SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(MARK ONE)
(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 1997

OR

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE TRANSITION PERIOD FROM ------------- TO -------------

COMMISSION FILE NUMBER: 1-12154

USA WASTE SERVICES, INC.
(Exact name of registrant as specified in its charter)

DELAWARE	73-1309529
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1001 FANNIN
SUITE 4000
HOUSTON, TEXAS 77002
(Address of principal executive offices)

(713) 512-6200
(Registrant's telephone number, including area code)

NO CHANGE
(Former name, former address, and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X NO
--- ---

The number of shares of Common Stock, $.01 par value, of the Registrant outstanding at November 12, 1997, was 216,610,013.

PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

USA WASTE SERVICES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT SHARE AND PAR VALUE AMOUNTS)
(UNAUDITED)

	September 30, 1997	December 31, 1996
ASSETS		(restated)
Current assets:		
Cash and cash equivalents	$ 63,240	$ 26,079
Accounts receivable, net	435,637	265,002
Notes and other receivables	68,635	38,495
Deferred income taxes	55,776	48,561
Prepaid expenses and other	83,365	49,365
Total current assets	706,653	427,502
Notes and other receivables	55,963	49,059
Property and equipment, net	3,595,868	2,198,231
Excess of cost over net assets of acquired businesses, net	1,316,027	715,910
Other intangible assets, net	105,227	88,341
Other assets	264,881	152,504
Total assets	$6,044,619	$ 3,631,547
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 194,192	$ 118,823
Accrued liabilities	256,399	206,591
Deferred revenues	55,851	35,640
Current maturities of long-term debt	39,317	34,606
Total current liabilities	545,759	395,660
Long-term debt, less current maturities	2,440,879	1,470,282
Deferred income taxes	187,842	45,421
Closure, post-closure, and other liabilities	369,784	246,194
Total liabilities	3,544,264	2,157,557
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $1.00 par value; 10,000,000 shares authorized; none issued	--	--
Common stock, $.01 par value; 500,000,000 shares authorized; 216,048,062 and 181,630,519 shares issued, respectively	2,160	1,816
Additional paid-in capital	2,363,732	1,504,449
Retained earnings (accumulated deficit)	150,625	(15,948)
Foreign currency translation adjustment	(15,678)	(15,843)
Less treasury stock at cost, 23,485 shares	(484)	(484)
Total stockholders' equity	2,500,355	1,473,990
Total liabilities and stockholders' equity	$6,044,619	$ 3,631,547

The accompanying notes are an integral part of these condensed consolidated financial statements.

USA WASTE SERVICES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

	Three months ended September 30,		Nine months ended September 30,	
	1997	1996 (restated)	1997	1996 (restated)
Operating revenues	$ 761,751	$ 442,801	$ 1,878,460	$ 1,204,906
Costs and expenses:				
Operating (exclusive of depreciation and amortization shown below)	388,908	231,509	970,373	649,829
General and administrative	81,945	51,647	207,352	147,708
Depreciation and amortization	87,671	51,344	219,255	138,893
Merger costs	104,152	84,751	109,411	125,047
Unusual items	24,720	50,848	24,720	63,800
	687,396	470,099	1,531,111	1,125,277
Income (loss) from operations	74,355	(27,298)	347,349	79,629
Other income (expense):				
Interest expense	(29,768)	(15,417)	(71,040)	(45,080)
Interest and other income, net	4,071	4,014	15,508	7,786
	(25,697)	(11,403)	(55,532)	(37,294)
Income (loss) before income taxes and extraordinary item	48,658	(38,701)	291,817	42,335
Provision for (benefit from) income taxes	23,463	(11,230)	121,364	31,355
Income (loss) before extraordinary item	25,195	(27,471)	170,453	10,980
Extraordinary item related to early retirement of debt, net of tax benefit of $4,195	(6,293)	--	(6,293)	--
Net income (loss)	$ 18,902	$ (27,471)	$ 164,160	$ 10,980
Primary earnings (loss) per common share:				
Income (loss) before extraordinary item	$ 0.12	$ (0.16)	$ 0.81	$ 0.06
Extraordinary item	(0.03)	--	(0.03)	--
Net income (loss)	$ 0.09	$ (0.16)	$ 0.78	$ 0.06
Fully diluted earnings (loss) per common share:				
Income (loss) before extraordinary item	$ 0.12	$ (0.16)	$ 0.81	$ 0.06
Extraordinary item	(0.03)	--	(0.03)	--
Net income (loss)	$ 0.09	$ (0.16)	$ 0.78	$ 0.06
Primary weighted average number of common and common equivalent shares outstanding	218,197	176,392	220,342	180,675
Fully diluted weighted average number of common and common equivalent shares outstanding	218,197	176,392	229,527	181,480

The accompanying notes are an integral part of these condensed consolidated financial statements.

USA WASTE SERVICES, INC.
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(IN THOUSANDS)
(UNAUDITED)

	Preferred Stock	Common Stock	Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Foreign Currency Translation Adjustment	Treasury Stock
Balance, December 31, 1996	$ --	$ 1,816	$1,504,449	$(15,948)	$(15,843)	$(484)
Common stock options and warrants exercised, including tax benefits	--	28	65,601	--	--	--
Common stock issued in purchase acquisitions and development projects	--	67	225,078	--	--	--
Common stock issued for acquisitions accounted for as poolings of interests	--	71	23,372	527	--	--
Common stock issued in public offering	--	152	506,196	--	--	--
Common stock issued for United stock options	--	19	25,809	--	--	--
Foreign currency translation adjustment	--	--	--	--	165	--
Transactions of pooled companies	--	--	(1,735)	1,567	--	--
Other	--	7	14,962	319	--	--
Net income	--	--	--	164,160	--	--
Balance, September 30, 1997	$ --	$ 2,160	$2,363,732	$150,625	$(15,678)	$(484)

The accompanying notes are an integral part of these condensed consolidated financial statements.

USA WASTE SERVICES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS)
(UNAUDITED)

	Nine Months Ended September 30, 1997	1996 (restated)
Cash flows from operating activities:		
Net income	$ 164,160	$ 10,980
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	219,255	138,893
Deferred income taxes	35,678	(14,827)
Effect of nonrecurring charges	48,479	61,444
Changes in assets and liabilities, net of effects of acquisitions and divestitures	(276,408)	43,591
Net cash provided by operating activities	191,164	240,081
Cash flows from investing activities:		
Acquisitions of businesses, net of cash acquired	(1,339,392)	(330,760)
Capital expenditures	(274,889)	(287,532)
Loans and advances to others	(38,910)	(13,856)
Collection of loans to others	6,810	13,134
Proceeds from sale of assets	112,564	12,933
Change in restricted funds	9,198	(25,230)
Net cash used in investing activities	(1,524,619)	(631,311)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	3,201,270	1,441,129
Principal payments on long-term debt	(2,366,388)	(1,065,261)
Net proceeds from issuance of common stock	506,781	--
Proceeds from exercise of common stock options and warrants	32,753	35,671
Other	(3,771)	(1,260)
Net cash provided by financing activities	1,370,645	410,279
Effect of exchange rate changes on cash and cash equivalents	(29)	9
Increase in cash and cash equivalents	37,161	19,058
Cash and cash equivalents at beginning of period	26,079	27,780
Cash and cash equivalents at end of period	$ 63,240	$ 46,838

The accompanying notes are an integral part of these condensed consolidated financial statements.

USA WASTE SERVICES, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

The condensed consolidated balance sheets of USA Waste Services, Inc. and subsidiaries (the "Company") as of September 30, 1997 and December 31, 1996, the condensed consolidated statements of operations for the three and nine months ended September 30, 1997 and 1996, the condensed consolidated statement of stockholders' equity for the nine months ended September 30, 1997, and the condensed consolidated statements of cash flows for the nine months ended September 30, 1997 and 1996 are unaudited. In the opinion of management, such financial statements include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of financial position, results of operations, and cash flows for the periods presented. The Company has restated the previously issued financial statements as of December 31, 1996, and for the three and nine months ended September 30, 1996, to reflect the merger with United Waste Systems, Inc. ("United") consummated on August 26, 1997, accounted for using the pooling of interests method of accounting. The financial statements presented herein should be read in connection with the Company's Annual Report on Form 10-K for the year ended December 31, 1996, as amended on Form 10-K/A filed April 30, 1997, the Company's Joint Proxy Statement and Prospectus dated July 24, 1997, included in the Company's Registration Statement on Form S-4 filed in connection with the merger with United, and the supplemental consolidated financial statements and supplemental interim condensed consolidated financial statements and related notes thereto included in the Company's Current Report on Form 8-K dated November 12, 1997, filed in connection with the merger with United.

1. BUSINESS COMBINATIONS

On August 26, 1997, the Company consummated a merger agreement with United (the "United Merger") accounted for as a pooling of interests and, accordingly, the accompanying financial statements have been restated to include the accounts and operations of United for all prior periods presented. Under the terms of the United Merger, the Company issued 1.075 shares of its common stock for each share of United outstanding common stock. Additionally, at the effective date of the United Merger, all United stock options, whether or not such stock options had vested or had become exercisable, were cancelled in exchange for the Company's common stock equal in market value to the fair value of such United stock options, as determined by an independent third party. The United Merger increased the Company's outstanding shares of common stock by approximately 51,900,000 shares, which includes approximately 1,900,000 shares exchanged for the aforementioned United stock options. In the third quarter of 1997, the Company incurred approximately $89,152,000 in merger related costs associated with the United Merger.

Combined and separate results of operations of the Company prior to consummation of the merger ("USA Waste") and United for the restated periods are as follows (in thousands):

	USA Waste	United	Combined
Six months ended June 30, 1997 (unaudited):			
Operating revenues	$ 900,090	$ 216,619	$ 1,116,709
Income before income taxes	202,349	40,810	243,159
Net income	121,409	23,849	145,258
Six months ended June 30, 1996 (unaudited):			
Operating revenues	$ 610,267	$ 151,838	$ 762,105
Income before income taxes	59,430	21,606	81,036
Net income	25,584	12,867	38,451

On March 12, 1997, the Company acquired all of the Canadian solid waste subsidiaries of Allied Waste Industries, Inc., representing 41 collection businesses, seven landfills, and eight transfer stations in the provinces of Alberta, British Columbia, Manitoba, Ontario, Quebec, and Saskatchewan for approximately $518,000,000 in cash. The acquisition was accounted for as a purchase.

