

## Waste Management, Inc. (WM)

**\$219.08** (Stock Price as of 01/06/2026)

Price Target (6-12 Months): **\$232.00**

Long Term: 6-12 Months | **Zacks Recommendation:** **Neutral**  
(Since: 01/14/19)  
Prior Recommendation: Outperform

Short Term: 1-3 Months | **Zacks Rank:** (1-5) **3-Hold**  
Zacks Style Scores: **VGM: B**  
Value: C | Growth: B | Momentum: A

### Summary

WM operates in a stable industry delivering essential services. The company operates a robust infrastructure and extensive asset network, including landfills, recycling facilities, and waste-to-energy plants. It focuses on sustainability initiatives, like converting landfill gas into renewable energy, aligning with global ESG trends. Strategic acquisitions, such as Stericycle, add complementary platforms and strengthen its leadership in waste management solutions. However, because of the nature of the business, WM's operations essentially offer slow and steady performance that would not be attractive to growth investors. Recent acquisitions and investments have significantly increased its debt load, raising concerns about its financial flexibility. The stock gained 8.2% in a year, and we have a neutral recommendation on it.

### Data Overview

52 Week High-Low	<b>\$242.58 - \$194.11</b>
20 Day Average Volume (sh)	<b>1,549,108</b>
Market Cap	<b>\$88.3 B</b>
YTD Price Change	<b>-0.3%</b>
Beta	<b>0.59</b>
Dividend / Div Yld	<b>\$3.30 / 1.5%</b>
Industry	<b><a href="#">Waste Removal Services</a></b>
Zacks Industry Rank	<b>Bottom 22% (190 out of 244)</b>

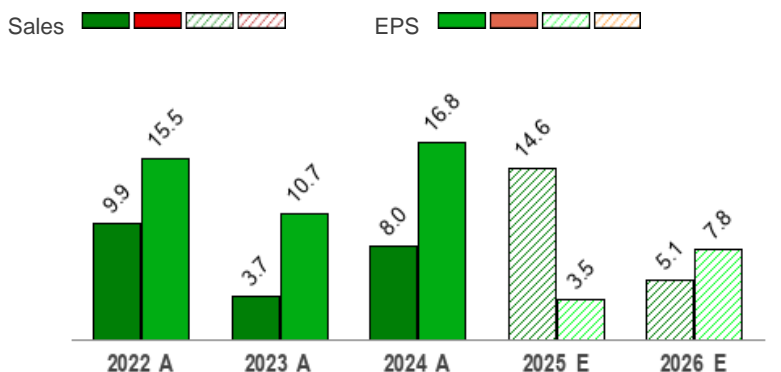
Last EPS Surprise	<b>-1.5%</b>
Last Sales Surprise	<b>-0.7%</b>
EPS F1 Est- 4 week change	<b>0.1%</b>
Expected Report Date	<b>01/28/2026</b>
Earnings ESP	<b>0.0%</b>

P/E TTM	<b>30.1</b>
P/E F1	<b>29.3</b>
PEG F1	<b>5.3</b>
P/S TTM	<b>3.6</b>

### Price, Consensus & Surprise<sup>(1)</sup>



### Sales and EPS Growth Rates (Y/Y %)<sup>(2)</sup>



### Sales Estimates (millions of \$)<sup>(2)</sup>

	Q1	Q2	Q3	Q4	Annual*
2026	6,318 E	6,684 E	6,837 E	6,735 E	26,574 E
2025	6,018 A	6,430 A	6,443 A	6,384 E	25,275 E
2024	5,159 A	5,402 A	5,609 A	5,893 A	22,063 A

### EPS Estimates<sup>(2)</sup>

	Q1	Q2	Q3	Q4	Annual*
2026	1.80 E	2.03 E	2.14 E	2.10 E	8.06 E
2025	1.67 A	1.92 A	1.98 A	1.91 E	7.48 E
2024	1.75 A	1.82 A	1.96 A	1.70 A	7.23 A

\*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 01/06/2026.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/17/2025.

## Overview

Headquartered in Houston, Texas, Waste Management Inc. is a leading provider of comprehensive waste management services in North America. Formerly known as USA Waste Services, Inc., the company changed its name to Waste Management, Inc. in 1998.

