



Casella Waste Systems, Inc. Announces Fiscal 2004 First Quarter Results

RUTLAND, VERMONT (September 10, 2003)—Casella Waste Systems, Inc. (Nasdaq: CWST), a regional, non-hazardous solid waste services company, today reported financial results for the first quarter of its 2004 fiscal year.

For the quarter ended July 31, 2003, the company reported revenues of \$113.9 million. The company's net income per common share was \$0.22. Operating income for the quarter was \$10.4 million. The company's earnings before interest, taxes, depreciation and amortization (EBITDA), was \$25.1 million*.

The company also announced that cash provided by operating activities for the quarter was \$15.0 million, and that the company generated negative free cash flow* of \$(1.5) million; as of July 31, 2003, the company had cash on hand of \$5.7 million, and had an outstanding total debt level of \$309.3 million.

The company's three-month net income reflects a gain of \$2.7 million, or \$0.11 per common share, from a change in accounting principle following the company's adoption of SFAS 143.

"We are starting fiscal year 2004 very strongly," John W. Casella, chairman and chief executive officer, said. "We have had several quarters to place our strategic and management focus on our core businesses, and this has allowed us to build significant momentum."

Disposal Capacity Additions Highlight First Quarter

"This focus and momentum has produced results, specifically in the area of adding disposal capacity in both our eastern and western regions," Casella said. "The Templeton, Massachusetts landfill, and most recently our success with the McKean County, Pennsylvania and the Ontario County, New York landfills, are indications of how well positioned the company is becoming to deliver long-term performance."

"We continue to pursue several promising opportunities throughout our markets," Casella said. "We are leveraging our strength as an established, proven partner to municipal governments."

***Non-GAAP Financial Measures**

In addition to disclosing financial results prepared in accordance with Generally Accepted Accounting Principles (GAAP), we also disclose EBITDA (earnings before interest, taxes, depreciation and amortization) and free cash flow which are non-GAAP measures.

These measures are provided because we understand that certain investors use this information when analyzing the financial position of the solid waste industry, including us. Historically, these measures have been key in comparing operating efficiency by each public company within the industry, and assist investors in measuring our ability to meet capital expenditure and working capital requirements. For these reasons we utilize these metrics to measure our performance at all levels. These measures do not represent, and should not be considered as alternatives to cash provided by operating activities as determined in accordance with GAAP. Moreover, these measures do not necessarily indicate whether cash flow will be sufficient for such items as working capital or capital expenditures, or to react to changes in our industry or to the economy generally. Because these measures are not calculated by all companies in the same fashion, they may not be comparable to similarly titled measures reported by other companies.

More detailed financial results are contained in the tables accompanying this release.

Casella Waste Systems, headquartered in Rutland, Vermont, provides collection, transfer, disposal and recycling services primarily in the northeastern United States.

For further information, contact Richard Norris, chief financial officer; or Joseph Fusco, vice president; at (802) 775-0325, or visit the company's website at <http://www.casella.com>.

The company will host a conference call to discuss these results on Thursday, September 11, 2003 at 10:00 a.m. EDT. Individuals interested in participating in the call should dial 719-457-2629 at least 10 minutes before start time. The call will also

be webcast; to listen, participants should visit Casella Waste Systems' website at <http://www.casella.com> and follow the appropriate link to the webcast. A replay of the call will be available on the company's website, or by calling 719-457-0820 (conference code #321235) before 11:59 p.m. EDT, Thursday, September 18, 2003.

Safe Harbor Statement

Certain matters discussed in this press release are "forward-looking statements" intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements can generally be identified as such by the context of the statements, including words such as the Company "believes," "anticipates," "expects" or words of similar import. Similarly, statements that describe the Company's future plans, objectives or goals are forward-looking statements. Such forward-looking statements, and all phases of our operations, involve a number of risks and uncertainties, any one or more of which could cause actual results to differ materially from those described in our forward-looking statements. Such risks and uncertainties include or relate to, among other things: we may be unable to make acquisitions and otherwise develop additional disposal capacity; continuing weakness in general economic conditions may affect our revenues; and fluctuations in the commodity pricing of our recyclables may make it more difficult for us to predict our results of operations. Other factors which could materially affect such forward-looking statements can be found in our periodic reports filed with the Securities and Exchange Commission, including certain factors which could affect future operating results detailed in the Management's Discussion and Analysis section in our Form 10-K for the fiscal year ended April 30, 2003, and in our most recently-filed Form 10-Q.

(view complete release for tables and financial information, or click on icons, right)

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