On April 1, 1997, the Company acquired substantially all of the assets of Mid-American Waste Systems, Inc. for approximately $201,000,000, consisting primarily of cash and a limited amount of debt assumption. The assets acquired include 11 collection businesses, 11 landfills, six transfer stations, and three recycling businesses. The acquisition was accounted for as a purchase.

On June 10, 1997, the Company acquired the majority of the Waste Management, Inc. Canadian solid waste businesses for $124,000,000 in cash and 1,705,757 shares of the Company's common stock. The assets acquired include 13 collection businesses, one landfill, and three transfer stations in the provinces of Alberta, British Columbia, Ontario, and Quebec. The acquisition was accounted for as a purchase.

During the nine months ended September 30, 1997, in addition to the above described transactions, the Company acquired 14 landfills, 160 collection businesses, 19 transfer stations, and one recycling business for approximately $476,153,000 in cash, $37,974,000 in liabilities incurred or debt assumed, and 3,729,000 shares of the Company's common stock. These acquisitions were accounted for as purchases.

The unaudited pro forma information set forth below assumes all first, second, and third quarter 1997 acquisitions accounted for as purchases and all 1996 acquisitions accounted for as purchases occurred at the beginning of 1996. The unaudited pro forma information is presented for informational purposes only and is not necessarily indicative of the results of operations that actually would have been achieved had the purchase acquisitions been consummated at that time (in thousands, except per share amounts):

	Nine Months Ended September 30,	
	1997	1996
Operating revenues	$ 2,223,410	$ 2,120,696
Income before extraordinary item	186,875	58,171
Net income	180,582	58,171
Primary earnings per common share:		
Income before extraordinary item	0.88	0.31
Net income	0.85	0.31
Fully diluted earnings per common share:		
Income before extraordinary item	0.87	0.31
Net income	0.84	0.31

In addition to the above described transactions, the Company consummated 23 acquisitions accounted for as poolings of interests during the nine months ended September 30, 1997, pursuant to which the Company issued approximately 7,057,000 shares of its common stock. Periods prior to the date of consummation of these acquisitions were not restated to include the accounts and operations of the acquired companies as the combined results would not be materially different from the results as presented. Related to these poolings of interests, the Company recognized merger costs of $1,996,000, $3,263,000, and $15,000,000 during the first, second, and third quarters of 1997, respectively.

2. DIVESTITURES

In connection with the Company's merger with Sanifill, Inc., consummated on August 30, 1996, the United States Department of Justice ordered the divestiture of certain solid waste collection and disposal assets and operations in Houston, Texas. On January 31, 1997, the Company sold these assets to TransAmerican Waste Industries, Inc. ("TransAmerican") for $13,600,000 in cash plus warrants to purchase 1,500,000 shares of TransAmerican's common stock at an exercise price of $1.50 per share. The warrants are exercisable for a period of five years.

On June 1, 1997, the Company sold eight collection businesses, eight landfills, and six transfer stations to Allied Waste Industries, Inc. for approximately $88,000,000.

3. LONG-TERM DEBT

Long-term debt consists of the following (in thousands):

	September 30, 1997	December 31, 1996
Revolving credit facility	$ 705,000	$ 637,000
United credit facility	--	31,450
Senior notes, interest at 7%, net of unamortized discount of $2,484	297,516	--
Senior notes, interest at 7.125%, net of unamortized discount of $2,943	297,057	--
Senior notes, maturing in varying annual installments through June 2005, interest ranging from 7.29% to 8.44%	--	182,500
Convertible subordinated notes, interest at 4%	535,275	--
Convertible subordinated notes, interest at 4 1/2%	150,000	150,000
Convertible subordinated debentures, interest at 5%	115,000	115,000
Subordinated debt, maturing in varying monthly installments, through January 2008, interest ranging from 7.25% to 10%	5,447	5,589
Tax-exempt bonds, principal payable in periodic installments maturing in 1997-2021, fixed and variable interest rates ranging from 3.55% to 9.25% at September 30, 1997	262,456	196,439
Promissory notes due September 2001, quarterly interest payments at 8%	6,000	6,000
Other	106,445	180,910
	2,480,196	1,504,888
Less current maturities	39,317	34,606
	$2,440,879	$1,470,282

At December 31, 1996, the Company had borrowed $637,000,000 and had letters of credit issued of $277,994,000 under its $1,200,000,000 senior revolving credit facility. The credit facility was used to refinance existing bank loans and letters of credit and to fund additional acquisitions and working capital. The credit facility was available for standby letters of credit of up to $400,000,000. Loans under the credit facility bore interest at a rate based on the Eurodollar rate plus a spread not to exceed 0.75% per annum (spread set at 0.30% per annum, or an applicable interest rate of 5.87% per annum at December 31, 1996). The credit facility required a facility fee not to exceed 0.375% per annum on the entire available credit facility (facility fee set at 0.15% per annum at December 31, 1996). The credit facility contained financial covenants with respect to interest coverage and debt capitalization ratios. The credit facility also contained limitations on dividends, additional indebtedness, liens, and asset sales. Principal reductions were not required during the five-year term of the credit facility. On March 5, 1997, the credit facility was replaced with a $1,600,000,000 senior revolving credit facility with the same general terms, covenants, and limitations, which was available for standby letters of credit of up to $500,000,000. On August 7, 1997, the credit facility was again replaced with a $2,000,000,000 senior revolving credit facility with the same general items, covenants, and limitations, which is available for standby letters of credit up to $650,000,000. At September 30, 1997, the Company had borrowed $705,000,000 and had letters of credit of $462,291,000 under its $2,000,000,000 senior revolving credit facility. The applicable interest rate and facility fee at September 30, 1997, was 5.975% per annum and 0.1125% per annum, respectively.

On February 7, 1997, the Company issued $535,275,000 of 4% convertible subordinated notes, due on February 1, 2002 ("Convertible Notes Offering"). Interest is payable semi-annually in February and August. The notes are convertible into shares of the Company's common stock at a conversion price of $43.56 per share. The notes are subordinated in right of payment to all existing and future senior indebtedness, as defined. The notes are redeemable after February 1, 2000 at the option of the Company at 101.6% of the principal amount, declining to 100.8% of the principal amount on February 1, 2001 and thereafter until maturity at which time the notes will be redeemed at par, plus accrued interest. Deferred offering costs of approximately $14,000,000 were incurred and are being amortized ratably over the life of the notes. The proceeds were primarily used to repay debt under the Company's revolving credit facility, to fund acquisitions, and for general corporate purposes.

On February 7, 1997, concurrent with the Convertible Notes Offering, the Company completed a public offering of 11,500,000 shares of its common stock, priced at $35.125 per share. The net proceeds of approximately $387,438,000 were primarily used to repay debt under the Company's revolving credit facility and for general corporate purposes.

On March 3, 1997, United completed a public offering in which it issued 3,450,000 shares of its common stock, priced at $36.50 per share (equivalent to 3,708,750 shares of the Company's common stock, priced at $33.95 per share). The net proceeds of approximately $119,000,000 were primarily used to repay approximately $47,000,000 of debt under United's credit facility, to fund acquisitions, and for general corporate purposes.

During August 1997 and September 1997, the Company prepaid the holders of the two privately placed senior note issuances with proceeds from its senior revolving credit facility. Interest on these privately placed senior notes ranged from 7.29% to 8.44%. Accordingly, the Company recorded extraordinary losses of approximately $9,286,000 related to this transaction comprised of prepayment penalties of approximately $7,975,000 and unamortized deferred offering costs of approximately $1,311,000. Additionally, upon consummation of the United Merger, the Company retired amounts under United's credit facility, and accordingly, recorded extraordinary losses to write-off the related unamortized deferred financing costs.

On September 12, 1997, the Company issued $300,000,000 of 7% senior notes, due on October 1, 2004, and $300,000,000 of 7.125% senior notes, due on October 1, 2007 (the "Senior Notes"). The Senior Notes constitute senior and unsecured obligations of the Company, ranking equal in right of payment with all other senior and unsecured obligations of the Company, as defined. The Senior Notes are redeemable at the option of the Company at any time and from time to time at 100% of the principal amount of such notes, plus accrued interest. Deferred offering costs of approximately $4,125,000 were incurred and are being amortized ratably over the life of the Senior Notes. The proceeds were used to repay debt under the Company's revolving credit facility. In anticipation of this debt offering, the Company entered into interest rate locks on July 25, 1997, with various institutions as a hedging transaction to cover the future issuance of $600,000,000 of debt. The gain realized from this hedging transaction of approximately $5,632,000 will be amortized over the life of the Senior Notes using the effective interest method and has the effect of reducing the all-inclusive interest rate to 6.90% on the 7% senior notes, due on October 1, 2004, and to 7.06% on the 7.125% senior notes, due on October 1, 2007.

Other long-term debt at September 30, 1997 and December 31, 1996 consists of miscellaneous notes payable and obligations under capital leases. Other long-term debt at December 31, 1996 also included $83,475,000 payable to the former owners of a landfill and collection operation acquired by the Company in December 1996. This amount was retired in January 1997 through additional borrowings from the Company's revolving credit facility.

4. INCOME TAXES

The difference in federal income taxes at the statutory rate and the provision for (benefit from) income taxes for the three and nine months ended September 30, 1997 and 1996, is primarily due to non-deductible merger costs and state and local income taxes.

5. COMMITMENTS AND CONTINGENCIES

Environmental matters -- The Company is subject to extensive and evolving federal, state, and local environmental laws and regulations in the United States and elsewhere that have been enacted in response to technological advances and the public's increased concern over environmental issues. As a result of changing governmental attitudes in this area, management anticipates that the Company will continually modify or replace facilities and alter methods of operation. The majority of the expenditures necessary to comply with the environmental laws and regulations are made in the normal course of business. Although the Company, to the best of its knowledge, is in compliance in all material respects with the laws and regulations affecting its operations, there is no assurance that the Company will not have to expend substantial amounts for compliance in the future.