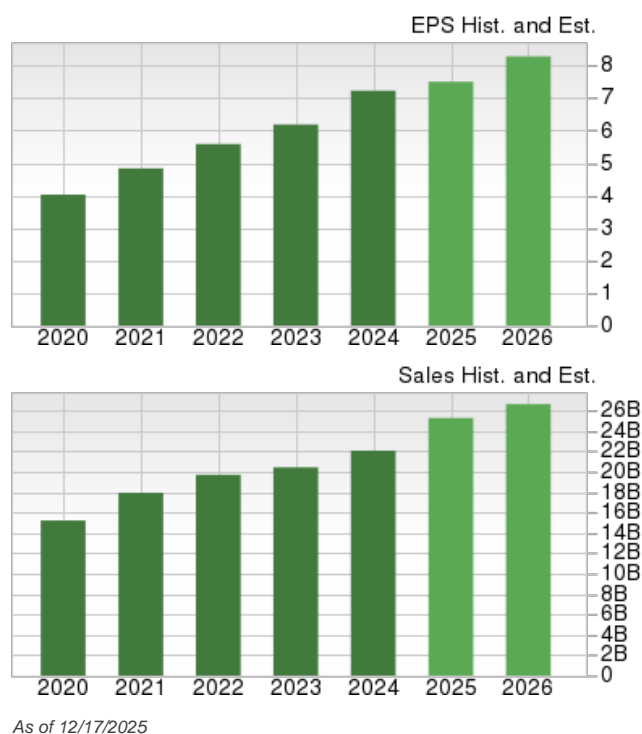
The company provides collection, transfer, recycling, resource recovery and disposal services to residential, commercial, industrial and municipal customers. It is also a leading developer, operator and owner of waste-to-energy and landfill gas-to-energy facilities in the United States.

Waste Management's collection services include picking up and transporting waste and recyclable materials from the point of generation to a transfer station, disposal site or material recovery facility (MRF). The company owns, develops and operates landfill gas-to-energy facilities in the United States. It owns and operates transfer stations.

Waste Management also provides materials processing, commodities recycling and recycling brokerage services. It also offers construction and remediation services; services associated with the disposal of fly ash and residue, in-plant services comprising full-service waste management solutions and consulting services; and specialized disposal services for oil and gas exploration and production operations.

The company competes with governmental, quasi-governmental, and private organizations in all aspects of its operations. It competes mainly with large national waste management companies, municipalities and counties that manage their own waste collection and disposal operations. It also competes with regional and local companies of different sizes and financial resources.

Waste Management's operating revenues are usually higher in the summer months, mainly due to higher construction and demolition waste volumes. Also, in certain regions, volumes of industrial and residential waste increase during the summer months. Hence, revenues in the second and third quarters are significantly higher than first and fourth quarters. As of Dec 31, 2024, Waste Management had roughly 61,700 full-time employees. Around 8,400 were in administrative and sales positions, and the rest were in operations. Approximately 9,900 employees were covered by collective bargaining agreements.



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## Reasons To Buy:

- ▲ Although waste is something we typically dispose of, it is valuable to companies that manage waste. The company's **robust waste collection, recycling, and disposal infrastructure** makes it a dependable partner, which leads to good, long-standing customer relationships and steady revenues. WM leverages its extensive network of assets, including landfills, recycling facilities, and waste-to-energy plants, to offer specialized services, such as advanced recycling solutions and renewable energy production, which competitors with fewer resources might struggle to match. By doing so, WM ensures sustainable, long-term growth while building competitive advantages that make it a leader in the waste management sector. This performance is reflected in the numbers: WM's revenues have grown at a compound annual growth rate of 7.4% from 2019 to 2024. We expect revenues to grow 14.6% year over year in 2025.
- ▲ Because of the essential nature of waste management services, WM **shares offer steady returns and low volatility**, appealing to long-term investors and those looking for safety during market fluctuations. Additionally, WM has embraced sustainability initiatives and innovation, such as converting landfill gas into renewable energy, which solidifies its growth prospects and positions it as a leader in the green economy. These efforts align with global shifts toward environmentally responsible practices, attracting ESG-focused investors.
- ▲ WM's **focus on pricing and cost control** is key to maintaining healthy profit margins. By carefully optimizing routes, enhancing service delivery and improving operational processes, the company ensures that price adjustments are aligned with the quality and reliability of services and the demand at any given time. The elimination of unnecessary costs facilitates margin protection even in fluctuating economic conditions. The integration of modern technology and process improvements reduces costs and boosts service reliability and customer satisfaction.
- ▲ The company anticipates that the **recent acquisition of Stericycle** will be accretive to its earnings and cash flows within one year of closing, with more than \$125 million in annual run-rate synergies. Stericycle holds a leading position in the growing medical waste industry. Therefore, it brings complementary business platforms that will enhance WM's comprehensive waste and environmental solutions.
- ▲ Waste Management has demonstrated a remarkable commitment to rewarding its shareholders, maintaining **consistent dividend payments** since 1998. This consistency has persisted despite fluctuations in the company's cash position, underscoring its dedication to creating long-term value for investors. In 2021, 2022, 2023, and 2024, the company has paid \$970 million, \$1.1 billion, \$1.14 billion, and \$1.21 billion, respectively. Partly due to this positive, shares have gained 8.2% in a year.

