUDITED FINANCIAL INFORMATION  
AND OPERATING DATA**

**REPUBLIC SERVICES, INC.  
CONSOLIDATED BALANCE SHEETS  
(in millions, except per share amounts)**

	June 30, 2010 (Unaudited)	December 31, 2009
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 56.0	\$ 48.0
Accounts receivable, less allowance for doubtful accounts of \$52.5 and \$55.2, respectively	898.4	865.1
Prepaid expenses and other current assets	138.8	156.5
Deferred tax assets	195.5	195.3
Total current assets	<u>1,288.7</u>	<u>1,264.9</u>
Restricted cash and marketable securities	315.2	240.5
Property and equipment, net	6,603.7	6,657.7
Goodwill, net	10,661.4	10,667.1
Other intangible assets, net	465.7	500.0
Other assets	236.7	210.1
Total assets	<u>\$ 19,571.4</u>	<u>\$ 19,540.3</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	470.5	592.8
Notes payable and current maturities of long-term debt	692.5	543.0
Deferred revenue	331.3	331.1
Accrued landfill and environmental costs, current portion	225.9	245.4
Accrued interest	99.7	96.2
Other accrued liabilities	646.1	740.2
Total current liabilities	<u>2,466.0</u>	<u>2,548.7</u>
Long-term debt, net of current maturities	6,425.0	6,419.6
Accrued landfill and environmental costs, net of current portion	1,417.6	1,383.2
Deferred income taxes and other long-term liabilities	977.0	1,040.5
Self-insurance reserves, net of current portion	301.6	302.0
Other long-term liabilities	298.3	279.2
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, par value \$0.01 per share; 50 shares authorized; none issued	—	—
Common stock, par value \$0.01 per share; 750 shares authorized; 397.6 and 395.7 issued including shares held in treasury, respectively	4.0	4.0
Additional paid-in capital	6,364.4	6,316.1
Retained earnings	1,762.3	1,683.1
Treasury stock, at cost (15.0 and 14.9 shares, respectively)	(459.1)	(457.7)
Accumulated other comprehensive loss, net of tax	12.0	19.0
Total Republic Services, Inc. stockholders' equity	<u>7,683.6</u>	<u>7,564.5</u>
Noncontrolling interests	2.3	2.6
Total stockholders' equity	<u>7,685.9</u>	<u>7,567.1</u>
Total liabilities and stockholders' equity	<u>\$ 19,571.4</u>	<u>\$ 19,540.3</u>



**REPUBLIC SERVICES, INC.**  
**UNAUDITED CONSOLIDATED STATEMENTS OF INCOME**  
(in millions, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Revenue	\$ 2,066.4	\$ 2,066.1	\$ 4,024.1	\$ 4,126.6
Expenses:				
Cost of operations	1,218.3	1,226.9	2,355.1	2,435.6
Depreciation, amortization and depletion	213.8	218.6	416.8	440.5
Accretion	20.2	21.9	40.4	45.2
Selling, general and administrative	210.8	215.8	421.1	433.3
Loss (gain) on disposition of assets and impairments, net	1.1	(150.1)	1.6	(145.2)
Restructuring charges	1.4	12.3	7.0	43.6
Operating income	400.8	520.7	782.1	873.6
Interest expense	(130.5)	(150.5)	(265.0)	(304.1)
Loss on extinguishment of debt	—	—	(132.3)	—
Interest income	0.1	0.5	0.1	1.3
Other (expense) income, net	(0.1)	1.3	1.6	1.6
Income before income taxes	270.3	372.0	386.5	572.4
Provision for income taxes	110.4	145.8	161.4	232.9
Net income	159.9	226.2	225.1	339.5
Less: Net income attributable to noncontrolling interests	(0.2)	(0.3)	(0.4)	(0.6)
Net income attributable to Republic Services, Inc.	<u>\$ 159.7</u>	<u>\$ 225.9</u>	<u>\$ 224.7</u>	<u>\$ 338.9</u>
Basic earnings per share attributable to Republic Services, Inc. stockholders:				
Basic earnings per share	<u>\$ 0.42</u>	<u>\$ 0.60</u>	<u>\$ 0.59</u>	<u>\$ 0.89</u>
Weighted average common shares outstanding	<u>382.5</u>	<u>379.2</u>	<u>382.0</u>	<u>379.1</u>
Diluted earnings per share attributable to Republic Services, Inc. stockholders:				
Diluted earnings per share	<u>\$ 0.42</u>	<u>\$ 0.59</u>	<u>\$ 0.59</u>	<u>\$ 0.89</u>
Weighted average common and common equivalent shares outstanding	<u>384.7</u>	<u>379.9</u>	<u>384.0</u>	<u>379.9</u>
Cash dividends per common share	<u>\$ 0.19</u>	<u>\$ 0.19</u>	<u>\$ 0.38</u>	<u>\$ 0.38</u>

