

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 17, 1998

Waste Management, Inc. (Exact name of Registrant as specified in its charter)

Delaware  
(State or other  
jurisdiction of  
incorporation)

1-12154  
(Commission  
File Number)

73-1309529  
(I.R.S. Employer  
Identification No.)

1001 Fannin Street, Suite 4000  
Houston, Texas  
(Address of principal executive offices)

77002  
(Zip Code)

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

(Former name or address, if changed since last report)

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Item 2. Acquisition or Disposition of Assets.

On August 16, 1998, the Registrant entered into an Agreement and Plan of Merger (the "Agreement") with Eastern Environmental Services, Inc., a Delaware corporation ("Eastern"). Pursuant to the terms of the Agreement, each stockholder of Eastern will receive 0.6406 shares of Registrant's common stock for each share of Eastern common stock held. The closing of the merger is subject to approval by Eastern's stockholders, certain governmental approvals, and other customary closing conditions.

On August 17, 1998, the Registrant and Eastern issued a joint press release announcing the signing of the Agreement. A copy of the joint press release is attached as an exhibit hereto and is incorporated by reference herein.

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 hereunto duly authorized.

WASTE MANAGEMENT, INC.

Date: August 17, 1998

/s/ Gregory T. Sangalis

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Name: Gregory T. Sangalis  
Title: Senior Vice President  
and Secretary

## EXHIBIT INDEX

Exhibit No.	Description
99.1	Joint press release dated August 17, 1998, issued by the Registrant and Eastern Environmental Services, Inc.

FOR IMMEDIATE RELEASE

For Further Information:

Eastern Environmental Services, Inc.  
John Polling  
(679) 235-6009

Waste Management, Inc.  
Cherie Rice  
(713) 512-6548

WMI #98-11

Waste Management and Eastern Environmental  
Announce Merger Agreement

HOUSTON, TEXAS AND MT. LAUREL, NEW JERSEY (August 17, 1998) - Waste Management, Inc. (NYSE: WMI) and Eastern Environmental Services, Inc. (NASDAQ: EESI) jointly announced today that the companies had entered into a merger agreement. Pursuant to the terms of the agreement, each shareholder of Eastern will receive .6406 shares of Waste Management common stock for each share of Eastern common stock held. Based on Waste Management's closing stock price of \$52.6875 per share on Friday, August 14, 1998, the transaction is valued at approximately \$1.3 billion. The closing of the merger is subject to approval by Eastern's shareholders, certain governmental approvals, and other customary closing conditions. The companies expect the merger to close prior to December 31, 1998.

John E. Drury, Waste Management's CEO, stated, "Eastern's business, which will tuck nicely into our existing operations, should add about \$.05 to our combined 1999 per share earnings. We expect 1999 synergies from the combination to be approximately \$75 million. The combination will provide us with an opportunity to increase our internalization of waste, strengthen our balance sheet, improve our earnings and enhance our growth opportunities as we head into 1999." Drury further noted, "I applaud Lou Paolino and his team for an outstanding job in putting the fine Eastern assets together in a relatively short time. I am pleased that Lou has agreed to stay on with us for one year to assist with the integration of the assets and help with additional market development activity."

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Louis D. Paolino, Jr., Chairman, CEO and President of Eastern, said "This is a tremendous opportunity to combine Eastern's assets with the premier solid waste company in the industry. We have worked very hard over the past two years in combining some of the best operations in the industry. I am extremely proud of what Eastern's management and employees have accomplished and look forward to a successful combination of these two fine companies."

Waste Management, Inc., based in Houston, is the global leader in providing waste management services. In North America the Company operates throughout the United States, the District of Columbia, Canada, Puerto Rico, and Mexico servicing municipal, commercial, industrial and residential customers.

Certain statements provided in this release constitute forward-looking statements that involve a number of risks and uncertainties. These risks and uncertainties may cause actual results to differ materially from expected results and are described in detail in the Securities and Exchange Commission filings which have been made by Waste Management.

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