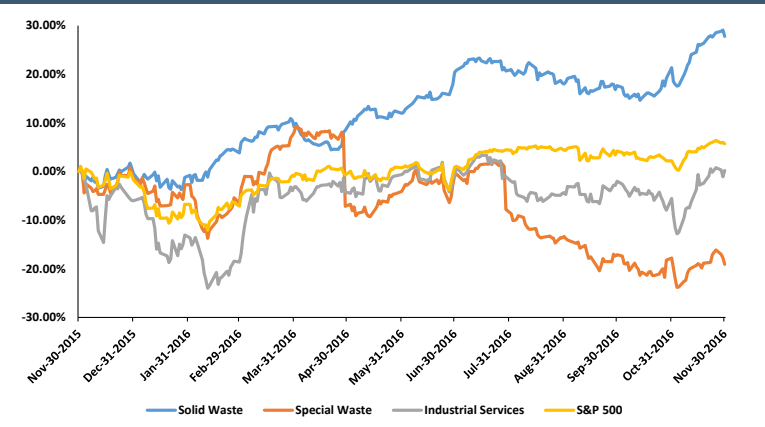
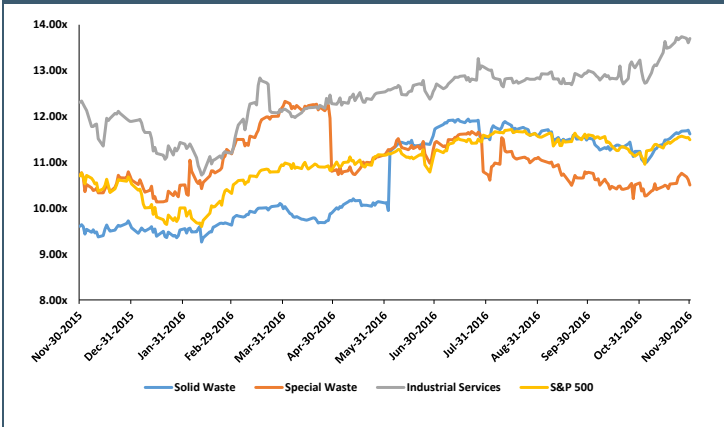


# Trash Talk

An Environmental Services  
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Environmental Services LTM TEV/EBITDA

Environmental Services LTM Share Price (Shown as % change)



## Indices Performance (% change)

	<u>November 2016</u>	<u>LTM</u>		<u>November 2016</u>	<u>LTM</u>
S&P 500	4.1%	5.7%	Solid Waste	4.8%	27.8%
Dow Jones	6.0%	7.9%	Special Waste	(1.6%)	(19.1%)
NASDAQ	3.3%	4.2%	Industrial Services	6.3%	0.2%

(Source: CapitalIQ)

## Largest Environmental Services Movers and Losers (largest % changes in the month of November)

Industrial Services of America, Inc.	105.7%	Stericycle, Inc.	(8.9%)
CECO Environmental Corp.	43.3%	Ecology & Environment, Inc.	(8.4%)
Heritage-Crystal Clean, Inc.	24.4%	Fuel Tech, Inc.	(5.5%)
Sharps Compliance Corp.	16.7%	Perma-Fix Environmental Services Inc.	(3.6%)
Quest Resource Holding Corporation	15.8%	Covanta Holding Corporation	(2.7%)

## Environmental Services Industry Contacts

**Tom Denison**  
(312) 283-0819  
thomas.denison@thechicagocorp.com

**Phil Clarke**  
(312) 283-0803  
philip.clarke@thechicagocorp.com



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## Select Public Trading Statistics (as of 11/30/2016)

### Solid Waste:

(\$ in millions, except per share data)