**REPUBLIC SERVICES, INC.**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in millions)

	Six Months Ended June 30,	
	2010	2009
Cash provided by operating activities:		
Net income	\$ 225.1	\$ 339.5
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization of property and equipment	255.9	260.2
Landfill depletion and amortization	125.7	145.3
Amortization of intangible and other assets	35.2	35.0
Accretion	40.4	45.2
Non-cash interest expense — debt	28.6	50.6
Non-cash interest expense — other	24.2	23.3
Restructuring related charges	—	26.4
Stock-based compensation	12.0	8.0
Deferred tax (benefit) provision	(58.3)	6.0
Provision for doubtful accounts, net of adjustments	10.3	9.4
Excess income tax benefit from stock option exercises	(1.8)	0.5
Asset impairments	0.5	1.8
Loss on extinguishment of debt	132.3	—
Gain on disposition of assets, net	(6.5)	(147.8)
Other non-cash items	0.8	(0.1)
Change in assets and liabilities, net of effects from business acquisitions and divestitures:		
Accounts receivable	(43.9)	24.6
Prepaid expenses and other assets	(1.8)	22.5
Accounts payable	(62.8)	(67.5)
Restructuring and synergy related expenditures	(13.0)	(33.2)
Capping, closure and post-closure expenditures	(28.0)	(33.2)
Remediation expenditures	(23.4)	(26.8)
Other liabilities	(56.7)	(2.1)
Cash provided by operating activities	594.8	687.6
Cash (used in) provided by investing activities:		
Purchases of property and equipment	(385.4)	(355.1)
Proceeds from sales of property and equipment	12.6	16.7
Cash used in acquisitions, net of cash acquired	(0.8)	(0.1)
Cash proceeds from divestitures, net of cash divested	—	418.3
Change in restricted cash and marketable securities	(76.0)	22.7
Other	0.1	—
Cash (used in) provided by investing activities	(449.5)	102.5
Cash used in financing activities:		
Proceeds from notes payable and long-term debt	1,020.2	679.5
Proceeds from issuance of senior notes, net of discount	1,499.4	—
Payments of notes payable and long-term debt	(2,494.8)	(1,333.5)
Premiums paid on extinguishment of debt	(30.4)	—
Fees paid to issue and retire senior notes and certain hedging relationships	(20.8)	—
Issuances of common stock	34.3	6.8
Excess income tax benefit from stock option exercises	1.8	0.5
Purchases of common stock for treasury	(1.4)	(0.5)
Cash dividends paid	(144.9)	(144.0)
Distributions paid to noncontrolling interests	(0.7)	—
Cash used in financing activities	(137.3)	(791.2)
Increase (decrease) in cash and cash equivalents	8.0	(1.1)
Cash and cash equivalents at beginning of period	48.0	68.7
Cash and cash equivalents at end of period	\$ 56.0	\$ 67.6

You should read the following information in conjunction with our audited consolidated financial statements and notes thereto appearing in our Annual Report on Form 10-K as of and for the year ended December 31, 2009. All amounts below are in millions, except per share data.