Litigation -- On or about March 8, 1993, an action was filed in the United States District Court for the Western District of Pennsylvania, captioned Option Resource Group, et al. v. Chambers Development Company, Inc., et al., Civil Action No. 93-354. This action was brought by a market maker in options in Chambers Development Company, Inc. ("Chambers") stock and two of its general partners and asserted federal securities law and common law claims alleging that Chambers, in publicly disseminated materials, intentionally or negligently misstated its earnings and that Chambers' officers and directors committed mismanagement and breach of fiduciary duties. These plaintiffs alleged that, as a result of large amounts of put options traded on the Chicago Board of Options Exchange between March 13 and March 18, 1992, they engaged in offsetting transactions resulting in approximately $2,100,000 in losses. The plaintiffs in Option Resource Group had successfully requested exclusion from a now settled class action of consolidated suits instituted on similar claims ("Class Action") and Option Resource Group continued as a separate lawsuit. In response to discovery on damages, the plaintiffs reduced their damages claim to $433,000 in alleged losses, plus interest and attorneys' fees, for a total damage claim of $658,000 as of August 21, 1995. Discovery was completed and a trial date was set for early 1997, then postponed by the court. The case was resolved through an alternative dispute resolution process in the federal court. Plaintiffs were awarded $260,000 plus interest in the alternative dispute resolution proceeding.

On August 3, 1995, Frederick A. Moran and certain related persons and entities filed a lawsuit against Chambers, certain former officers and directors of Chambers, and Grant Thornton, LLP, in the United States District Court for the Southern District of New York under the caption Moran, et al. v. Chambers, et al., Civil Action No. 95-6034. Plaintiffs, who claimed to represent approximately 484,000 shares of Chambers stock, requested exclusion from the settlement agreements which resulted in the resolution of the Class Action and asserted that they incurred losses attributable to shares purchased during the class period and certain additional losses by reason of alleged management misstatements during and after the class period. The claimed losses included damages to Mr. Moran's business and reputation. The Judicial Panel on Multidistrict Litigation transferred this case to the United States District Court for the Western District of Pennsylvania. Discovery closed on June 30, 1997, and the parties have agreed to a settlement in which Chambers will pay $550,000 to settle all claims against it and its former officers and directors, and Grant Thornton will pay $50,000. A settlement agreement is in the process of being executed by the respective parties.

On April 17, 1997, a purported class action on behalf of the public shareholders of United entitled Schipper v. United Waste et al., Civil Action No. 15664-NC, was filed in the Court of Chancery of the State of Delaware against United and each of the members of United's Board of Directors asserting, among other things, that defendants breached their fiduciary duties to stockholders of United in negotiating the Merger Agreement with the Company and in engaging in certain related alleged acts and omissions. The complaint seeks, among other things, injunctive and other equitable relief against consummation of the United Merger, and damages and costs in an unspecified amount. The United Merger was closed on August 26, 1997, and the Company believes this claim is without merit.

The Company is a party to various other litigation matters arising in the ordinary course of business. Management believes that the ultimate resolution of these matters will not have a material adverse effect to the Company's financial position, results of operations or cash flows. In the normal course of its business and as a result of the extensive government regulation of the solid waste industry, the Company periodically may become subject to various judicial and administrative proceedings and investigations involving federal, state, or local agencies. To date, the Company has not been required to pay any material fine or had a judgment entered against it for violation of any environmental law. From time to time, the Company also may be subjected to actions brought by citizen's groups in connection with the permitting of landfills or transfer stations, or alleging violations of the permits pursuant to which the Company operates. From time to time, the Company is also subject to claims for personal injury or property damage arising out of accidents involving its vehicles or other equipment.

Insurance -- The Company carries a broad range of insurance coverages, which management considers prudent for the protection of the Company's assets and operations. Some of these coverages are subject to varying retentions of risk by the Company. The casualty coverages currently include $2,000,000 primary commercial general liability and $1,000,000 primary automobile liability supported by $200,000,000 in umbrella insurance protection. The property policy provides insurance coverage for all of the Company's real and personal property, including California earthquake perils. The Company also carries $200,000,000 in aircraft liability protection.

The Company maintains workers' compensation insurance in accordance with laws of the various states and countries in which it has employees. The Company also currently has an environmental impairment liability ("EIL") insurance policy for certain of its landfills, transfer stations, and recycling facilities that provides coverage for property damages and/or bodily injuries to third parties caused by off-site pollution emanating from such landfills, transfer stations, or recycling facilities. This policy provides $5,000,000 of coverage per incident with a $10,000,000 aggregate limit.

To date, the Company has not experienced any difficulty in obtaining insurance. However, if the Company in the future is unable to obtain adequate insurance, or decides to operate without insurance, a partially or completely uninsured claim against the Company, if successful and of sufficient magnitude, could have a material adverse effect to the Company's financial condition, results of operations or cash flows. Additionally, continued availability of casualty and EIL insurance with sufficient limits at acceptable terms is an important aspect of obtaining revenue-producing waste service contracts.

6. EARNINGS (LOSS) PER COMMON SHARE

Primary and fully dilutive earnings (loss) per common share amounts are calculated as follows for the periods indicated:

For the three months ended September 30, 1997

Primary - based on (i) net income and (ii) the primary weighted average number of common shares and dilutive common equivalent shares outstanding of 218,197,000.

Fully dilutive - based on (i) net income and (ii) the fully dilutive weighted average number of common shares, dilutive common equivalent shares, and other potentially dilutive securities outstanding of 218,197,000.

For the three months ended September 30, 1996

Primary - based on (i) net loss and (ii) the primary weighted average number of common shares and dilutive common equivalent shares outstanding of 176,392,000.

Fully dilutive - antidilutive for the three months ended September 30, 1996, and therefore presented as equal to primary loss per common share.

For the nine months ended September 30, 1997

Primary - based on (i) net income plus the after-tax interest expense of approximately $8,271,000 on the Company's 4% convertible subordinated notes that are considered to be common stock equivalents, and (ii) the primary weighted average number of common and dilutive common equivalent shares outstanding of 220,342,000.

Fully diluted - based on (i) net income plus (a) the after-tax interest expense of approximately $8,271,000 on the above mentioned 4% convertible subordinated notes, (b) the after-tax interest expense of approximately $3,029,000 on the Company's 4 1/2% convertible subordinated notes, and (c) the after-tax interest expense of approximately $2,581,000 on the Company's 5% convertible subordinated debentures, and (ii) the fully diluted weighted average number of common, dilutive common equivalent, and other potentially dilutive securities outstanding of 229,527,000.

For the nine months ended September 30, 1996

Primary - based on net income and the primary weighted average number of common shares and dilutive common equivalent shares outstanding of 180,675,000.

Fully dilutive - based on (i) net income and (ii) the fully diluted weighted average number of common shares and dilutive common equivalent shares outstanding and other potentially dilutive securities of 181,480,000.

7. NEW ACCOUNTING PRONOUNCEMENTS

In October 1996, the Accounting Standards Executive Committee of the American Institute of Certified Public Accountants issued Statement of Position No. 96-1, Environmental Remediation Liabilities ("SOP No. 96-1"). SOP No. 96-1 provides authoritative guidance on the recognition, measurement, presentation, and disclosure of environmental remediation liabilities. The adoption of SOP No. 96-1 did not have a material effect to the Company's financial position, results of operations, or cash flows.

In February 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 128, Earnings Per Share ("SFAS No. 128"). SFAS No. 128 specifies the computation, presentation, and disclosure requirements of earnings per share and supersedes Accounting Principles Board Opinion No. 15, Earnings Per Share. SFAS No. 128 requires a dual presentation of basic and diluted earnings per share. Basic earnings per share, which excludes the impact of common stock equivalents, replaces primary earnings per share. Diluted earnings per share, which utilizes the average market price per share as opposed to the greater of the average market price per share or ending market price per share when applying the treasury stock method in determining common stock equivalents, replaces fully-diluted earnings per share. SFAS No. 128 is effective for both interim and annual periods ending after December 15, 1997. The following pro forma earnings per common share information assumes the Company adopted SFAS No. 128 in 1996 (in thousands, except per share amounts):

	Three Months Ended September 30, 1997	Three Months Ended September 30, 1996	Nine Months Ended September 30, 1997	Nine Months Ended September 30, 1996
Reported:				
Primary earnings (loss) per common share:				
Income (loss) before extraordinary item	$ 0.12	$ (0.16)	$ 0.81	$ 0.06
Extraordinary item	(0.03)	--	(0.03)	--
Net income (loss)	$ 0.09	$ (0.16)	$ 0.78	$ 0.06
Weighted average number of common and common equivalent shares outstanding	218,197	176,392	220,342	180,675
Fully diluted earnings (loss) per common share:				
Income (loss) before extraordinary item	$ 0.12	$ (0.16)	$ 0.81	$ 0.06
Extraordinary item	(0.03)	--	(0.03)	--
Net income (loss)	$ 0.09	$ (0.16)	$ 0.78	$ 0.06
Weighted average number of common and common equivalent shares outstanding	218,197	176,392	229,527	181,480
Pro forma:				
Basic earnings (loss) per common share:				
Income (loss) before extraordinary item	$ 0.12	$ (0.16)	$ 0.83	$ 0.06
Extraordinary item	(0.03)	--	(0.03)	--
Net income (loss)	$ 0.09	$ (0.16)	$ 0.80	$ 0.06
Basic weighted average shares	213,510	176,392	205,356	172,158
Diluted earnings (loss) per common share:				
Income (loss) before extraordinary item	$ 0.12	$ (0.16)	$ 0.81	$ 0.06
Extraordinary item	(0.03)	--	(0.03)	--
Net income (loss)	$ 0.09	$ (0.16)	$ 0.78	$ 0.06
Diluted weighted average shares	218,197	176,392	229,366	180,675

In June 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 130, Reporting Comprehensive Income ("SFAS No. 130"). SFAS No. 130 establishes standards for reporting and presentation of comprehensive income and its components. Comprehensive income is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from nonowner sources and includes all changes in equity during a period except those resulting from investments by owners and distributions to owners. SFAS No. 130 is effective for both interim and annual periods beginning after December 15, 1997. Assuming the Company adopted SFAS No. 130 in 1996, comprehensive income would have been $19,082,000 and $164,325,000 for the three and nine months ended September 30, 1997, respectively, and $11,132,000 for the nine months ended September 30, 1996. Comprehensive loss would have been $27,450,000 for the three months ended September 30, 1996.