Company	Share Price 11/30/2016	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples			Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY15 P/E	CY16 P/E	Gross	EBIT	EBITDA		
Waste Management, Inc.	WM	\$69.52	98.4%	\$30,728	\$39,983	3.0x	11.1x	17.7x	27.9x	22.1x	24.0x	37.5%	17.2%	27.3%	2.5x
Republic Services, Inc.	RSG	\$55.49	99.1%	\$18,864	\$26,577	2.9x	10.2x	17.2x	32.3x	23.1x	24.9x	38.7%	16.6%	28.1%	3.0x
Waste Connections, Inc.	WCN	\$76.44	95.9%	\$13,410	\$16,991	5.9x	18.8x	33.1x	39.8x	NM	34.0x	42.7%	18.0%	31.6%	4.0x
Advanced Disposal Services, Inc.	ADSW	\$20.06	93.3%	\$1,760	\$4,000	2.9x	10.3x	33.1x	0.0x	NM	NM	38.2%	8.5%	27.5%	5.8x
Casella Waste Systems, Inc.	CWST	\$12.66	98.5%	\$525	\$1,022	1.8x	9.8x	24.5x	NM	NM	NM	32.2%	7.4%	18.6%	4.8x
Mean				\$13,057	\$17,715	3.3x	12.0x	25.1x	25.0x	22.6x	27.6x	37.9%	13.5%	26.6%	4.0x
Median				\$13,410	\$16,991	2.9x	10.3x	24.5x	30.1x	22.6x	24.9x	38.2%	16.6%	27.5%	4.0x
High				\$30,728	\$39,983	5.9x	18.8x	33.1x	39.8x	23.1x	34.0x	42.7%	18.0%	31.6%	5.8x
Low				\$525	\$1,022	1.8x	9.8x	17.2x	0.0x	22.1x	24.0x	32.2%	7.4%	18.6%	2.5x

Source: Capital IQ

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months

### Special Waste:

(\$ in millions, except per share data)

Company	Share Price 11/30/2016	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples			LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY15 P/E	CY16 P/E	Gross	EBIT	EBITDA		
Stericycle, Inc.	SRCL	\$72.97	56.6%	\$6,209	\$9,192	2.6x	12.4x	18.3x	26.5x	31.5x	18.0x	45.1%	14.1%	21.0%	4.0x
Clean Harbors, Inc.	CLH	\$52.85	96.9%	\$3,033	\$4,408	1.6x	11.0x	38.5x	NM	36.2x	344.7x	29.4%	4.1%	14.4%	3.4x
Darling Ingredients Inc.	DAR	\$13.51	84.8%	\$2,234	\$4,022	1.2x	7.3x	14.8x	15.2x	NM	29.4x	22.4%	4.5%	13.0%	3.9x
US Ecology, Inc.	ECOL	\$46.45	94.0%	\$1,012	\$1,293	2.6x	11.1x	16.8x	29.4x	26.1x	28.3x	31.2%	15.5%	23.5%	2.4x
Sharps Compliance Corp.	SMED	\$4.33	44.5%	\$69	\$65	1.9x	NM	NM	NM	NM	NM	31.9%	(1.0%)	1.7%	(6.2x)
Perma-Fix Environmental Services, Inc.	PESI	\$4.00	70.9%	\$47	\$58	1.1x	NM	NM	NM	NM	NM	15.4%	(8.9%)	(1.5%)	(13.3x)
Mean				\$2,099	\$3,173	1.8x	10.4x	22.1x	23.7x	31.3x	105.1x	29.2%	4.7%	12.0%	-1.0x
Median				\$1,618	\$2,658	1.7x	11.0x	17.6x	26.5x	31.5x	28.8x	30.3%	4.3%	13.7%	2.9x
High				\$6,209	\$9,192	2.6x	12.4x	38.5x	29.4x	36.2x	344.7x	45.1%	15.5%	23.5%	4.0x
Low				\$47	\$58	1.1x	7.3x	14.8x	15.2x	26.1x	18.0x	15.4%	-8.9%	-1.5%	(13.3x)

Source: Capital IQ

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months

### Industrial Services:

(\$ in millions, except per share data)