## REVENUE

The following table reflects our total revenue by line of business for the three and six months ended June 30, 2010 and 2009:

	Three Months Ended June 30,				Six Months Ended June 30,			
	2010		2009		2010		2009	
<b>Collection:</b>								
Residential	\$ 546.2	26.4%	\$ 550.6	26.6%	\$ 1,080.9	26.9%	\$ 1,096.7	26.6%
Commercial	622.7	30.1	633.8	30.7	1,244.2	30.9	1,292.4	31.3
Industrial	383.2	18.6	394.3	19.1	731.3	18.2	777.2	18.8
Other	7.0	0.4	6.4	0.3	13.8	0.3	13.6	0.3
Total collection	1,559.1	75.5	1,585.1	76.7	3,070.2	76.3	3,179.9	77.0
Transfer and disposal	791.4		809.7		1,483.8		1,585.4	
Less: Intercompany	(400.3)		(409.4)		(757.8)		(798.6)	
Transfer and disposal, net	391.1	18.9	400.3	19.4	726.0	18.0	786.8	19.1
Other	116.2	5.6	80.7	3.9	227.9	5.7	159.9	3.9
<b>Total revenue</b>	<b>\$ 2,066.4</b>	<b>100.0%</b>	<b>\$ 2,066.1</b>	<b>100.0%</b>	<b>\$ 4,024.1</b>	<b>100.0%</b>	<b>\$ 4,126.6</b>	<b>100.0%</b>

The following table reflects changes in our core adjusted revenue for the three and six months ended June 30, 2010 and 2009. For comparative purposes, we have presented the components of our revenue changes for the three and six months ended June 30, 2009 assuming our merger with Allied occurred on January 1, 2008.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Core price	1.6%	3.4%	1.9%	3.4%
Fuel surcharges	1.1	(3.1)	0.7	(2.2)
Commodities	1.5	(2.5)	1.7	(2.7)
Total price	4.2	(2.2)	4.3	(1.5)
Volume	(3.3)	(10.3)	(5.2)	(9.1)
Total internal growth	0.9	(12.5)	(0.9)	(10.6)
Acquisitions / divestitures, net	(0.9)	(1.5)	(1.6)	(0.8)
Intercompany eliminations	—	(0.3)	—	(0.3)
<b>Total</b>	<b>—%</b>	<b>(14.3)%</b>	<b>(2.5)%</b>	<b>(11.7)%</b>

## RECONCILIATION OF CERTAIN NON-GAAP MEASURES

### Earnings before Interest, Taxes, Depreciation, Depletion, Amortization and Accretion

Earnings before interest, taxes, depreciation, depletion, amortization and accretion (EBITDA), which is not a measure determined in accordance with GAAP, for the three and six months ended June 30, 2010 and 2009 is calculated as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Net income attributable to Republic Services, Inc.	\$ 159.7	\$ 225.9	\$ 224.7	\$ 338.9
Net income attributable to noncontrolling interest	0.2	0.3	0.4	0.6
Provision for income taxes	110.4	145.8	161.4	232.9
Other expense (income), net	0.1	(1.3)	(1.6)	(1.6)
Interest income	(0.1)	(0.5)	(0.1)	(1.3)
Loss on extinguishment of debt	—	—	132.3	—
Interest expense	130.5	150.5	265.0	304.1
Depreciation, amortization and depletion	213.8	218.6	416.8	440.5
Accretion	20.2	21.9	40.4	45.2
EBITDA	<u>\$ 634.8</u>	<u>\$ 761.2</u>	<u>\$ 1,239.3</u>	<u>\$ 1,359.3</u>

We believe that the presentation of EBITDA is useful to investors because it provides important information concerning our operating performance exclusive of certain non-cash costs. EBITDA demonstrates our ability to execute our financial strategy which includes reinvesting in existing capital assets to ensure a high level of customer service, investing in capital assets to facilitate growth in our customer base and services provided, maintaining our investment grade credit rating and minimizing debt, paying cash dividends, and maintaining and improving our market position through business optimization. This measure has limitations. Although depreciation, depletion, amortization and accretion are considered operating costs in accordance with GAAP, they represent the allocation of non-cash costs generally associated with long-lived assets acquired or constructed in prior years. Our definition of EBITDA may not be comparable to similarly titled measures presented by other companies.