Waste Management excels in waste services, sustainability, which, along with acquisitions, support steady growth and shareholder returns.

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## Reasons To Sell:

- ▼ While WM benefits from stable revenues and incremental growth through acquisitions and technology investments, its **core operations lack the explosive growth** seen in tech and emerging market stocks. The company operates in a stable industry with consistent demand, leading to steady but modest stock price movements. Therefore, the shares are avoidable by growth-focused investors and those looking for more than a stabilizing influence on their portfolios.
- ▼ WM's recent acquisitions, such as Stericycle, and ongoing investments in renewable energy have significantly increased its debt load. The company has **issued billions in senior notes**, raising concerns about financial flexibility and the potential impact on shareholder returns if cash flow does not grow as expected. Senior notes, being debt instruments with priority repayment obligations, require a company to allocate a portion of its cash flow toward servicing these debts, which include interest payments and eventual principal repayment. If WM fails to achieve the anticipated growth in cash flow, it could face challenges in maintaining its operational efficiency and meeting these financial obligations. As of Sept 30, 2025, the company has short-term debt of \$880 million and long-term debt of around \$22.5 billion against a cash and equivalents balance of \$175 million.
- ▼ WM's significant short-term debt relative to its cash reserves weakens its liquidity position. At the end of the third quarter of 2025, the company reported a current ratio of 0.84, lower than the industry's average of 0.98. **A current ratio below 1** often suggests that a company may not be well-positioned to meet its short-term obligations.

While WM ensures stable revenues, its high debt strains liquidity and modest growth limit appeal to growth-oriented investors.

## Last Earnings Report

### WM Misses Q3 Earnings Estimates

**WM** reported dismal third-quarter 2025 results, with earnings and revenues missing the Zacks Consensus Estimate.

WM's quarterly adjusted earnings of \$1.98 per share missed the consensus mark by 1.5% but moved up 1% year over year. Total revenues of \$6.4 billion missed the consensus mark by a slight margin but grew 14.9% from the year-ago quarter.

**FY Quarter Ending** 12/31/2025

Earnings Reporting Date	Oct 27, 2025
Sales Surprise	-0.71%
EPS Surprise	-1.49%
Quarterly EPS	1.98
Annual EPS (TTM)	7.27

### WM's Quarterly Numbers in Detail

The Collection segment recorded revenues of \$3.9 billion, a 3.5% increase from the year-ago quarter and missing our estimate of \$4.1 billion. The Landfill segment's top line increased 7.8% year over year to \$995 million and surpassed our projection of \$986.5 billion. Total revenues in the Transfer segment increased 8.5% to \$396 million, beating our estimate of \$391.5 million. The Recycling Processing and Sales segment's revenues declined 13.9% to \$372 million, missing our estimation of \$432.3 million.

WM Renewable Energy registered revenues of \$115 million, rising 32.2% from the year-ago quarter and outpacing our estimate of \$103 million. WM Healthcare Solutions, and Corporate and Other recorded \$635 million in revenues, missing our projection of \$444.3 million. The figures are after the alignment of the intercompany adjustment.

The adjusted operating EBITDA was \$2 billion, which missed our estimate of \$1.9 billion and rose 15.1% from the year-ago quarter. The adjusted operating EBITDA margin increased 10 basis points to 30.6% from the year-ago quarter and surpassed our estimate of 30.1%.