8. SUBSEQUENT EVENTS

From October 1, 1997 through November 3, 1997, the Company acquired 11 collection businesses and one landfill for approximately $56,044,000 in cash, $1,300,000 in liabilities incurred or debt assumed, and approximately 86,000 shares of the Company's common stock. These acquisitions were accounted for as purchases.

The unaudited pro forma information set forth below assumes all 1997 acquisitions through November 3, 1997, accounted for as purchases and all 1996 acquisitions accounted for as purchases occurred at the beginning of 1996. The unaudited pro forma information is presented for informational purposes only and is not necessarily indicative of the results of operations that actually would have been achieved had the acquisitions been consummated at that time (in thousands, except per share amounts):

	Nine Months Ended September 30,	
	1997	1996
Operating revenues	$ 2,257,103	$ 2,154,389
Income before extraordinary item	189,318	60,613
Primary earnings per common share:		
Income before extraordinary item	0.89	0.32
Net income	0.86	0.32
Fully diluted earnings per common share:		
Income before extraordinary item	0.88	0.32
Net income	0.85	0.32

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion reviews the Company's operations for the three and nine months ended September 30, 1997 and 1996, and should be read in conjunction with the Company's condensed consolidated financial statements and related notes thereto included elsewhere herein as well as the Company's consolidated financial statements and related notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 1996, as amended on Form 10-K/A filed April 30, 1997, the Company's Joint Proxy Statement and Prospectus dated July 24, 1997, included in the Company's Registration Statement on Form S-4 filed in connection with the merger with United, and the supplemental consolidated financial statements and supplemental interim condensed consolidated financial statements and related notes thereto included in the Company's Current Report on Form 8-K dated November 12, 1997, filed in connection with the merger with United.

INTRODUCTION

The Company provides nonhazardous solid waste management services, consisting of collection, transfer, disposal, recycling, and other miscellaneous services. Since August 1990, the Company has experienced significant growth principally through the acquisition and integration of solid waste businesses and is the third largest nonhazardous solid waste management company in North America, as measured by 1996 revenues. The Company conducts operations in various locations throughout the United States, Canada, Puerto Rico, and Mexico. As of September 30, 1997, the Company owned or operated 381 collection businesses, 159 transfer stations, 164 landfills, and 21 recycling businesses serving more than 7,500,000 customers.

The Company's operating revenues consist primarily of fees charged for its collection and disposal services. Operating revenues for collection services include fees from commercial, industrial, and municipal and residential collection customers. A portion of these fees are billed in advance; and upon receipt of payment a liability for future service is recorded and operating revenues are recognized as services are actually provided. Fees for residential services are normally based on the type and frequency of service. Fees for commercial and industrial services are normally based on the type and frequency of service and the volume of solid waste collected.

The Company's operating revenues from its landfill operations consist of disposal fees (known as tipping fees) charged to third parties and are normally billed monthly. Tipping fees are based on the volume or weight of solid waste disposed of at the Company's landfill sites. Fees are charged at transfer stations based on the volume or weight of solid waste deposited, taking into account the Company's cost of loading, transporting, and disposing of the solid waste at a landfill. Intercompany operating revenues between the Company's collection, transfer, and landfill operations have been eliminated in the condensed consolidated financial statements presented elsewhere herein.

Operating expenses include direct and indirect labor and the related taxes and benefits, fuel, maintenance and repairs of equipment and facilities, tipping fees paid to third party landfills, property taxes, and accruals for future landfill closure and post-closure costs. Certain direct landfill development expenditures are capitalized and depreciated over the estimated useful life of a site as capacity is consumed, and include acquisition, engineering, upgrading, construction, capitalized interest, and permitting costs. All indirect development expenses, such as administrative salaries and general corporate overhead, are charged to expense in the period incurred.

General and administrative costs include management salaries, clerical and administrative costs, professional services, facility rentals, and related insurance costs, as well as costs related to the Company's marketing and sales force.

RESULTS OF OPERATIONS

The following table presents, for the periods indicated, the period to period change in dollars (in thousands) and percent for the various Condensed Consolidated Statement of Operations line items and for certain supplementary data.

	Period to Period Change for the Three Months Ended September 30, 1997 and 1996		Period to Period Change for the Nine Months Ended September 30, 1997 and 1996	
	$	%	$	%
STATEMENT OF OPERATIONS				
Operating revenues	$ 318,950	72.0%	$ 673,554	55.9%
Costs and expenses:				
Operating (exclusive of depreciation and amortization shown below)	157,399	68.0	320,544	49.3
General and administrative	30,298	58.7	59,644	40.4
Depreciation and amortization	36,327	70.8	80,362	57.9
Merger costs	19,401	22.9	(15,636)	(12.5)
Unusual items	(26,128)	(51.4)	(39,080)	(61.3)
	217,297	46.2	405,834	36.1
Income (loss) from operations	101,653	372.4	267,720	336.2
Other income (expense):				
Interest expense	(14,351)	(93.1)	(25,960)	57.2
Interest and other income, net	57	1.4	7,722	99.2
	(14,294)	125.4	(18,238)	48.9
Income (loss) before income taxes and extraordinary item	87,359	225.7	249,482	589.3
Provision for (benefit from) income taxes	34,693	308.9	90,009	287.1
Income (loss) before extraordinary item	52,666	191.7	159,473	1,452.4
Extraordinary item	(6,293)	(100.0)	(6,293)	(100.0)
Net income (loss)	$ 46,373	168.8%	$ 153,180	1,395.1%
SUPPLEMENTARY DATA				
EBITDA (1)	$ 137,980	573.8%	$ 348,082	159.3%
EBITDA excluding merger costs and unusual items (1)	131,253	82.2	293,366	72.0

(1) EBITDA represents income from operations plus depreciation and amortization expense. EBITDA, which is not a measure of financial performance under generally accepted accounting principles, is provided because the Company understands that such information is used by certain investors when analyzing the financial position and performance of the Company.

The following table presents, for the periods indicated, the percentage relationship that the various Condensed Consolidated Statements of Operations line items and certain supplementary data bear to operating revenues:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	1997	1996	1997	1996
STATEMENT OF OPERATIONS				
Operating revenues:				
Collection	62.7%	52.8%	61.5%	53.7%
Transfer station	10.1	11.2	10.2	10.7
Disposal	23.5	28.9	24.3	28.3
Other	3.7	7.1	4.0	7.3
	100.0	100.0	100.0	100.0
Costs and expenses:				
Operating (exclusive of depreciation and amortization shown below)	51.1	52.3	51.7	53.9
General and administrative	10.8	11.7	11.0	12.3
Depreciation and amortization	11.5	11.6	11.7	11.5
Merger costs	13.6	19.1	5.8	10.4
Unusual items	3.2	11.5	1.3	5.3
	90.2	106.2	81.5	93.4
Income (loss) from operations	9.8	(6.2)	18.5	6.6
Other income (expense):				
Interest expense	(3.9)	(3.5)	(3.8)	(3.7)
Interest and other income, net	0.5	0.9	0.8	0.6
	(3.4)	(2.6)	(3.0)	(3.1)
Income (loss) before income taxes and extraordinary item	6.4	(8.8)	15.5	3.5
Provision for (benefit from) income taxes	3.1	(2.6)	6.5	2.6
Income (loss) before extraordinary item	3.3	(6.2)	9.0	0.9
Extraordinary item	0.8	--	(0.3)	--
Net income (loss)	2.5%	(6.2%)	8.7%	0.9%
SUPPLEMENTARY DATA				
EBITDA (1)	21.3%	5.4%	30.2%	18.1%
EBITDA excluding merger costs and unusual items (1)	38.2	36.1	37.3	33.8

(1) EBITDA represents income from operations plus depreciation and amortization expense. EBITDA, which is not a measure of financial performance under generally accepted accounting principles, is provided because the Company understands that such information is used by certain investors when analyzing the financial position and performance of the Company.

RESULTS OF OPERATIONS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 1997

Operating Revenues

Operating revenues increased $318,950,000 or 72.0% and $673,554,000 or 55.9% for the three and nine months ended September 30, 1997, respectively, as compared to the corresponding prior year periods. The increase in operating revenues was attributable to the effect of acquisitions of domestic and Canadian solid waste businesses, less dispositions, and the internal growth of comparable operations. Acquisitions of domestic solid waste businesses consummated during 1997 and the effect of such acquisitions consummated during 1996 accounted for increases in operating revenues of $214,400,000 and $423,300,000, or 48.4% and 35.1%, for the three and nine months ended September 30, 1997, respectively. Acquisitions of Canadian solid waste businesses consummated during 1997 and the effect of such acquisitions consummated during 1996 accounted for increases in operating revenues of $103,800,000 and $217,200,000, or 23.4% and 18.0%, for the three and nine months ended September 30, 1997, respectively. Internal growth of comparable operations resulted in an increase in operating revenues of $41,600,000, consisting of increases of 3.6% due to pricing and 5.8% due to volumes for the three months ended September 30, 1997, and an increase in operating revenues of $115,900,000, consisting of 3.2% due to pricing and 6.4% due to volumes for the nine months ended September 30, 1997. These increases were offset by a decrease in operating revenues of 9.2% and 6.8% for the three and nine months ended September 30, 1997, respectively, primarily as a result of the disposition of certain Houston, Texas, solid waste collection and disposal operations in January 1997, which was ordered by the United States Department of Justice in connection with the Company's August 30, 1996, merger with Sanifill, Inc., the disposition of certain nonstrategically located solid waste collection operations in June 1997, and the disposition of other non-core businesses in 1997 and 1996.