### Adjusted Earnings

Reported diluted earnings per share were \$0.42 and \$0.59 for the three and six months ended June 30, 2010, respectively, compared to \$0.59 and \$0.89 for the comparable 2009 periods. During the three and six months ended June 30, 2010 and 2009, we recorded a number of charges and other expenses and net gain on disposition of assets that impacted our EBITDA, pre-tax income, net income attributable to Republic Services, Inc., (Net Income — Republic) and diluted earnings per share. These items primarily consist of the following:

	Three Months Ended June 30, 2010				Three Months Ended June 30, 2009			
	EBITDA	Pre-tax Income	Net Income - Republic	Diluted Earnings per Share	EBITDA	Pre-tax Income	Net Income - Republic	Diluted Earnings per Share
As reported	\$ 634.8	\$ 270.3	\$ 159.7	\$ 0.42	\$ 761.2	\$ 372.0	\$ 225.9	\$ 0.59
Costs to achieve synergies	8.5	8.5	5.3	0.01	10.1	10.1	6.2	0.02
Restructuring charges	1.4	1.4	0.8	—	12.3	12.3	7.6	0.02
Loss (gain) on disposition of assets and impairments, net	1.1	1.1	0.6	—	(150.1)	(150.1)	(92.8)	(0.24)
Adjusted	<u>\$ 645.8</u>	<u>\$ 281.3</u>	<u>\$ 166.4</u>	<u>\$ 0.43</u>	<u>\$ 633.5</u>	<u>\$ 244.3</u>	<u>\$ 146.9</u>	<u>\$ 0.39</u>

  

	Six Months Ended June 30, 2010				Six Months Ended June 30, 2009			
	EBITDA	Pre-tax Income	Net Income - Republic	Diluted Earnings per Share	EBITDA	Pre-tax Income	Net Income - Republic	Diluted Earnings per Share
As reported	\$ 1,239.3	\$ 386.5	\$ 224.7	\$ 0.59	\$ 1,359.3	\$ 572.4	\$ 338.9	\$ 0.89
Loss on extinguishment of debt	—	132.3	83.4	0.22	—	—	—	—
Costs to achieve synergies	17.5	17.5	10.7	0.02	22.9	22.9	14.0	0.04
Restructuring charges	7.0	7.0	4.3	0.01	43.6	43.6	26.6	0.07
Loss (gain) on disposition of assets and impairments, net	1.6	1.6	0.9	—	(145.2)	(145.2)	(90.1)	(0.24)
Adjusted	<u>\$ 1,265.4</u>	<u>\$ 544.9</u>	<u>\$ 324.0</u>	<u>\$ 0.84</u>	<u>\$ 1,280.6</u>	<u>\$ 493.7</u>	<u>\$ 289.4</u>	<u>\$ 0.76</u>

We believe that the presentation of adjusted EBITDA, adjusted pre-tax income, adjusted net income attributable to Republic Services Inc., and adjusted diluted earnings per share, which are not measures determined in accordance with GAAP, provide an understanding of operational activities before the financial impact of certain items. We use these measures, and believe investors will find them helpful, in understanding the ongoing performance of our operations separate from items that have a disproportionate impact on our results for a particular period. Comparable charges and costs have been incurred in prior periods, and similar types of adjustments can reasonably be expected to be recorded in future periods. Our definition of adjusted EBITDA, adjusted pre-tax income, adjusted net income attributable to Republic Services Inc., and adjusted diluted earnings per share may not be comparable to similarly titled measures presented by other companies.