### Cash Flow of WM

WM generated \$1.6 billion in cash from operating activities in the reported quarter, while capital expenditure was \$635 million. The free cash flow was \$821 million. In the third quarter of 2025, \$332 million in cash dividends were distributed to shareholders.

### WM's 2025 Outlook

The company expects revenues of \$25.275 billion for 2025. Adjusted operating EBITDA is expected to be \$7.475-\$7.625 billion.

## Recent News

On **Dec 15, 2025**, Waste Management announced a 14.5% rise in the 2026 dividend rate and a new \$3 billion share repurchase authorization in place of the authority remaining under the prior \$1.5 billion repurchase authorization announced in 2023.

## Valuation

Waste Management shares are down 5.4% over the past six months while gaining 8.2% in the trailing 12-month period. Stocks in the Zacks sub-industry and the Zacks Business Services fell 7.7% and 7.6% over the past six months, respectively. In the past year, the Zacks sub-industry increased marginally while the sector declined 8.1%.

The S&P 500 index increased 17.2% over the past six months and 19.7% trailing 12-month period.

The stock is currently trading at a trailing 12-month EV/EBITDA of 15.19X, which compares to 12.65X for the Zacks sub-industry, 10.87X for the Zacks sector, and 18.55X for the S&P 500 index.

Over the past five years, the stock has traded as high as 17.77X and as low as 13.1X, with a 5-year median of 15X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$232.00 price target reflects 28.09X forward 12-month earnings.

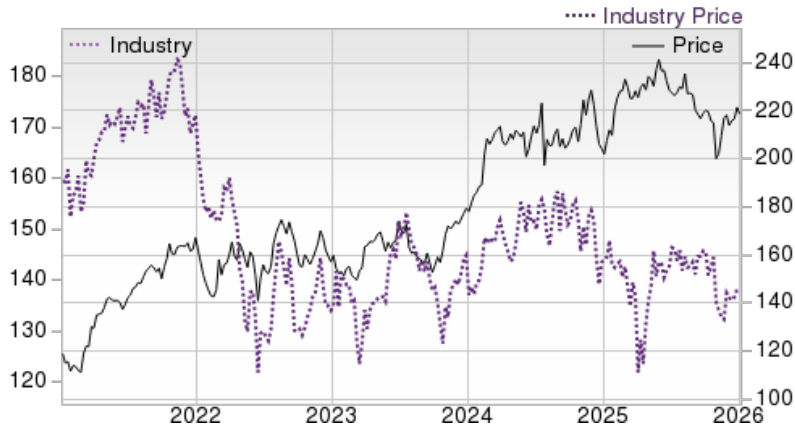
The table below shows summary valuation data for WM

Valuation Multiples - WM					
		Stock	Sub-Industry	Sector	S&P 500
EV/EBITDA TTM	Current	15.19	12.65	10.87	18.55
	5-Year High	17.77	14.35	16.72	22.41
	5-Year Low	13.1	10.8	9.48	13.88
	5-Year Median	15	12.84	11.5	17.97
P/E F12M	Current	26.49	24.46	20.56	23.3
	5-Year High	33.88	33.5	32.24	23.78
	5-Year Low	23.33	23.48	17.13	15.73
	5-Year Median	27.14	28.04	20.83	21.22
P/S F12M	Current	3.31	2.66	3.44	5.25
	5-Year High	4.02	3.16	5.84	5.5
	5-Year Low	2.75	2.21	2.76	3.83
	5-Year Median	3.36	2.64	3.72	5.05

As of 12/16/2025

Source: Zacks Investment Research

## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Bottom 22% (190 out of 244)



## Top Peers<sup>(1)</sup>

Company (Ticker)	Rec	Rank
GFL Environmental In...(GFL)	Neutral	4
Pentair plc (PNR)	Neutral	3
Republic Services, I...(RSG)	Neutral	4
Sims Metal Managemen...(SMSMY)	Neutral	2
Veralto Corporation (VLTO)	Neutral	3
Waste Connections, I...(WCN)	Neutral	3
Xylem Inc. (XYL)	Neutral	3
Clean Harbors, Inc. (CLH)	Underperform	4