Although the Company operates one line of business, integrated nonhazardous solid waste management which encompasses the entire waste stream from collection to transfer station to landfill, the Company's mix of operating revenues reflects an increase in collection revenues as a percentage of total revenues from 52.8% and 53.7% for the three and nine months ended September 30, 1996, respectively, to 62.7% and 61.5% for the three and nine months ended September 30, 1997, respectively. The change in the Company's mix of operating revenues is primarily the result of acquisitions of certain solid waste businesses in the first and second quarters of 1997 with large collection operations. Such acquired businesses include the Canadian solid waste subsidiaries of Allied Waste Industries, Inc., and a majority of the Canadian solid waste businesses of Waste Management, Inc.

Operating Costs and Expenses (Exclusive of Depreciation and Amortization Shown Below)

Operating costs and expenses increased $157,399,000, or 68.0%, and $320,544,000, or 49.3% for the three and nine months ended September 30, 1997, respectively, as compared to the corresponding prior year periods. The net increase in operating costs and expenses was primarily attributable to the effect of new acquisitions, net of dispositions, however, was offset by the increased utilization of internal disposal capacity and the cost reductions in comparable operations. The effect of new acquisitions, net of dispositions, resulted in an increase to operating costs and expenses of $172,301,000 and $351,214,000 for the three and nine months ended September 30, 1997, respectively. A decrease in operating costs and expenses related to comparable operations of $14,902,000 and $30,670,00 for the three and nine months ended September 30, 1997, respectively, primarily resulted from the increased utilization of internal disposal capacity and operating synergies realized from tuck-in acquisitions and the Company's mergers with United, Sanifill, Inc., and Western Waste Industries in August 1997, August 1996, and May 1996, respectively.

Operating costs and expenses decreased as a percentage of operating revenues from 52.3% to 51.1% for the three months ended September 30, 1996 and 1997, respectively, and from 53.9% to 51.7% for nine months ended September 30, 1996 and 1997, respectively. The improvements in operating costs as a percentage of revenues were slightly offset by the change in revenue mix, as discussed above, as collection operations typically have higher operating costs and expenses than disposal operations.

General and Administrative

General and administrative expenses increased $30,298,000 or 58.7% and $59,644,000 or 40.4% for the three and nine months ended September 30, 1997, respectively, as compared to the corresponding prior year periods. However, as a percentage of operating revenues, general and administrative expenses decreased from 11.7% and 12.3% for the three and nine months ended September 30, 1996, respectively, to 10.8% and 11.0% for the three and nine months ended September 30, 1997, respectively. The decrease in general and administrative expenses as a percentage of operating revenues is primarily the result of the Company's ability to integrate new business acquisitions without a proportionate increase in general and administrative expenses as well as synergies resulting from the Company's mergers with United, Sanifill, Inc., and Western Waste Industries in August 1997, August 1996, and May 1996, respectively.

Depreciation and Amortization

Depreciation and amortization increased $36,327,000, or 70.8%, and $80,362,000, or 57.9% for the three and nine months ended September 30, 1997, as compared to the corresponding periods of 1996. The increase in depreciation and amortization is primarily related to new acquisitions, increased landfill disposal volumes, and upgrades to existing operations. However, as a percentage of operating revenues, deprecation and amortization for the three and nine months ended September 30, 1997, was consistent with such percentages for the corresponding periods of the prior year. The increase in depreciation and amortization due to the increased utilization of internal disposal capacity was offset by the improved utilization of equipment through internal growth in collection and disposal operations.

Merger Costs

In the third quarter of 1997, the Company recognized $89,152,000 related to the United Merger and $15,000,000 related to the acquisition of other businesses accounted for as poolings of interests. The $89,152,000 of merger costs related to United include $17,566,000 of transaction costs, $26,198,000 of severance and other termination benefits, $21,629,000 of costs related to integrating operations, and $23,759,000 of estimated losses related to the disposition of a Pennsylvania landfill ordered by the United States Department of Justice in connection with the United Merger and the disposition of other duplicative facilities. The Company recognized $1,996,000 and $3,263,000 in the first and second quarters of 1997, respectively, related to other acquisitions of businesses accounted for as poolings of interests. In the third quarter of 1996, the Company recognized $80,000,000 related to the merger with Sanifill, Inc. and $4,751,000 related to the acquisition of other businesses accounted for as poolings of interests. The $80,000,000 of merger costs related to Sanifill, Inc. include $9,500,000 of transaction costs, $20,000,000 of relocation, severance, and other termination benefits, $13,000,000 of costs related to integrating operations, and $37,500,000 of disposal of duplicative facilities. In the second quarter of 1996, the Company recognized $35,000,000 related to the merger with Western Waste Industries and $5,296,000 related to the acquisition of three other companies accounted for as poolings of interests. The $35,000,000 of merger costs related to Western Waste Industries include $6,800,000 of transaction costs, $15,000,000 of severance and other termination benefits, and $13,200,000 of costs related to integrating operations.

Unusual Items

In the third quarter of 1997, the Company recognized unusual items of $24,720,000, including estimated losses of $10,400,000 related to the closure of two transfer stations in Minnesota, $8,400,000 of estimated losses related to the closure and abandonment of two landfills in Massachusetts, and $5,920,000 of reserves for various terminated projects. In the third quarter of 1996, the Company recognized unusual items of $50,848,000, including $28,900,000 of estimated losses related to the disposition of certain non-core business assets, $15,000,000 of project reserves related to certain operations in Mexico, and $6,948,000 of various other terminated projects. In the second quarter of 1996, unusual items included $4,824,000 of retirement benefits associated with Western Waste Industries' pre-merger retirement and severance plans and $8,128,000 of estimated future losses related to municipal solid waste contracts in California as a result of the continuing decline in prices of recyclable materials.

Income (Loss) from Operations

Income (loss) from operations as a percentage of operating revenues was 9.8% and 18.5% for the three and nine months ended September 30, 1997, respectively, as compared to (6.2)% and 6.6% for the corresponding prior year periods. Exclusive of nonrecurring charges, income from operations was 26.7% and 25.6% as a percentage of operating revenues for the three and nine months ended September 30, 1997, as compared to 24.4% and 22.3% for the corresponding prior year periods. The improvement in recurring operations is the result of synergies and economies of scale realized by the Company as a result of recent mergers and acquisitions, increased utilization of internal disposal capacity, and improvements in comparable operations.

Other Income and Expense

Other income and expense consists of interest expense, interest income, and other income. Interest expense, gross of amounts capitalized, increased due to an increase in the Company's outstanding indebtedness. Interest capitalized for the three and nine months ended September 30, 1997, was $6,145,000 and $17,772,000, respectively, as compared to $5,490,000 and $14,429,000 for the corresponding prior year periods. The increase in other income for the nine months ended September 30, 1997, as compared to the corresponding period of the prior year, primarily relates to the realization of a portion of the deferred gain recorded in connection with the 1996 sale of certain nonhazardous oilfield waste disposal operations.

Provision for (Benefit From) Income Taxes

The provision for (benefit from) income taxes increased $34,693,000 and $90,009,000 for the three and nine months ended September 30, 1997, respectively, as compared to the corresponding prior year periods. The difference in federal income taxes at the statutory rate and the provision for (benefit from) income taxes for the three and nine months ended September 30, 1997 and 1996, is primarily due to non-deductible merger costs and state and local income taxes.

Income (Loss) Before Extraordinary Item

For reasons discussed above, income (loss) before extraordinary item increased $87,359,000 and $249,482,000 during the three and nine months ended September 30, 1997, respectively, as compared to the corresponding prior year periods.

Extraordinary Item

During the third quarter of 1997, the Company recorded extraordinary losses related to the early retirement of the two privately placed senior note issuances of approximately $9,286,000 comprised of prepayment penalties of approximately $7,975,000 and unamortized deferred offering costs of approximately $1,311,000. Additionally, during the third quarter of 1997, the Company recorded extraordinary losses of approximately $1,206,000 primarily related to the write-off of the unamortized deferred financing costs related to the United credit facility which was retired upon consummation of the United Merger.

Net Income (Loss)

For reasons discussed above, net income (loss) increased $46,373,000 and $153,180,000 during the three and nine months ended September 30, 1997, respectively, as compared to the corresponding prior year periods.

LIQUIDITY AND CAPITAL RESOURCES

The Company operates in an industry that requires a high level of capital investment. The Company's capital requirements basically stem from (i) its working capital needs for its ongoing operations, (ii) capital expenditures for cell construction and expansion of its landfill sites as well as new trucks and equipment for its collection operations, and (iii) business acquisitions. The Company's strategy is to meet these capital needs first from internally generated funds and secondly from various financing sources available to the Company, including the incurrence of debt and the issuance of its common stock. It is further part of the Company's strategy to minimize working capital while maintaining available commitments under bank credit agreements to fund any capital needs in excess of internally generated cash flow.

As of September 30, 1997, the Company had working capital of $160,894,000 (a ratio of current assets to current liabilities of 1.29:1) and a cash balance of $63,249,000, which compares to working capital of $31,842,000 (a ratio of current assets to current liabilities of 1.08:1) and a cash balance of $26,079,000 as of December 31, 1996. For the first nine months of 1997, net cash from operating activities was approximately $191,164,000 and net cash from financing activities was approximately $1,370,645,000. These funds were used primarily to fund investments in other businesses of $1,339,392,000 and for capital expenditures of approximately $274,889,000.

The Company's capital expenditure and working capital requirements have increased reflecting the Company's business strategy of growth through acquisitions and development projects. The Company intends to finance the remainder of its 1997 capital expenditures through internally generated cash flow and amounts available under its revolving credit facility.