## Cash Flow

We define free cash flow, which is not a measure determined in accordance with GAAP, as cash provided by operating activities less purchases of property and equipment plus proceeds from sales of property and equipment as presented in our consolidated statements of cash flows. Our free cash flow for the three and six months ended June 30, 2010 and 2009 is calculated as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Cash provided by operating activities	\$ 295.7	\$ 175.2	\$ 594.8	\$ 687.6
Purchases of property and equipment	(177.0)	(161.7)	(385.4)	(355.1)
Proceeds from sales of property and equipment	6.7	11.8	12.6	16.7
Free cash flow	<u>\$ 125.4</u>	<u>\$ 25.3</u>	<u>\$ 222.0</u>	<u>\$ 349.2</u>

We define adjusted free cash flow, which is not a measure determined in accordance with GAAP, as cash provided by operating activities, less property and equipment received, plus proceeds from sales of property and equipment, plus merger related expenditures, net of tax, plus tax settlement related to BFI risk management companies. Our adjusted free cash flow for the six months ended June 30, 2010 is calculated as follows:

	Six Months Ended June 30, 2010
Cash provided by operating activities	\$ 594.8
Property and equipment received	(327.9)
Proceeds from sales of property and equipment	12.6
Merger related expenditures, net of tax	11.9
Tax settlement related to BFI risk management companies	110.6
Adjusted free cash flow	<u>\$ 402.0</u>

We believe that the presentation of adjusted free cash flow provides useful information regarding our recurring cash provided by operating activities after expenditures for property and equipment received, plus proceeds from sales of property and equipment, plus merger related expenditures, net of tax, plus tax settlement related to BFI risk management companies. It also demonstrates our ability to execute our financial strategy and is a key metric we use to determine compensation. The presentation of adjusted free cash flow has material limitations. Adjusted free cash flow does not represent our cash flow available for discretionary expenditures because it excludes certain expenditures that are required or to which we have committed such as debt service requirements and dividend payments. Our definition of adjusted free cash flow may not be comparable to similarly titled measures presented by other companies.

Purchases of property and equipment as reflected on our consolidated statements of cash flows and the free cash flow presented above represent amounts paid during the period for such expenditures. A reconciliation of property and equipment reflected on our consolidated statements of cash flows to property and equipment received during the period is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Purchases of property and equipment per the unaudited consolidated statements of cash flows	\$ 177.0	\$ 161.7	\$ 385.4	\$ 355.1
Adjustments for property and equipment received during the prior period but paid for in the following period, net	22.6	10.8	(57.5)	(34.2)
Property and equipment received during the period	<u>\$ 199.6</u>	<u>\$ 172.5</u>	<u>\$ 327.9</u>	<u>\$ 320.9</u>

The adjustments noted above do not affect our net change in cash and cash equivalents as reflected in our consolidated statements of cash flows.

As of June 30, 2010, accounts receivable was \$898.4 million, net of allowance for doubtful accounts of \$52.5 million, resulting in days sales outstanding of approximately 40 (or 25 net of deferred revenue).

## CASH DIVIDENDS

In April 2010, we paid a cash dividend of \$72.5 million to stockholders of record as of April 1, 2010. As of June 30, 2010, we recorded a dividend payable of \$72.8 million to stockholders of record at the close of business on July 1, 2010, which was paid on July 15, 2010. In July 2010, our Board of Directors declared a regular quarterly dividend of \$0.20 per share payable to stockholders of record as of October 1, 2010, which will be paid on October 15, 2010.

## INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements and information included herein constitute forward-looking information about us that is intended to be covered by the safe harbor for “forward-looking statements” provided by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that are not historical facts. Words such as “guidance,” “expect,” “will,” “may,” “anticipate,” “could,” “projected” and similar expressions are intended to identify forward-looking statements. These statements include statements about the expected benefits of the merger, our plans, strategies and prospects. Forward-looking statements are not guarantees of performance. These statements are based upon the current beliefs and expectations of our management and are subject to risk and uncertainties that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we can give no assurance that the expectations will prove to be correct. Among the factors that could cause actual results to differ materially from the expectations expressed in the forward-looking statements are:

- the impact on us of our substantial post-merger indebtedness, including on our ability to obtain financing on acceptable terms to finance our operations and growth strategy and to operate within the limitations imposed by financing arrangements and the fact that any downgrade in our bond ratings could adversely impact us;
- general economic and market conditions, including the current global economic and financial market crisis, inflation and changes in commodity pricing, fuel, labor, risk and health insurance and other variable costs that are generally not within our control, and our exposure to credit and counterparty risk;
- whether our estimates and assumptions concerning our selected balance sheet accounts, income tax accounts, final capping, closure, post-closure and remediation costs, available airspace, and projected costs and expenses related to our landfills and property and equipment (including our estimates of the fair values of the assets and liabilities acquired in our acquisition of Allied), and labor, fuel rates and economic and inflationary trends, turn out to be correct or appropriate;
- competition and demand for services in the solid waste industry;
- the fact that price increases or changes in commodity prices may not be adequate to offset the impact of increased costs, including but not limited to labor, third-party disposal and fuel, and may cause us to lose volume;
- our ability to manage growth and execute our growth strategy;
- our compliance with, and future changes in, environmental and flow control regulations and our ability to obtain approvals from regulatory agencies in connection with operating and expanding our landfills;
- our ability to retain our investment grade ratings for our debt;
- our dependence on key personnel;
- our dependence on large, long-term collection, transfer and disposal contracts;
- our business is capital intensive and may consume cash in excess of cash flow from operations;
- any exposure to environmental liabilities, to the extent not adequately covered by insurance, could result in substantial expenses;
- risks associated with undisclosed liabilities of acquired businesses;
- risks associated with pending and any future legal proceedings, including our matters currently pending with the Internal Revenue Service;
- severe weather conditions, which could impair our financial results by causing increased costs, loss of revenue, reduced operational efficiency or disruptions to our operations;
- compliance with existing and future legal and regulatory requirements, including limitations or bans on disposal of certain types of wastes or on the transportation of waste, which could limit our ability to conduct or grow our business, increase our costs to operate or require additional capital expenditures;

- any litigation, audits or investigations brought by or before any governmental body;
- workforce factors, including potential increases in our costs if we are required to provide additional funding to any multi-employer pension plan to which we contribute and the negative impact on our operations of union organizing campaigns, work stoppages or labor shortages;
- the negative effect that trends toward requiring recycling, waste reduction at the source and prohibiting the disposal of certain types of wastes could have on volumes of waste going to landfills;
- changes by the Financial Accounting Standards Board or other accounting regulatory bodies to generally accepted accounting principles or policies;
- acts of war, riots or terrorism, including the events taking place in the Middle East and the continuing war on terrorism, as well as actions taken or to be taken by the United States or other governments as a result of further acts or threats of terrorism, and the impact of these acts on economic, financial and social conditions in the United States; and
- the timing and occurrence (or non-occurrence) of transactions and events which may be subject to circumstances beyond our control.

The risks included here are not exhaustive. Refer to “Part I, Item 1A — Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2009 for further discussion regarding our exposure to risks. Additionally, new risk factors emerge from time to time and it is not possible for us to predict all such risk factors, nor to assess the impact such risk factors might have on our business or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statements. You should not place undue reliance on these forward-looking statements, which speak only as of the date hereof. Except to the extent required by applicable law or regulation, we undertake no obligation to update or publish revised forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

**REPUBLIC CONTACTS**

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**REPUBLIC SERVICES, INC.  
INCREASES QUARTERLY DIVIDEND BY  
FIVE PERCENT TO \$0.20 PER SHARE**

**Phoenix, AZ, July 29, 2010** — Republic Services, Inc. (NYSE: RSG) announced today that its Board of Directors has approved a five percent increase in the Company's regular quarterly dividend. The quarterly dividend of \$0.20 per share will be paid on October 15, 2010 to shareholders of record on October 1, 2010.

"Republic has paid down more than \$800 million of debt over the past 18 months and we continue to have strong free cash flow," said James E. O'Connor, Chairman and CEO of Republic Services, Inc. "We have a strong balance sheet and believe that it is extremely important for our stockholders to share in the Company's success through an increase in our quarterly dividend. This is the sixth time that we have increased our quarterly dividend since the program was introduced in 2003."

**About Republic**

Republic Services, Inc. provides recycling and solid waste collection, transfer and disposal services in the United States. The Company's various operating units, including collection companies, transfer stations, recycling centers and landfills, are focused on providing reliable environmental services and solutions for commercial, industrial, municipal and residential customers. For more information, visit the Republic Services web site at [www.republicservices.com](http://www.republicservices.com).