## Industry Comparison<sup>(1)</sup> Industry: Waste Removal Services

	WM	X Industry	S&P 500	RSG	WCN	XYL
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	4	3	3
VGM Score	B	-	-	C	D	C
Market Cap	88.26 B	914.19 M	40.27 B	65.30 B	44.57 B	34.41 B
# of Analysts	12	4	22	11	12	7
Dividend Yield	1.51%	0.00%	1.35%	1.19%	0.80%	1.13%
Value Score	C	-	-	C	D	C
Cash/Price	0.00	0.03	0.04	0.00	0.00	0.04
EV/EBITDA	17.13	14.90	14.84	16.31	23.46	20.75
PEG Ratio	5.20	2.23	2.06	3.44	3.15	2.00
Price/Book (P/B)	9.27	3.07	3.44	5.50	5.51	3.07
Price/Cash Flow (P/CF)	16.54	15.99	15.60	17.31	18.64	21.42
P/E (F1)	29.02	26.43	18.94	29.09	30.87	25.49
Price/Sales (P/S)	3.56	2.77	3.12	3.96	4.77	3.87
Earnings Yield	3.78%	3.51%	5.28%	3.44%	3.24%	3.92%
Debt/Equity	2.36	0.69	0.57	1.04	1.07	0.17
Cash Flow (\$/share)	13.24	1.53	8.98	12.19	9.35	6.60
Growth Score	B	-	-	C	C	C
Hist. EPS Growth (3-5 yrs)	13.64%	13.46%	8.24%	14.69%	14.48%	18.77%
Proj. EPS Growth (F1/F0)	3.46%	11.19%	9.18%	6.50%	7.52%	18.50%
Curr. Cash Flow Growth	8.76%	9.95%	7.00%	13.10%	15.41%	27.12%
Hist. Cash Flow Growth (3-5 yrs)	8.39%	11.57%	7.49%	11.67%	10.44%	10.98%
Current Ratio	0.84	1.51	1.19	0.58	0.67	1.96
Debt/Capital	70.25%	41.28%	38.14%	50.99%	51.64%	16.01%
Net Margin	10.35%	2.65%	12.77%	12.77%	6.65%	10.66%
Return on Equity	33.00%	2.66%	17.03%	18.24%	16.07%	10.77%
Sales/Assets	0.55	0.62	0.53	0.50	0.46	0.53
Proj. Sales Growth (F1/F0)	14.60%	4.48%	5.29%	4.00%	6.20%	5.20%
Momentum Score	A	-	-	B	F	B
Daily Price Chg	-0.16%	0.07%	0.62%	-0.90%	0.21%	1.68%
1 Week Price Chg	-1.22%	-0.67%	0.70%	-1.49%	-2.26%	-1.22%
4 Week Price Chg	4.67%	0.83%	1.52%	0.77%	3.55%	3.20%
12 Week Price Chg	0.44%	-3.58%	4.52%	-6.04%	1.01%	-3.58%
52 Week Price Chg	7.71%	2.47%	17.53%	3.88%	1.06%	22.07%
20 Day Average Volume	1,549,108	105,459	2,426,458	1,389,727	932,851	911,780
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	-0.13%	0.00%
(F1) EPS Est 4 week change	0.10%	0.00%	0.00%	-0.57%	-0.78%	0.62%
(F1) EPS Est 12 week change	-2.64%	-1.88%	0.44%	-2.90%	-1.88%	4.06%
(Q1) EPS Est Mthly Chg	-0.06%	0.00%	0.00%	-0.07%	-0.68%	0.00%