At December 31, 1996, the Company had borrowed $637,000,000 and had letters of credit issued of $277,994,000 under its $1,200,000,000 senior revolving credit facility. The credit facility was used to refinance existing bank loans and letters of credit and to fund additional acquisitions and working capital. The credit facility was available for standby letters of credit of up to $400,000,000. Loans under the credit facility bore interest at a rate based on the Eurodollar rate plus a spread not to exceed 0.75% per annum (spread set at 0.30% per annum, or an applicable interest rate of 5.87% per annum at December 31, 1996). The credit facility required a facility fee not to exceed 0.375% per annum on the entire available credit facility (facility fee set at 0.15% per annum at December 31, 1996). The credit facility contained financial covenants with respect to interest coverage and debt capitalization ratios. The credit facility also contained limitations on dividends, additional indebtedness, liens, and asset sales. Principal reductions were not required during the five-year term of the credit facility. On March 5, 1997, the credit facility was replaced with a $1,600,000,000 senior revolving credit facility with the same general terms, covenants, and limitations, which was available for standby letters of credit of up to $500,000,000. On August 7, 1997, the credit facility was again replaced with a $2,000,000,000 senior revolving credit facility with the same general items, covenants, and limitations, which is available for standby letters of credit up to $650,000,000. At September 30, 1997, the Company had borrowed $705,000,000 and had letters of credit of $462,291,000 under its $2,000,000,000 senior revolving credit facility. The applicable interest rate and facility fee at September 30, 1997, was 5.975% per annum and 0.1125% per annum, respectively.

On February 7, 1997, the Company issued $535,275,000 of 4% convertible subordinated notes, due on February 1, 2002 ("Convertible Notes Offering"). Interest is payable semi-annually in February and August. The notes are convertible into shares of the Company's common stock at a conversion price of $43.56 per share. The notes are subordinated in right of payment to all existing and future senior indebtedness, as defined. The notes are redeemable after February 1, 2000 at the option of the Company at 101.6% of the principal amount, declining to 100.8% of the principal amount on February 1, 2001 and thereafter until maturity at which time the notes will be redeemed at par, plus accrued interest. Deferred offering costs of approximately $14,000,000 were incurred and are being amortized ratably over the life of the notes. The proceeds were primarily used to repay debt under the Company's credit facility and for general corporate purposes.

On February 7, 1997, concurrent with the Convertible Notes Offering, the Company completed a public offering of 11,500,000 shares of its common stock, priced at $35.125 per share. The net proceeds of approximately $387,438,000 were primarily used to repay debt under the Company's credit facility and for general corporate purposes.

On March 3, 1997, United completed a public offering in which it issued 3,450,000 shares of its common stock, priced at $36.50 per share (equivalent to 3,708,750 shares of the Company's common stock, priced at $33.95 per share). The net proceeds of approximately $119,000,000 were primarily used to repay approximately $47,000,000 of debt under United's credit facility and for general corporate purposes.

During August and September 1997, the Company prepaid the holders of the two privately placed senior note issuances with proceeds from its senior revolving credit facility. Interest on these privately placed senior notes ranged from 7.29% to 8.44%. Accordingly, the Company recorded extraordinary losses of approximately $9,286,000 related to this transaction comprised of prepayment penalties of approximately $7,975,000 and unamortized deferred offering costs of approximately $1,311,000. Additionally, upon consummation of the United Merger, the Company retired amounts under United's credit facility, and accordingly, recorded extraordinary losses to write-off the related unamortized deferred financing costs.

On September 12, 1997, the Company issued $300,000,000 of 7% senior notes, due on October 1, 2004, and $300,000,000 of 7.125% senior notes, due on October 1, 2007 (the "Senior Notes"). The Senior Notes constitute senior and unsecured obligations of the Company, ranking equal in right of payment with all other senior and unsecured obligations of the Company, as defined. The Senior Notes are redeemable at the option of the Company at any time and from time to time at par, plus accrued interest. Deferred offering costs of approximately $4,125,000 were incurred and are being amortized ratably over the life of the Senior Notes. The proceeds were used to repay debt under the Company's revolving credit facility. In anticipation of this debt offering, the Company entered into interest rate locks on July 25, 1997, with various institutions as a hedging transaction to cover the future issuance of $600,000,000 of debt. The gain realized from this hedging transaction of approximately $5,632,000 will be amortized over the life of the Senior Notes using the effective interest method and has the effect of reducing the all-inclusive interest rate to 6.90% on the 7% senior notes, due on October 1, 2004, and 7.06% on the 7.125% senior notes, due on October 1, 2007.

The Company's business plan is to grow through acquisitions as well as development projects. The Company has issued equity securities in business acquisitions and expects to do so in the future. Furthermore, the Company's future growth will depend greatly upon its ability to raise additional capital. The Company continually reviews various financing alternatives and depending upon market conditions could pursue the sale of debt and/or equity securities to help effectuate its business strategy. Management believes that it can arrange the necessary financing required to accomplish its business plan; however, to the extent the Company is not successful in its future financing strategies, the Company's growth could be limited.

On August 4, 1997, the Company filed a shelf registration statement with the Securities and Exchange Commission to provide for the issuance of up to 20,000,000 shares of the Company's common stock that may be offered and issued by the Company from time to time in connection with the acquisition directly or indirectly by the Company of other businesses or properties or interests therein, and which may be reserved for issuance pursuant to, or offered and issued upon exercise or conversion of, warrants, options, convertible notes, or other similar instruments issued by the Company from time to time in connection with any such acquisitions. As of November 7, 1997, the Company had approximately 19,487,000 shares of its common stock available for future offerings and issuances under this shelf registration.

SEASONALITY AND INFLATION

The Company's operating revenues tend to be somewhat lower in the winter months. This is generally reflected in the Company's first quarter and fourth quarter results of operations. This is primarily attributable to the fact that (i) the volume of waste relating to construction and demolition activities tends to increase in the spring and summer months and (ii) the volume of industrial and residential waste in certain regions where the Company operates tends to decrease during the winter months.

The Company believes that inflation and changing prices have not had, and are not expected to have, any material adverse effect on the results of operations in the near future.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company is a party to various litigation matters arising in the ordinary course of business. Management believes that the ultimate resolution of these matters will not have a material adverse effect to the Company's financial position, results of operations or cash flows. In the normal course of its business and as a result of the extensive government regulation of the solid waste industry, the Company periodically may become subject to various judicial and administrative proceedings and investigations involving federal, state, or local agencies. To date, the Company has not been required to pay any material fine or had a judgment entered against it for violation of any environmental law. From time to time, the Company also may be subjected to actions brought by citizen's groups in connection with the permitting of landfills or transfer stations, or alleging violations of the permits pursuant to which the Company operates. From time to time, the Company is also subject to claims for personal injury or property damage arising out of accidents involving its vehicles or other equipment.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

At the Company's Annual Meeting of Stockholders held on August 26, 1997, a proposal to elect the nominees listed in the following table as directors of the Company was submitted to a vote of the Company's stockholders. The following table also shows the results of voting as to each nominee:

NOMINEE	VOTES FOR	VOTES WITHHELD
John E. Drury	125,752,212	1,323,737
William E. Moffett	125,860,069	1,215,880
John G. Rangos, Sr.	125,601,860	1,474,089
Jerome B. York	125,696,072	1,379,877

At the same meeting, proposals to (i) approve and adopt an Agreement and Plan of Merger dated as of April 13, 1997, by and among the Company, Riviera Acquisition Corp. and United Waste Systems, Inc., (ii) approve and adopt the USA Waste Services, Inc. 1997 Employee Stock Purchase Plan, (iii) approve an amendment to the Restated Certificate of Incorporation of the Company to increase the number of authorized shares of the Company from 300,000,000 to 500,000,000, and (iv) ratify the appointment of Coopers & Lybrand L.L.P. as independent accountants for the ensuing year were submitted to a vote of the Company's stockholders. All proposals were adopted by the stockholders. The voting was as follows:

	VOTES FOR	VOTES AGAINST	ABSTENTIONS	BROKER NON-VOTES
United Merger	112,189,663	92,664	228,053	14,565,569
1997 Employee Stock Purchase Plan	126,038,501	756,409	281,039	--
Restated Certificate of Incorporation Amendment	111,656,537	911,880	142,554	14,364,978
Ratification of Independent Accountants	126,770,581	58,752	246,616	--

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) EXHIBITS:

The exhibits to this report are listed in the Exhibit Index included elsewhere herein.

(b) REPORTS ON FORM 8-K:

A report on Form 8-K (Amendment No. 2) dated March 12, 1997, was filed July 23, 1997, to amend the Company's previously filed Form 8-K regarding its acquisition of the Canadian solid waste subsidiaries of Allied Waste Industries, Inc.

A report on Form 8-K dated August 26, 1997, was filed September 3, 1997, to report the consummation of the Company's merger with United Waste Systems, Inc. and to file the historical financial statements of United Waste Systems, Inc. and the required pro forma financial information.

A report on Form 8-K dated September 10, 1997, was filed September 24, 1997, to report the Company's sale of $300,000,000 of 7% Senior Notes due 2004, and $300,000,000 of 7.125% Senior Notes due 2007, in an underwritten public offering.

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 thereunto duly authorized.

USA WASTE SERVICES, INC.
Registrant

November 14, 1997	BY: /s/ Earl E. DeFrates
Date	Earl E. DeFrates, Executive Vice President and Chief Financial Officer (Principal Financial Officer)
November 14, 1997	BY: /s/ Bruce E. Snyder
Date	Bruce E. Snyder, Vice President and Chief Accounting Officer (Principal Accounting Officer)

USA WASTE SERVICES, INC.

EXHIBIT INDEX

Number and Description of Exhibit (*)

2	None
3(a)	Amendment to Registrant's Restated Certificate of Incorporation
3(b)	Conformed Copy of Registrant's Restated Certificate of Incorporation
4	None
10	None
11	Computation of Earnings (Loss) Per Common Share
12	Computation of Ratio of Earnings to Fixed Charges
15	None
18	None
19	None
22	None
23	None
24	None
27	Financial Data Schedule
99	None

- ---------------------------------------
(*) Exhibits not listed are inapplicable.