Company	Share Price 11/30/2016	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples			LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY15 P/E	CY16 P/E	Gross	EBIT	EBITDA		
Covanta Holding Corporation	CVA	\$14.60	82.3%	\$1,896	\$4,482	2.7x	13.3x	33.7x	29.2x	NM	NM	30.4%	7.6%	19.9%	7.8x
CECO Environmental Corp.	CECE	\$14.19	98.5%	\$485	\$594	1.4x	11.3x	18.4x	48.8x	13.3x	15.0x	31.2%	7.7%	12.6%	2.1x
Heritage-Crystal Clean, Inc.	HCCI	\$16.30	97.3%	\$365	\$403	1.2x	16.8x	54.4x	NM	33.2x	39.4x	20.6%	2.2%	7.0%	1.5x
Cypress Energy Partners, L.P.	CELP	\$10.45	84.5%	\$124	\$213	0.7x	15.0x	25.6x	NM	15.9x	13.6x	11.5%	2.6%	4.5%	7.8x
Ecology & Environment, Inc.	EET	\$8.98	77.8%	\$39	\$30	0.3x	5.3x	6.6x	43.5x	NM	NM	45.3%	3.3%	4.4%	(2.6x)
Fuel Tech, Inc.	FTEK	\$1.20	54.5%	\$28	\$15	0.2x	NM	NM	NM	NM	NM	37.4%	(12.5%)	(6.7%)	3.1x
Quest Resource Holding Corporation	QRHC	\$1.98	27.1%	\$30	\$32	0.2x	NM	NM	NM	NM	NM	7.7%	(4.7%)	(2.4%)	(0.4x)
Industrial Services of America, Inc.	ISAI	\$2.51	74.9%	\$20	\$25	0.8x	NM	NM	NM	NM	NM	(2.0%)	(15.8%)	(8.7%)	(1.6x)
Mean				\$373	\$724	0.9x	12.3x	27.8x	40.5x	20.8x	22.6x	22.8%	-1.2%	3.8%	2.2x
Median				\$81	\$123	0.7x	13.3x	25.6x	43.5x	15.9x	15.0x	25.5%	2.4%	4.4%	1.8x
High				\$1,896	\$4,482	2.7x	16.8x	54.4x	48.8x	33.2x	39.4x	45.3%	7.7%	19.9%	7.8x
Low				\$20	\$15	0.2x	5.3x	6.6x	29.2x	13.3x	13.6x	-2.0%	-15.8%	-8.7%	(2.6x)

Source: Capital IQ

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months





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## Select Mergers and Acquisitions & Capital Raising News

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### ❖ Allmetal Recycling Acquires S.O.S. Metals

November 8, 2016 – Allmetal Recycling has acquired S.O.S. Metals, which includes its operations and processing facility. The acquisition is slated to strengthen the company's position in the aerospace allot market and bolster Allmetal's presence in the Midwest. Allmetal specializes in recycling, certified destruction, dismantling, industrial asset liquidation services and used and new steel products.

### ❖ Waste Pro Acquires Better Waste Disposal

November 9, 2016 – Waste Pro has acquired Better Waste Disposal, a commercial waste collection and disposal company that has serviced Southern Louisiana for more than 10 years. With the acquisition, Waste Pro will be able to expand its local service capability to meet the needs of the Terrebonne Parish, Louisiana, commercial and industrial community. According to Waste Pro, the acquisition of Better Waste Disposal will allow the company to focus on their core construction business.

### ❖ ProMed Waste Solutions Acquires American Medical Transporters

November 16, 2016 – ProMed Waste Solutions LLC, a medical waste disposal company servicing the state of Florida, announced the acquisition of American Medical Transporters Inc. The acquisition of the Largo, Florida-based company marks the third acquisition since September of 2015 for ProMed Waste Solutions. ProMed Waste Solutions was founded in 2011 with operations in the Orlando area. The privately held company is headquartered in St. Petersburg, with additional operation facilities outside Miami and Orlando. Financial terms of the transaction were not disclosed.

