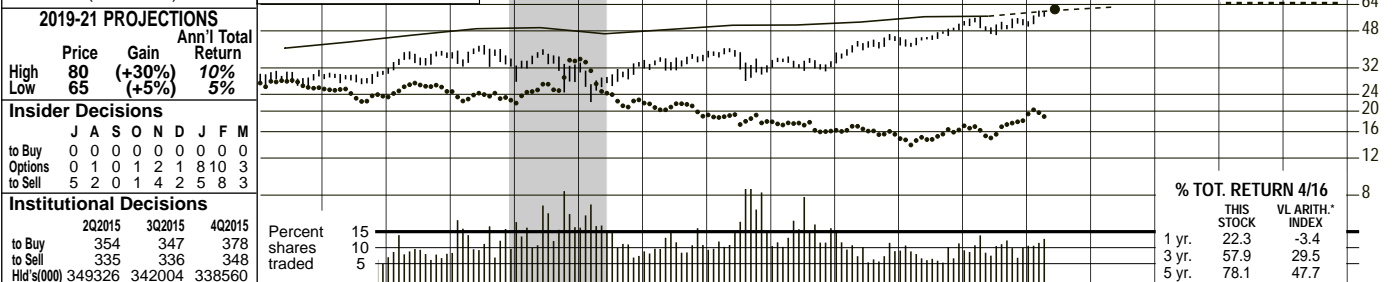


WASTE MANAGEMENT NYSE-WM

RECENT PRICE **60.73** P/E RATIO **21.7** (Trailing: 23.1; Median: 17.0) RELATIVE P/E RATIO **1.21** DIV'D YLD **2.7%** **VALUE LINE**

TIMELINESS 1 Raised 3/18/16	High: 31.0	38.6	41.2	39.3	34.2	37.3	39.7	36.3	46.4	51.9	55.9	62.1	Target Price Range		
SAFETY 1 Raised 11/28/14	Low: 26.8	30.1	32.4	24.5	22.1	31.1	27.8	30.8	33.7	40.3	45.9	50.4	2019	2020	2021
TECHNICAL 3 Lowered 5/27/16	LEGENDS — 10.5 x "Cash Flow" p/sh ... Relative Price Strength Options: Yes Shaded area indicates recession														
BETA .80 (1.00 = Market)															



Insider Decisions																
J A S O N D J F M to Buy 0 0 0 0 0 0 0 0 0 0 Options 0 1 0 1 2 1 8 10 3 to Sell 5 2 0 1 4 2 5 8 3																
Institutional Decisions																
2Q2015 3Q2015 4Q2015 to Buy 354 347 378 to Sell 335 336 348 Hlds(000) 349326 342004 338560																
Percent shares traded 15 10 5																
% TOT. RETURN 4/16 THIS STOCK 22.3 VLARITH. INDEX -3.4 1 yr. 52.9 3 yr. 29.5 5 yr. 47.7																

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
20.06	18.03	18.74	20.09	21.95	23.67	25.04	26.61	27.28	24.26	26.34	29.05	29.40	30.12	30.52	28.98	30.70	32.20	Revenues per sh	37.40
3.51	3.35	3.42	3.47	3.78	4.05	4.36	4.68	4.74	4.43	4.64	4.86	4.87	5.04	5.34	5.36	5.70	5.95	"Cash Flow" per sh	6.85
1.20	1.16	1.31	1.24	1.41	1.55	1.82	2.07	2.19	2.00	2.10	2.14	2.08	2.15	2.48	2.53	2.80	2.95	Earnings per sh ^A	3.70
.01	.01	.01	.01	.75	.85	.88	.96	1.08	1.16	1.26	1.36	1.42	1.46	1.50	1.54	1.64	1.70	Div'ds Decl'd per sh ^B	1.95
2.11	2.11	2.16	2.08	2.21	2.14	2.49	2.42	2.49	2.43	2.32	2.88	3.25	2.74	2.51	2.76	2.75	2.85	Cap'l Spending per sh	3.10
7.71	8.59	8.93	9.66	10.47	11.08	11.66	11.58	12.03	12.93	13.18	13.18	13.69	12.29	12.79	11.95	12.35	12.75	Book Value per sh ^C	14.20
622.65	628.02	594.60	576.12	570.21	552.25	533.68	500.12	490.74	486.12	475.05	460.53	464.22	464.32	458.54	447.17	438.00	430.00	Common Shs Outst'g ^D	405.00
15.5	23.9	19.6	19.8	20.4	18.7	19.4	17.7	15.4	14.6	16.3	16.4	16.2	18.9	18.2	20.4	20.4	20.4	Avg Ann'l P/E Ratio	20.0
1.01	1.22	1.07	1.13	1.08	1.00	1.05	.94	.93	.97	1.04	1.03	1.03	1.06	.96	1.03	1.06	1.03	Relative P/E Ratio	1.25
.1%	.0%	.0%	.0%	2.6%	2.9%	2.5%	2.6%	3.2%	4.0%	3.7%	3.9%	4.2%	3.6%	3.3%	3.0%	3.0%	3.0%	Avg Ann'l Div'd Yield	2.9%