EXHIBIT 3(a)

CERTIFICATE OF AMENDMENT
OF
RESTATED CERTIFICATE OF INCORPORATION
OF
USA WASTE SERVICES, INC.

USA WASTE SERVICES, INC., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "Company"), DOES HEREBY CERTIFY:

1. That the Board of Directors of the Company has approved resolutions recommending to the stockholders of the Company that the Company's Restated Certificate of Incorporation be amended in the following respect:

That the first sentence of Article Fourth of the Company's Restated Certificate of Incorporation be deleted in its entirety, and the following be inserted in its place:

Fourth: The total number of shares of capital stock which the Corporation shall have authority to issue is five hundred ten million (510,000,000), divided into five hundred million (500,000,000) shares of Common Stock of the par value of one cent ($0.01) per share and ten million (10,000,000) shares of Preferred Stock of the par value of one cent ($0.01) per share."

2. That said resolutions were duly approved by the stockholders of the Company at the 1997 annual meeting of the stockholders of the Company, notice of which was given in accordance with the provisions of Section 222 of the General Corporation Law of the State of Delaware.

3. That such amendment to the Company's Restated Certificate of Incorporation has been duly adopted in accordance with Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, this Certificate of Amendment of the Company's Restated Certificate of Incorporation has been executed as of this 26th day of August, 1997.

USA WASTE SERVICES, INC.

By: /s/ GREGORY T. SANGALIS

Gregory T. Sangalis
Vice President and Secretary

ATTEST:

By: /s/ BRYAN J. BLANKFIELD

Bryan J. Blankfield
Assistant Secretary

EXHIBIT 3(b)

RESTATED CERTIFICATE OF INCORPORATION
OF
USA WASTE SERVICES, INC.
(Conformed Copy - As Amended As Of August 26, 1997)

The original Certificate of Incorporation of USA Waste Services, Inc. was filed with the Secretary of State of the State of Delaware on April 28, 1995. The original Certificate of Incorporation is hereby amended and restated pursuant to 8 De1. C. s.245 to read in its entirety as follows:

First: The name of the Corporation is USA Waste Services, Inc.

Second: The registered office of the Corporation in the State of Delaware is located at Corporation Trust Center, 1209 Orange Street in the City of Wilmington, County of New Castle. The name and address of its registered agent is The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware.

Third: The nature of the business, objects and purposes to be transacted, promoted or carried on by the Corporation is:

To engage in any lawful activity for which corporations may be organized under the General Corporation Law of Delaware.

Fourth: The total number of shares of capital stock which the Corporation shall have authority to issue is five hundred ten million (510,000,000), divided into five hundred million (500,000,000) shares of Common Stock of the par value of one cent ($0.01) per share and ten million (10,000,000) shares of Preferred Stock of the par value of one cent ($0.01) per share.

A. No holder of Common Stock or Preferred Stock of the Corporation shall have any pre-emptive, preferential, or other right to purchase or subscribe for any shares of the unissued stock of the Corporation or of any stock of the Corporation to be issued by reason of any increase of the authorized capital stock of the Corporation or of the number of its shares, or of any warrants, options, or bonds, certificates of indebtedness, debentures, or other securities convertible into or carrying options or warrants to purchase stock of the Corporation or of any stock of the Corporation purchased by it or its nominee or nominees or other securities held in the treasury of the Corporation, whether issued or sold for cash or other consideration or as a dividend or otherwise other than, with respect to Preferred Stock, such rights, if any, as the Board of Directors in its discretion from time to time may grant and at such price as the Board of Directors in its discretion may fix.

B. The holders of Common Stock shall have the right to one vote per share on all questions to the exclusion of all other classes of stock, except as by law expressly provided, as otherwise herein expressly provided or as contained within a certificate of designation, with respect to the holders of any other class or classes of stock.

C. The Board of Directors is authorized, subject to limitations prescribed by law, by resolution or resolutions to provide for the issuance of shares of Preferred Stock in series, and by filing a certificate pursuant to the applicable law of the State of Delaware, to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers preferences, and rights of the shares of each such series and the qualifications, limitations or restrictions thereof. The authority of the Board with respect to each series shall include but not be limited to, determination of the following:

(1) The number of shares constituting that series and the distinctive designation of that series;

(2) The dividend rights and dividend rate on the shares of that series, whether dividends shall be cumulative, and, if so, from which date or dates, and the relative rights of priority, if any, of payment of dividends on shares of that series;

(3) Whether that series shall have voting rights, in addition to the voting rights provided by law, and, if so, the terms of such voting rights;

(4) Whether that series shall have conversion or exchange privileges, and, if so, the terms and conditions of such conversion or exchange including provision for adjustment of the conversion or exchange rate in such events as the Board of Directors shall determine;

(5) Whether or not the shares of that series shall be redeemable, and, if so, the terms and conditions of such redemption, including the date or dates upon or after which they shall be redeemable, and the amount per share payable in cash on redemption, which amount may vary under different conditions and at different redemption dates;

(6) Whether that series shall have a sinking fund for the redemption or purchase of shares of that series, and, if so, the terms and amount of such sinking fund;

(7) The rights of the shares of that series in the event of voluntary or involuntary liquidation, dissolution or winding up of the Corporation, and the relative rights of priority, if any, of payment of shares of that series;

(8) Any other relative rights, preferences and limitations of that series; or

(9) Any or all of the foregoing terms.

D. Except where otherwise set forth in the resolution or resolutions adopted by the Board of Directors of the Corporation providing for the issue of any series of Preferred Stock created thereby, the number of shares comprising such series may be increased or decreased (but not below the number of shares then outstanding) from time to time by like action of the Board of Directors of the Corporation. Should the number of shares of any series be so decreased, the shares constituting such decrease shall resume the status which they had prior to adoption of the resolution originally fixing the number of shares of such series.

E. Shares of any series of Preferred Stock which have been redeemed (whether through the operation of a sinking fund or otherwise), purchased or otherwise acquired by the Corporation, or which, if convertible or exchangeable, have been converted into or exchanged for shares of stock of any other class or classes, shall have the status of authorized and unissued shares of Preferred Stock and may be reissued as a part of the series of which they were originally a part or may be reclassified or reissued as part of a new series of Preferred Stock to be created by resolution or resolutions of the Board of Directors or as part of any other series of Preferred Stock, all subject to the conditions or restrictions adopted by the Board of Directors of the Corporation providing for the issue of any series of Preferred Stock and to any filing required by law.

Fifth: The Corporation is to have perpetual existence.

Sixth: Elections of directors need not be by written ballot unless the bylaws of the Corporation shall so provide. Meetings of stockholders may be held within or without the State of Delaware, as the bylaws may provide. The books of the Corporation may be kept (subject to any provision contained in the statutes of the State of Delaware) outside the State of Delaware at such place or places as may be designated from tine to time by the Board of Directors or in the bylaws of the Corporation.

Seventh: No director of the Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, provided that this provision shall not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of Delaware or any amendment thereto or successor provision thereto, or (iv) for any transaction from which the director derived an improper personal benefit. If the General Corporation law of Delaware hereafter is amended to authorize the further elimination or limitation of the liability of directors, then the liability of a director of the Corporation, in addition to the limitation on personal liability provided herein, shall be limited to the fullest extent permitted by the amended General Corporation Law of Delaware. Neither this Restated Certificate of Incorporation nor any amendment, alteration, or repeal of this Article, nor the adoption of any provision of the Restated Certificate of Incorporation inconsistent with this Article, shall adversely affect, eliminate, or reduce any right or protection of a director of the Corporation hereunder with respect to any act, omission or matter occurring, or any action, suit, or claim that, but for this Article, would accrue or arise, prior to the time of such amendment, modification, repeal, or adoption of an inconsistent provision. All references in this Article to a "director" shall also be deemed to refer to such person or persons, if any, who pursuant to a provision of the Restated Certificate of Incorporation in accordance with subsection (a) of Section 141 of the Delaware General Corporation Law, exercise or perform any of the powers or duties otherwise conferred or imposed upon the board of directors by the Delaware General Corporation Law.

Eighth: This Corporation shall, to the maximum extent permitted from time to time under the law of the State of Delaware, indemnify an upon request shall advance expenses to any person who is or was a party or is threatened to be made a party to any threatened, pending or completed action, suit, proceeding or claim, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was or has agreed to be a director or officer of this Corporation or any of its direct or indirect subsidiaries or while such a director or officer is or was serving at the request of this Corporation as a director, officer, partner, trustee, employee or agent of any corporation partnership, joint venture trust or other enterprise, including service with respect to employee benefit plans, against expenses (including attorney's fees and expenses), judgments, fines, penalties and amounts paid in settlement incurred in connection with the investigation, preparation to defend or defense of such action, suit, proceeding or claim; provided, however, that the foregoing shall not require this Corporation to indemnify or advance expenses to any person in connection with any action, suit, proceeding, claim or counterclaim initiated by or on behalf of such person. Such indemnification shall not be exclusive of other indemnification rights arising under any bylaws, agreement, vote of directors or stockholders or otherwise and shall inure to the benefit of the heirs and legal representatives of such person. Any person seeking indemnification under this Article shall be deemed to have met the standard of conduct required for such indemnification un1ess the contrary shall be established.

Ninth: (A) Except as otherwise provided in is Restated Certificate of Corporation or the Bylaws of the Corporation relating to the rights of the holders of any class or series of Preferred Stock, voting separately by class or series, to elect additional directors under specified circumstances, the number of directors of the Corporation shall be as fined from time to time by, or in the manner provided in, the bylaws of the Corporation. Unless approved by at least two-thirds of the incumbent directors, the number of directors which shall constitute the whole Board of directors shall be no fewer than three and no more than nine.