### ❖ Waste Industries Acquires Cardinal Waste Solutions

November 30, 2016 – Waste Industries has acquired Cardinal Waste Solutions in Atlanta, merging the operation into its existing Atlanta assets operated out of Waste Industries' Fairburn location. Waste Industries ranked 10th on the Waste360 Top 100 in 2016. The firm posted revenue of \$576 million in 2015 and was projecting to hit \$600 million this year. At the time of the ranking, it had 2,284 full-time equivalent employees. Cardinal Waste Solutions ranked just outside the Waste360 Top 100 in 2016. It posted \$6.4 million in revenue in 2015. It was projecting growth to \$8.5 million in 2016. It had 32 full-time equivalent employees when it reported its numbers to Waste360. The acquisition closed on November 1, 2016, with November operating as a transitional month with a full operational transfer effective December 1. The company did not disclose a price for the transaction. According to Waste Industries, Cardinal Waste customers will see no changes at to their existing service plans with the current acquisition. Waste Industries is absorbing the customer service team, phone number and website to ensure a smooth transfer of operations from Cardinal Waste to Waste Industries.

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## Select Industry News

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### ❖ NWRA President and CEO Resigns

November 7, 2016 – Sharon Kneiss, the president and CEO of the National Waste and Recycling Association (NWRA), has resigned, effective immediately. Kneiss has served as NWRA's president and CEO for the past four and a half years, during which she led the development and implementation of a strategic plan to help improve safety, communication and education within the industry. The NWRA Board of Trustees will soon start a search for Kneiss' successor and in the interim, NWRA Vice President and General Counsel Kevin Kraushaar will serve as acting president and CEO.

### ❖ Wastequip Names New CFO

November 8, 2016 – Wastequip, the leading North American manufacturer of waste and recycling equipment, has named Steve Klueg as CFO. Steve Klueg will replace the current CFO, Steve Svetik, who announced his retirement from Wastequip earlier this year. Steve Klueg brings more than 25 years of financial leadership expertise, with an emphasis on manufacturing organizations, to his new role. He previously served as CFO for two corporations, The Affinia Group and Recommunity Recycling, where he led financial strategy and planning, financial reporting, auditing, forecasting, pricing initiatives and business development to increase profitability and strengthen accountability.

### ❖ New CEO at Waste Management

November 11, 2016 – Waste Management has named James Fish Jr. as the company's president and CEO. He has also been elected to the firm's board of directors. Fish succeeds David Steiner as CEO. Steiner served as CEO since 2004 and remains on the board of directors. The move is not a huge surprise. In July, Waste Management had named Fish its president as part of its succession planning process.



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❖ **Ontario Waste Management Association Names Gord White as New CEO**

November 28, 2016 – The Ontario Waste Management Association (OWMA) has named Gord White as its new CEO, effective December 12, 2016. White previously served as the CEO of the Association of Professional Geoscientists of Ontario (APGO) and held leadership roles at the Ontario Retirement Communities Association, the Association of Local Public Health Agencies and the Ontario March of Dimes.

❖ **T&M Associates Opens Full-Service Office in Detroit**

November 29, 2016 – T&M Associates, a national consulting, environmental, engineering and construction management company, has opened its new full-service office in Detroit's Renaissance Center. The new office, which will virtually link with the company's Novi, Michigan office, will provide clients with water resources, environmental, green infrastructure, health and safety, site development and solid waste services. With the completion of its new office, T&M now has a strong presence in the Midwest, with offices in Ohio, Michigan, Indiana and Kentucky.

❖ **Covanta Begins Negotiations to Shut Down its Connecticut Trash Transfer Plant**

November 29, 2016 – Due to a significant reduction in waste, Covanta Energy is in negotiations with the Town of Wallingford, Connecticut, to shut down its 10-acre trash transfer plant. This closure would result in a significant loss in tax revenue for the town, which receives payment in lieu of taxes from Covanta. As part of the negotiations, Covanta has offered each municipality involved in its current contract to enter a contract to send waste to its Bristol, Connecticut, plant, which charges a smaller tipping fee. No decisions have been made, but Covanta has requested that each municipality respond to its offer by December 31, 2016.

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Sources include Waste360, Waste Dive and various publicly available news publications. Additional information is available upon request.