

FORM 10-Q/A

AMENDMENT NO. 1

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

FOR THE QUARTERLY PERIOD ENDED MARCH 31, 1995

OR

() TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES AND 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)

OKLAHOMA
(STATE OR OTHER JURISDICTION OF
INCORPORATION OR ORGANIZATION)

73-1309529
(I.R.S. EMPLOYER
IDENTIFICATION NO.)

5000 QUORUM DRIVE
SUITE 300
DALLAS, TEXAS 75240
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

(214) 383-7900
(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
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INDICATE THE NUMBER OF SHARES OUTSTANDING OF EACH OF THE ISSUER'S CLASSES OF COMMON STOCK AS OF MAY 11, 1995:

COMMON STOCK \$.01 PAR VALUE 22,974,256

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PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

USA WASTE SERVICES, INC.
CONSOLIDATED BALANCE SHEETS
(unaudited)

MARCH 31, DECEMBER 31,
1995 1994

ASSETS		
Current assets:		
Cash and cash equivalents	\$7,620,000	\$6,613,000
Accounts receivable, net	20,481,000	19,992,000
Notes and other receivables	11,794,000	8,072,000
Prepaid expenses and other	2,869,000	2,361,000
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Total current assets	42,764,000	37,038,000
Notes and other receivables	2,522,000	2,462,000
Property and equipment, net	181,707,000	182,415,000
Excess of cost over net assets of acquired businesses, net	74,363,000	73,305,000
Other intangible assets, net	13,798,000	14,375,000
Other assets	23,070,000	13,572,000
	-----	-----
Total assets	\$338,224,000	\$323,167,000
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$11,249,000	\$12,023,000
Accrued liabilities	8,730,000	12,783,000
Deferred revenues	2,008,000	1,783,000
Current maturities of long-term debt	1,735,000	1,830,000
	-----	-----
Total current liabilities	23,722,000	28,419,000
Revolving credit facility	115,000,000	98,000,000
Convertible subordinated debentures	49,000,000	49,000,000
Other long-term debt	3,715,000	6,903,000
Closure, post-closure and other liabilities	17,149,000	17,067,000
Deferred income taxes	16,292,000	15,792,000
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Total liabilities	224,878,000	215,181,000
	-----	-----
Commitments and contingencies	-	-
Stockholders' equity:		
Common stock, \$.01 par value; 50,000,000 shares authorized; 22,828,159 and 22,728,548 shares issued	228,000	227,000
Additional paid-in capital	96,329,000	95,758,000
Retained earnings	18,750,000	13,962,000
Less treasury stock, 149,285 shares, at cost	(1,961,000)	(1,961,000)
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Total stockholders' equity	113,346,000	107,986,000
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Total liabilities and stockholders' equity	\$338,224,000	\$323,167,000
	=====	=====

See accompanying notes.

USA WASTE SERVICES, INC.
CONSOLIDATED STATEMENTS OF INCOME
(unaudited)

FOR THE THREE MONTHS
ENDED MARCH 31,

-----	-----
1995	1994
-----	-----
	(restated)

Operating revenues	\$46,508,000	\$38,205,000
Costs and expenses:		
Operating	25,496,000	21,915,000
General and administrative	6,087,000	5,321,000
Depreciation and amortization	5,408,000	4,393,000
	-----	-----
	36,991,000	31,629,000
	-----	-----
Income from operations	9,517,000	6,576,000
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Other income (expense):		
Interest expense, net of capitalized interest	(3,152,000)	(2,457,000)
Other, net	1,235,000	221,000
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	(1,917,000)	(2,236,000)
	-----	-----
Income before provision for income taxes	7,600,000	4,340,000
Provision for income taxes	2,812,000	1,636,000
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Net income	4,788,000	2,704,000
Preferred dividends	-	380,000
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Income available to common shareholders	\$4,788,000	\$2,324,000
	=====	=====
Earnings per share	\$0.21	\$0.12
	=====	=====
Weighted average number of common and common equivalent shares outstanding	23,259,000	19,408,000
	=====	=====

See accompanying notes.

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USA WASTE SERVICES, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(unaudited)

	Common Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock
	-----	-----	-----	-----
Balance, December 31, 1994	\$227,000	\$95,758,000	\$13,962,000	(\$1,961,000)
Exercise of stock warrants	1,000	516,000		
Issuance of common stock to directors	-	25,000		
Exercise of stock options	-	30,000		
Net income			4,788,000	
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Balance, March 31, 1995	\$228,000	\$96,329,000	\$18,750,000	(\$1,961,000)
	=====	=====	=====	=====

See accompanying notes.