(B) Commencing with the election of directors at the 1995 Annual Meeting of Stockholders, the directors, other than those who may be elected by the holders of any class or series of Preferred Stock voting separately by class or series, shall be classified, with respect to the time for which they severally hold office, into three classes, Class I, Class II and Class III, which shall be as nearly equal in number as possible, as shall be provided in the manner specified in the bylaws of the Corporation. Each initial director in Class I shall hold office for a term expiring at the 1996 annual meeting of stockholders; each initial director of Class II shall hold office initially for a term expiring at the 1997 annual meeting of stockholders; and each individual director of Class I shall hold office for a term expiring at the 1996 annual meeting of stockholders. Notwithstanding the foregoing provision of this Article, each director shall serve until his successor is duly elected and qualified or until his earlier death, resignation or removal. At each annual meeting of stockholders following the l996 annual meeting, the successors to the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election and until their successors have been duly elected and qualified or until their earlier death, resignation or removal.

(C) Except as otherwise provided pursuant to the provisions of this Restated Certificate of Incorporation or the bylaws of the Corporation relating to the rights of the holders of any class or series of Preferred Stock, voting separately by class or series, to elect directors under specified circumstances, any director or directors may be removed from office at any time, with or without cause but only by the affirmative vote, at any annual meeting or special meeting (as the case may be) of the stockholders, of not less than two-thirds of the total number of votes of the then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, but only if notice of such proposal was contained in the notice of such meeting.

(D) In the event of any increase or decrease in the authorized number of directors, the newly created or eliminated directorships resulting from such increase or decrease shall be appointed or determine by the Board of Directors among the three classes of directors so as to maintain such classes as nearly equal as possible. No decrease in the authorized number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

(E) Vacancies in the Board of Directors however caused, and newly-created directorships shall be filled solely by a majority vote of the directors then in office, whether or not a quorum, and any director so chosen shall hold office for a term expiring at the annual meeting of stockholders at which the term of the class to which the director has been chosen expires and when the director's successor is elected and qualified, subject, however, to prior death, resignation, retirement, disqualification or removal from office.

(F) Notwithstanding the foregoing, whenever the holders of any one or more classes or series of Preferred Stock issued by the Corporation shall have the right, voting separately by class or series, to elect directors at an annual or special meeting of stockholders, the election, term of office, filing of vacancies, and other features of such directorships shall be governed by the terms of this Restated Certificate of Incorporation applicable thereto, and such directors so elected shall not be divided into classes pursuant to this Article unless expressly provided by such terms.

(G) Notwithstanding any other provision of this Restated Certificate of Incorporation or the Bylaws of the Corporation (and notwithstanding the fact that a lesser percentage may be specified by law, this Restated Certificate of incorporation or the Bylaws of the Corporation), the affirmative vote, at any regular meeting or special meeting of the stockholders, of not less than two-thirds of the total number of votes of the then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend or repeal, or to adopt any provision inconsistent with the purpose or intent of, this Article, but only if notice of the proposed alteration or amendment was contained in the notice of such meeting.

Tenth; In furtherance of, and not in limitation of, the powers conferred by statute, the Board of Directors is expressly authorized to adopt, amend or repeal the bylaws of the Corporation, or adopt new bylaws, without any action on the part of the stockholders; provided, however, that no such adoption, amendment or repeal shall be valid with respect to bylaw provisions which have been adopted, amended or repealed by the stockholders; and further provided, that bylaws adopted or amended by the Directors and any powers thereby conferred may be amended, altered or repealed by the stockholders.

Eleventh: The Corporation reserves the right at any time, and from time to time, to amend, alter, change, or repeal any provision contained in this Restated Certificate of Incorporation, and other provisions authorized by the laws of the State of Delaware at the time in force may be added or inserted, in the manner now or hereafter prescribed by law; and all rights, preferences, and privileges of whatsoever nature conferred upon stockholders, directors, or any other persons whomsoever by and pursuant to this Restated Certificate of Incorporation in its present form, or as hereafter amended are granted subject to the rights reserved in this Article; provided, however, that the Corporation shall not amend Article Ninth to be effective on a date other than a date on which directors are elected.

EXHIBIT 11

USA WASTE SERVICES, INC.
COMPUTATION OF EARNINGS (LOSS) PER COMMON SHARE
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	1997	1996 (restated)	1997	1996 (restated)
Primary				
Income (loss) before extraordinary item	$ 25,195	$ (27,471)	$ 170,453	$ 10,980
Extraordinary item	(6,293)	--	(6,293)	--
Interest on convertible subordinated notes, net of taxes (2)	--	--	8,271	--
Net income (loss) - primary	$ 18,902	$ (27,471)	$ 172,431	$ 10,980
Number of common shares outstanding	216,048	178,374	216,048	178,374
Effect of using weighted average common shares outstanding	(2,538)	(1,982)	(10,692)	(6,216)
Common stock equivalents:				
Common stock options and warrants (1)	4,687	--	4,408	8,517
4% Convertible subordinated notes (2)	--	--	10,578	--
Total	218,197	176,392	220,342	180,675
Primary earnings (loss) per common share:				
Income (loss) before extraordinary item	$ 0.12	$ (0.16)	$ 0.81	$ 0.06
Extraordinary item	(0.03)	--	(0.03)	--
Net income (loss)	$ 0.09	$ (0.16)	$ 0.78	$ 0.06
Fully diluted				
Income (loss) before extraordinary item	$ 25,195	$ (27,471)	$ 170,453	$ 10,980
Extraordinary item	(6,293)	--	(6,293)	--
Interest on 4% convertible subordinated notes, net of taxes (2)	--	--	8,271	--
Interest on 4 1/2% convertible subordinated notes, net of taxes (3)	--	--	3,029	--
Interest on 5% convertible subordinated debentures, net of taxes (3)	--	--	2,581	--
Net income (loss) - fully diluted	$ 18,902	$ (27,471)	$ 178,041	$ 10,980
Number of common shares outstanding	216,048	178,374	216,048	178,374
Effect of using weighted average common shares outstanding	(2,538)	(1,982)	(10,692)	(6,216)
Common stock equivalents:				
Common stock options and warrants (1)	4,687	--	4,569	8,517
4% Convertible subordinated notes (2)	--	--	10,578	--
4 1/2% Convertible subordinated notes (3)	--	--	4,962	--
5% Convertible subordinated debentures (3)	--	--	4,062	--
Total	218,197	176,392	229,527	180,675
Fully diluted earnings (loss) per common share:				
Income (loss) before extraordinary item	$ 0.12	$ (0.16)	$ 0.81	$ 0.06
Extraordinary item	(0.03)	--	(0.03)	--
Net income (loss)	$ 0.09	$ (0.16)	$ 0.78	$ 0.06

(1) The dilutive impact of common stock options and warrants were determined based on the "Treasury Stock Method", as set forth in Accounting Principles Board Opinion No. 15. For the three months ended September 30, 1996, common stock equivalents from common stock options and warrants of 9,238,000 and 9,818,000 were not included in the primary and fully diluted earnings per share calculation, respectively, due to their antidilutive nature for this period.

(2) In accordance with Accounting Principles Board Opinion No. 15, convertible subordinated notes that are deemed to be common stock equivalents are considered in computing both primary and fully diluted earnings per common share if inclusion of such convertible subordinated notes is dilutive based on the "If-Converted Method". The Company's 4% convertible subordinated notes, issued February 7, 1997, are considered to be common stock equivalents based upon the yield test at the time of issuance. The 4% convertible subordinated notes are dilutive for both primary and fully diluted earnings per common share for the nine months ended September 30, 1997. For the three months ended September 30, 1997, interest net of taxes of $3,238,000 and common stock equivalents of 12,288,000 were not included in the primary and fully dilutive earnings per share calculation due to their antidilutive nature for this period.

(3) In accordance with Accounting Principles Board Opinion No. 15, convertible subordinated notes and debentures are considered in computing fully diluted earnings per common share if inclusion of such items is dilutive based on the "If-Converted Method". The Company's 4 1/2% convertible subordinated notes, issued June 5, 1996, and 5% convertible subordinated debentures, issued March 4, 1996, are dilutive for the nine months ended September 30, 1997. For the three months ended September 30, 1997 and 1996,and the months ended September 30, 1996, interest net of taxes of $1,890,000 and $4,051,000, respectively, and the related addback to shares of 9,024,000 and 5,324,000, respectively, were not included in the fully diluted earnings per share calculation due to their antidilutive nature for these periods.

EXHIBIT 12

USA WASTE SERVICES, INC.
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(IN THOUSANDS, EXCEPT RATIOS)
(UNAUDITED)

	Nine Months Ended September 30,	
	1997 (1)	1996 (2)
Income before taxes and extraordinary item	$ 291,817	$ 42,335
Fixed charges deducted from income:		
Interest expense	71,040	45,080
Implicit interest in rents	5,110	5,595
	76,150	50,675
Earnings available for fixed charges	$ 367,967	$ 93,010
Interest expense	$ 71,040	$ 45,080
Capitalized interest	17,772	14,429
Implicit interest in rents	5,110	5,595
Total fixed charges	$ 93,922	$ 65,104
Ratio of earnings to fixed charges	3.9x	1.4x

---

(1) Income before taxes and extraordinary item for the nine months ended September 30, 1997, includes merger costs and unusual items of $109,411,000, and $24,720,000, respectively. Excluding the effect of these nonrecurring charges, the ratio of earnings to fixed charges would have been 5.4x for the nine months ended September 30, 1997.

(2) Income before taxes and extraordinary item for the nine months ended September 30, 1996, includes merger costs and unusual items of $125,047,000 and $63,800,000, respectively. Excluding the effect of these nonrecurring charges, the ratio of earnings to fixed charges would have been 4.3x for the nine months ended September 30, 1996.

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS OF USA WASTE SERVICES, INC. FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1997 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

9-MOS
DEC-31-1997
JAN-01-1997
SEP-30-1997
63,249,000
0
464,385,000
(28,748,000)
0
706,653,000
4,423,592,000
(827,724,000)
6,044,619,000
545,759,000
2,440,879,000
0
0
2,160,000
2,498,195,000
6,044,619,000
1,878,460,000
1,878,460,000
970,373,000
1,531,111,000
(15,508,000)
0
71,040,000
291,817,000
121,364,000
170,453,000
0
(6,293,000)
0
164,160,000
0.78
0.78