CAPITAL STRUCTURE as of 3/31/15																
Total Debt \$9596 mill. Due in 5 Yrs \$3000 mill.																
LT Debt \$9072 mill. LT Interest \$360 mill.																
(Total interest coverage: 4.7x) (63% of Cap'l)																
Leases, Uncapitalized Annual rentals \$89 mill.																
No Defined Benefit Pension Plan																
Pfd Stock None.																
Common Stock 444,263,000 shs. as of 4/18/16																
MARKET CAP: \$27.0 billion (Large Cap)																

CURRENT POSITION (\$MILL)																
Cash Assets	1307	39	104													
Receivables	1937	1549	1532													
Other	397	757	666													
Current Assets	3641	2345	2302													
Accts Payable	750	721	591													
Debt Due	1090	253	524													
Other	1645	1536	1445													
Current Liab.	3485	2510	2560													

ANNUAL RATES																
of change (per sh)																
Revenues	Past 10 Yrs. 3.0%	Past 5 Yrs. 3.0%	Est'd '13-'15 to '19-21 4.0%													
"Cash Flow"	3.5%	2.5%	4.5%													
Earnings	5.5%	2.5%	7.5%													
Dividends	11.0%	5.0%	4.5%													
Book Value	1.5%	-0.5%	2.5%													

QUARTERLY REVENUES (\$ mill.)																
Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year											
2013	3336	3526	3621	3500	13983											
2014	3396	3561	3602	3437	13996											
2015	3040	3315	3360	3246	12961											
2016	3176	3425	3475	3374	13450											
2017	3240	3525	3470	3515	13850											

EARNINGS PER SHARE ^A																
Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year											
2013	.40	.54	.65	.56	2.15											
2014	.49	.60	.72	.67	2.48											
2015	.48	.67	.67	.71	2.53											
2016	.58	.70	.77	.75	2.80											
2017	.62	.74	.81	.78	2.95											

QUARTERLY DIVIDENDS PAID ^B																
Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year											
2012	.355	.355	.355	.355	1.42											
2013	.365	.365	.365	.365	1.46											
2014	.375	.375	.375	.375	1.50											
2015	.385	.385	.385	.385	1.54											
2016	.41															

(A) Based on diluted shares. Next earnings report due late July. Excludes extraord. losses: '00, \$1.36; '01, \$0.36; '03, \$0.18; '10, \$0.12; '11, \$0.10; '12, \$0.22; '13, \$1.94; '15, \$0.88. (B) Dividends usually paid in late March, June, Sept., and Dec. Div. reinvestment plan avail. (C) Incl. intangs. At '14; 6180 mill., \$13.48. (D) In millions.

Business: Waste Management is the largest solid-waste disposal company in No. America. The company and USA Waste Services merged in July, 1998. Other major acquisitions incl.: Western Waste (5/96), Sanifill (9/96), and United Waste Systems (8/97). Sold waste-to-energy oper. in 12/14. It operates about 265 landfills, 600 collection operations and 300 transfer stations in No. Amer.;

In the past three quarters, Waste Management's volumes were higher than the prior year's level. This development has reversed a long-standing decline. In recent years, the company has focused on price increases, even at the expense of collection volumes. However, management appears to have modified its position in this regard. Indeed, in 2016's first quarter, organic volume growth accounted for 42% of the 4.5% top-line year-to-year increase, while higher prices generated only 12% of the advance. Construction and industrial-related volumes were the largest contributors to the former. During the balance of this year and in 2017, we estimate organic top-line gains of around 3%.

We look for respective share-earnings gains of around 10% and 5% in 2016 and 2017. The increase in this year's first quarter was \$0.03 (5%) better than our estimate. This was largely due to further benefits from WM's recent cost-cutting program, which included the elimination of 650 jobs through the consolidation of operating sectors. The aforementioned volume gain, contributions from recent ac-

quisitions, and the retirement of much of WM's high-interest debt were also significant pluses. Moreover, year-to-year share-earnings comparisons should be particularly strong in 2016's third quarter. Headwinds in 2015 included the absence of profits from the company's late-2014 sale of the waste-to-energy business and a decline at the recycling operation.

Most of the company's free cash flow is earmarked for share repurchases and dividends. The quarterly dividend was raised by a total of 45% over the past three years. Meanwhile, we project that the share count may well decrease at least 40 million (9%) over the five years subsequent to 2015. These factors, along with the likelihood of modest revenue advances and margin expansion, suggest average bottom-line gains of about 8% in the three years subsequent to 2017.

This stock's Timeliness rank has recently been raised one notch, to 1 (Highest). It also has a good dividend yield, and bright prospects for healthy annual increases for a while. Appreciation potential to 2019-2021, though, is subpar.

David R. Cohen
May 27, 2016

To subscribe call 1-800-VALUELINE

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	45
Earnings Predictability	100