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USA WASTE SERVICES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)

FOR THE THREE MONTHS
ENDED MARCH 31,

	1995	1994
		(restated)
Cash flows from operating activities:		
Net income	\$4,788,000	\$2,704,000
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	5,408,000	4,450,000
Deferred income taxes	500,000	341,000
Net gain on disposal of assets	(514,000)	(20,000)
Other non-cash adjustments	-	40,000
Change in assets and liabilities, net of effects of business acquisitions:		
(Increase) in accounts receivables	(490,000)	(2,153,000)
(Increase) in prepaid expenses and other	(508,000)	(520,000)
(Increase) in notes and other receivables	(868,000)	-
(Increase) in other assets	(2,778,000)	(41,000)
Increase (decrease) in accounts payable and accrued liabilities	(5,489,000)	3,533,000
Increase (decrease) in deferred revenues and other liabilities	308,000	(1,395,000)
Net cash provided by operating activities	357,000	6,939,000
Cash flows from investing activities:		
Acquisitions of businesses, net of cash acquired	-	(16,204,000)
Capital expenditures	(7,948,000)	(8,972,000)
Loans and advances to others	(9,726,000)	-
Collection of loans to others	91,000	-
Proceeds from sale of assets	3,969,000	101,000
Net cash used in investing activities	(13,614,000)	(25,075,000)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	17,000,000	21,121,000
Principal payments on long-term debt	(3,283,000)	(1,172,000)
Proceeds from exercise of stock options	30,000	300,000
Proceeds from exercise of warrants	517,000	-
Net cash provided by financing activities	14,264,000	20,249,000
Increase in cash and cash equivalents	1,007,000	2,113,000
Cash and cash equivalents at beginning of period	6,613,000	3,235,000
Cash and cash equivalents at end of period	\$7,620,000	\$5,348,000
Supplemental cash flow information:		
Cash paid during the period for:		
Interest	\$2,513,000	\$919,000
Income taxes	\$4,200,000	\$1,191,000

See accompanying notes.

and the related consolidated statements of income for the three months ended March 31, 1995 and 1994, stockholders' equity for the three months ended March 31, 1995, and cash flows for the three months ended March 31, 1995 and 1994 are unaudited; in the opinion of management, such financial statements reflect all adjustments, consisting only of normal recurring adjustments, necessary to a fair statement of the results of the interim periods presented. The Company has restated the previously issued financial statements for the three months ended March 31, 1994 to reflect the acquisition of Envirofil, Inc. ("Envirofil") consummated May 27, 1994, and accounted for using the pooling of interests method of accounting.

The financial statements included herein should be read in connection with the Company's Annual Report on Form 10-K for the year ended December 31, 1994, as amended on Form 10-K/A (Amendment No. 1).

1. CHAMBERS ACQUISITION:

In December 1994, the Company entered into a Plan and Agreement of Reorganization to acquire Chambers through a merger transaction. The merger is subject to, among other conditions, approval of both companies' boards of directors and shareholders. It is anticipated that the merger will be completed in June 1995 and that it will be accounted for as a pooling of interests. The Agreement provides that on the effective date of the merger the Company will issue one share of its Common Stock for every 2.4 shares of Chambers common stock outstanding. The Company currently has approximately 23.0 million common shares outstanding and, after the merger, expects to have approximately 50.8 million common shares outstanding. Following the merger, the Board of Directors will include nominees of both the Company and Chambers. John E. Drury will serve as Chairman and Chief Executive Officer. Donald F. Moorehead, Jr. will serve as Vice Chairman of the Board of Directors and Chief Development Officer. John G. Rangos, Sr. will serve as non-executive Vice-Chairman of the Board of Directors. David Sutherland-Yoest will continue to serve as President and Chief Operating Officer and Earl E. DeFrates will continue as Chief Financial Officer.

2. LONG-TERM DEBT:

Long-term debt consists of the following as of:

	MARCH 31, 1995	DECEMBER 31, 1994
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Revolving credit facility	\$115,000,000	\$ 98,000,000
8 1/2% Convertible Subordinated Debentures	49,000,000	49,000,000
Other	5,450,000	8,733,000
	-----	-----
	169,450,000	155,733,000
Less current maturities	1,735,000	1,830,000
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	\$167,715,000	\$153,903,000
	=====	=====

On November 28, 1994, the Company entered into a new revolving credit facility providing for borrowings of up to \$150,000,000. At the Company's option, the interest rate on any loan under the revolving credit facility will be based on an adjusted prime rate or Eurodollar rate, as defined in the agreement. The facility matures on November 30, 1997. The revolving credit facility, among other conditions, requires the payment of a 3/8 of 1% commitment fee on the unused balance, payable in arrears, and provides for

certain restrictions on the ability of the Company, subject to certain limitations, to incur borrowings, sell assets, or pay cash dividends. The facility also requires the maintenance of certain financial ratios, minimum net worth requirements and profitable operations. The facility is collateralized by all the stock of the Company's subsidiaries, whether now owned or hereafter acquired.

3. CHANGE IN ACCOUNTING ESTIMATE:

As of January 1, 1995, the Company changed the useful life of the excess of cost over net assets of acquired businesses from 25 years to 40 years to more appropriately reflect the estimated periods during which the benefit of the assets will be realized. This change in accounting estimate had the effect of reducing amortization expense by approximately \$360,000 for the three months ended March 31, 1995.

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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

May 22, 1995

Date

BY: s/ Earl E. DeFrates

Earl E. DeFrates,
Executive Vice President,
Chief Financial Officer

May 22, 1995

Date

BY: s/ Bruce E. Snyder

Bruce E. Snyder,
Vice President - Controller
Chief Accounting Officer

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