## Analyst Earnings Model<sup>(2)</sup>

### Waste Management, Inc. (WM)

In \$MM, except per share data

	2022A	2023A	2024A	2025E				2026E				2027E		
	FY	FY	FY	1QA	2QA	3QA	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends December 31st	Dec-22	Dec-23	Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	31-Dec-25	Dec-25	31-Mar-26	30-Jun-26	30-Sep-26	31-Dec-26	Dec-26	Dec-27
Income Statement														
Operating Revenues	\$19,698.0	\$20,426.0	\$22,063.0	\$6,018.0	\$6,430.0	\$6,443.0	\$6,384.0	\$25,275.0	\$6,318.2	\$6,684.4	\$6,836.6	\$6,735.1	\$26,574.3	\$28,101.9
Operating Expenses, Adjusted	\$12,291.0	\$12,602.0	\$13,382.0	\$3,640.0	\$3,835.0	\$3,830.0	\$3,764.4	\$15,069.4	\$3,767.8	\$4,005.4	\$3,998.8	\$3,950.4	\$15,722.5	\$16,198.6
Operating Expenses, GAAP	\$12,294.0	\$12,606.0	\$13,383.0	\$3,647.0	\$3,839.0	\$3,833.0	\$3,844.6	\$15,163.6	\$3,791.2	\$4,001.0	\$4,094.7	\$4,040.7	\$15,927.6	\$16,842.8
Gross Profit, Adjusted	\$7,407.0	\$7,824.0	\$8,681.0	\$2,378.0	\$2,595.0	\$2,613.0	\$2,619.6	\$10,205.6	\$2,550.4	\$2,679.0	\$2,837.8	\$2,784.8	\$10,851.9	\$11,903.2
Gross Profit, GAAP	\$7,404.0	\$7,820.0	\$8,680.0	\$2,371.0	\$2,591.0	\$2,610.0	\$2,539.4	\$10,111.4	\$2,527.0	\$2,683.4	\$2,741.9	\$2,694.5	\$10,646.8	\$11,259.0
Selling, General and Administrative, Adjusted	\$1,894.0	\$1,925.0	\$2,118.0	\$663.0	\$672.0	\$643.0	\$673.6	\$2,651.6	\$669.7	\$681.5	\$706.3	\$708.5	\$2,766.1	\$2,923.9
Selling, General and Administrative, GAAP	\$1,938.0	\$1,926.0	\$2,264.0	\$687.0	\$696.0	\$665.0	\$722.0	\$2,770.0	\$693.0	\$725.6	\$742.7	\$750.9	\$2,912.2	\$3,086.4
Depreciation, Depletion and Amortization	\$2,038.0	\$2,071.0	\$2,267.0	\$656.0	\$708.0	\$729.0	\$694.1	\$2,787.1	\$759.7	\$789.1	\$820.7	\$786.5	\$3,156.0	\$3,328.5
Restructuring	\$1.0	\$5.0	\$4.0	\$13.0	\$12.0	\$14.0	\$14.0	\$53.0	\$14.0	\$14.0	\$14.0	\$14.0	\$56.0	\$56.0
(Gain)/ Loss From Divestitures, Asset Impairments & Unusual Items, Net	\$62.0	\$243.0	\$82.0	\$2.0	\$24.0	\$213.0	\$213.0	\$452.0	\$213.0	\$213.0	\$213.0	\$213.0	\$852.0	\$852.0
Adjusted EBITDA	\$5,512.0	\$5,899.0	\$6,563.0	\$1,715.0	\$1,923.0	\$1,970.0	\$1,946.0	\$7,554.0	\$1,880.7	\$1,997.5	\$2,131.4	\$2,076.2	\$8,085.8	\$8,979.4
EBITDA, GAAP	\$5,403.0	\$5,646.0	\$6,330.0	\$1,669.0	\$1,859.0	\$1,718.0	\$1,590.4	\$6,836.4	\$1,607.0	\$1,730.8	\$1,772.2	\$1,716.6	\$6,826.6	\$7,264.7
Operating Income, Adjusted	\$3,474.0	\$3,828.0	\$4,296.0	\$1,059.0	\$1,215.0	\$1,241.0	\$1,251.9	\$4,766.9	\$1,120.9	\$1,208.3	\$1,310.7	\$1,289.8	\$4,929.8	\$5,650.8
Operating Income, GAAP	\$3,365.0	\$3,575.0	\$4,063.0	\$1,013.0	\$1,151.0	\$989.0	\$896.3	\$4,049.3	\$847.3	\$941.6	\$951.5	\$930.1	\$3,670.6	\$3,936.1
Interest Expense, Net	\$378.0	\$500.0	\$598.0	\$232.0	\$232.0	\$225.0	\$242.1	\$931.1	\$201.3	\$168.4	\$222.0	\$214.6	\$806.4	\$859.6
Loss on Early Extinguishment of Debt	\$0.0	\$0.0	(\$7.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Equity in Net Losses of Unconsolidated Entities	(\$67.0)	(\$60.0)	\$4.0	\$5.0	\$2.0	\$4.0	(\$29.1)	(\$18.1)	(\$4.4)	(\$1.9)	\$1.8	(\$5.5)	(\$10.0)	(\$10.1)
Other, Net	(\$2.0)	\$6.0	(\$4.0)	\$2.0	\$7.0	\$7.0	\$7.0	\$23.0	\$7.0	\$7.0	\$7.0	\$7.0	\$28.0	\$28.0
Pre-Tax Income, Adjusted	\$3,027.0	\$3,274.0	\$3,698.0	\$834.0	\$992.0	\$1,027.0	\$987.7	\$3,840.7	\$922.2	\$1,045.0	\$1,097.6	\$1,076.7	\$4,141.4	\$4,809.1
Pre-Tax Income, GAAP	\$2,918.0	\$3,021.0	\$3,458.0	\$788.0	\$928.0	\$775.0	\$632.2	\$3,123.2	\$648.5	\$778.3	\$738.4	\$717.0	\$2,882.2	\$3,094.4
Income Tax, Adjusted	\$704.0	\$751.0	\$783.0	\$161.0	\$214.0	\$226.0	\$216.3	\$817.3	\$196.4	\$222.6	\$233.8	\$229.3	\$882.1	\$1,024.3
Income Tax, GAAP	\$678.0	\$745.0	\$713.0	\$151.0	\$201.0	\$172.0	\$140.3	\$664.3	\$138.1	\$165.8	\$157.3	\$152.7	\$613.9	\$659.1
Tax Rate, Adjusted	23.2%	22.9%	21.2%	19.2%	21.8%	21.9%	21.9%	21.3%	21.3%	21.3%	21.3%	21.3%	21.3%	21.3%
Tax Rate, GAAP	23.2%	24.7%	20.6%	19.2%	21.7%	22.2%	22.2%	21.3%	21.3%	21.3%	21.3%	21.3%	21.3%	21.3%
Net Income, Adjusted	\$2,323.0	\$2,523.0	\$2,915.0	\$673.0	\$778.0	\$801.0	\$771.4	\$3,023.4	\$725.7	\$822.4	\$863.8	\$847.3	\$3,259.3	\$3,784.8
Net Income, GAAP	\$2,240.0	\$2,276.0	\$2,745.0	\$637.0	\$727.0	\$603.0	\$491.8	\$2,458.8	\$510.4	\$612.5	\$581.1	\$564.3	\$2,268.3	\$2,435.3
Non-Controlling Interest	\$2.0	(\$28.0)	(\$1.0)	\$0.0	\$1.0	\$0.0	\$0.0	\$1.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Net Income Attributable to WM, Adjusted	\$2,321.0	\$2,519.0	\$2,916.0	\$673.0	\$777.0	\$801.0	\$771.4	\$3,022.4	\$725.7	\$822.4	\$863.8	\$847.3	\$3,259.3	\$3,784.8
Net Income Attributable to WM, GAAP	\$2,238.0	\$2,304.0	\$2,746.0	\$637.0	\$726.0	\$603.0	\$491.8	\$2,457.8	\$510.4	\$612.5	\$581.1	\$564.3	\$2,268.3	\$2,435.3
Basic Shares Outstanding	412.8	404.9	401.5	402.3	402.6	403.0	403.0	402.7	403.0	403.0	403.0	403.0	403.0	403.0
Diluted Shares Outstanding	415.0	406.9	403.4	403.9	404.3	404.3	404.3	404.2	404.3	404.3	404.3	404.3	404.3	404.3
Basic EPS	\$5.42	\$5.69	\$6.84	\$1.58	\$1.80	\$1.50	\$1.22	\$6.10	\$1.27	\$1.52	\$1.44	\$1.40	\$5.63	\$6.04
Diluted EPS, Adjusted	\$5.59	\$6.19	\$7.23	\$1.67	\$1.92	\$1.98	\$1.91	\$7.48	\$1.80	\$2.03	\$2.14	\$2.10	\$8.06	\$9.36
Diluted EPS, GAAP	\$5.39	\$5.66	\$6.81	\$1.58	\$1.80	\$1.49	\$1.22	\$6.09	\$1.26	\$1.52	\$1.44	\$1.40	\$5.61	\$6.02
Dividend Per share	\$2.60	\$2.80	\$3.00	\$0.83	\$0.83	\$0.83	\$0.83	\$3.30	\$0.85	\$0.85	\$0.85	\$0.85	\$3.40	\$3.48



## Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

## Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

## Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

## Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	C
Growth Score	B
Momentum Score	A
VGM Score	B

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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