November 4, 2004

Perma-Fix Announces Third Quarter Results and Comments on Positive Outlook for Fiscal 2005

ATLANTA, Nov. 4 /PRNewswire-FirstCall/ -- Perma-Fix Environmental Services, Inc. (Nasdaq: PESI; BSE: PESI; Germany: PES.BE) today announced financial results for the quarter ended September 30, 2004. Revenues for the quarter were $24.3 million compared to $23.8 million for the same period in 2003. Net loss applicable to common stock for the quarter was $17.6 million, or $0.42 per share, compared to net income applicable to common stock of $4.0 million, or $0.12 per share, for the same period in 2003. Net loss applicable to common stock for the third quarter of 2004 includes $19.3 million of non-recurring charges and discontinued operations, of which approximately $15.0 million are non-cash charges.

As previously disclosed, the Company discontinued operations at its Detroit, Michigan, facility. As a result, the Company incurred a non- recurring charge of $9.8 million for the discontinued operations, which represents a revision to its previously disclosed estimate of $11.3 million. This reduction is a result of our change in estimate related to the non-cash charge for impairment of goodwill and other intangible assets allocated to discontinued operations. This non-recurring charge could change when the Company completes the actuarial study of its pension plan liability and finalizes settlement of insurance claims due to fires at the facility. Additionally, the Company recorded an estimated impairment charge of approximately $7.1 million pursuant to its preliminary impairment test of the remaining goodwill and other intangible assets of the Industrial Segment, in connection with completion of its third quarter financial statements. The Company also recorded a $1.0 million non-recurring charge on the loss on disposal or impairment of other fixed assets. The Company will complete a final impairment test during the fourth quarter of 2004, and the impairment charge is subject to change, which the Company does not believe will be material. As previously reported, the Company also incurred a charge of $1.4 million for the pre-payment of the $5.6 million principal amount of the Company's 13.5% senior subordinated notes.

Results for the quarter reflect a 3.2% increase in revenue from the Nuclear Segment and a 0.7% increase in revenue from the Industrial Segment. The increase in the Nuclear Segment was principally attributable to our continued expansion within the mixed waste market, as exemplified by revenue generated from the commercial contract awarded by a Fortune 500 customer. The increase in the Industrial Segment was attributable to the two facilities acquired in the first quarter of 2004, offset by the Army's Newport Hydrolysate project completed in 2003. The Industrial Segment experienced minor disruptions due to the three successive hurricanes in the southeastern U.S.

For the nine months ended September 30, 2004, consolidated revenues were $60.3 million

compared to $60.4 million for the period ended September 30, 2003. Net loss applicable to common stock for the nine months was $19.6 million, or $0.49 per share, compared with net income applicable to common stock of $2.3 million, or $.07 per share for the same period in 2003.

Dr. Louis F. Centofanti, Chairman and CEO, commented, "During the quarter, we implemented a number of changes that we believe will have a favorable long- term impact on the business. We anticipate the closure of the Detroit facility will improve the financial performance of the Industrial Segment, and the prepayment of the senior subordinated notes will eliminate annual interest expense of approximately $760,000. Our Nuclear Segment remains strong, and with the restructuring of the Industrial Segment complete, we are now refocusing our efforts on driving top-line growth within both segments, as demonstrated by our recent contracts for $6 million from a Fortune 500 customer, and $23 million at the Department of Energy's Hanford site. We are aggressively pursuing similar contracts."

Dr. Centofanti concluded, "Looking ahead we anticipate the Industrial Segment will experience sales growth and breakeven in 2005, as compared to losses in 2002, 2003 and the first nine months of fiscal 2004. Within our Nuclear Segment, we anticipate continued revenue growth and improved profitability in 2005. As a result, we are quite encouraged by the outlook for fiscal 2005, and our goal is to increase shareholder value."

Perma-Fix Environmental Services, Inc. is a national environmental services company, providing unique mixed waste and industrial waste management services. The Nuclear Segment provides radioactive and mixed waste treatment services to hospitals, research laboratories and institutions, numerous federal agencies including the Departments of Energy and Defense and nuclear utilities. The Industrial Segment provides hazardous and non-hazardous waste treatment services for a diverse group of customers including Fortune 500 companies, numerous federal, state and local agencies and thousands of smaller clients. The Company operates eleven major waste treatment facilities across the country.

This press release contains "forward-looking statements" which are based largely on the Company's expectations and are subject to various business risks and uncertainties, certain of which are beyond the Company's control. Forward-looking statements include, but are not limited to, the information concerning changes that we have implemented will have a favorable long-term impact, change in the one-time charge will not be material, closure of Detroit will improve the financial performance of the Industrial Segment, the Industrial Segment will experience sales growth and breakeven in 2005, our goal to increase shareholder value, and that we anticipate continued revenue growth and improved profitability within the Nuclear Segment. These forward- looking statements are intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. While the Company believes the expectations reflected in this news release are reasonable, it can give no assurance such expectations will prove to be correct. There are a variety of factors which could cause future outcomes to differ materially from those described in this release, including without limitation, insurance settlements as to Detroit facility or actuarial study as to pension plan liability relating to the Detroit facility affecting the charge due to discontinuing the operations at the Detroit facility, future economic conditions, industry conditions, competitive pressures, changes in environmental laws, and neither the government nor any party delivering waste as anticipated. The

Company makes no commitment to disclose any revisions to forward-looking statements, or any facts, events or circumstances after the date hereof that bear upon forward-looking statements.

Please visit us on the World Wide Web at http://www.perma-fix.com.

FINANCIAL TABLE FOLLOWS

PERMA-FIX ENVIRONMENTAL SERVICES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

(Amounts in Thousands, Except for Per Share Amounts)	Three Months Ended September 30, 2004	Three Months Ended September 30, 2003	Nine Months Ended September 30, 2004	Nine Months Ended September 30, 2003
Net revenues	$24,337	$23,781	$60,277	$60,425
Cost of goods sold	16,808	14,110	43,195	41,725
Gross profit	7,529	9,671	17,082	18,700
Selling, general and administrative expenses	4,419	4,610	12,832	13,008
Loss (gain) on disposal or impairment of fixed assets	1,014	(14)	996	(15)
Impairment loss on intangible assets	7,101	-	7,101	-
Income (loss) from operations	(5,005)	5,075	(3,847)	5,707
Other income (expense):				
Interest income	-	2	2	7
Interest expense	(294)	(735)	(1,535)	(2,107)
Interest expense-financing fees	(1,566)	(256)	(2,079)	(814)
Other	(92)	(42)	(354)	(82)
Income (loss) from continuing operations before Preferred Stock dividends	(6,957)	4,044	(7,813)	2,711
Preferred Stock dividends	(48)	(48)	(142)	(142)
Income (loss) from continuing operations	(7,005)	3,996	(7,955)	2,569
Discontinued operations:				
Income (loss) from discontinued operations	(740)	29	(1,765)	(226)
Loss on disposals from discontinued operations	(9,835)	-	(9,835)	-
Total income (loss) on discontinued operations	(10,575)	29	(11,600)	(226)
Net Income (loss) applicable to Common Stock	$(17,580)	$4,025	$(19,555)	$2,343

Net income (loss) per common share-basic:				
Continuing operations	$(.17)	$.12	$(.20)	$.08
Discontinued operations	(.25)	-	(.29)	(.01)
Net income (loss) per common share	$(.42)	$.12	$(.49)	$.07
Net income (loss) per common share-diluted:				
Continuing operations	$(.17)	$.11	$(.20)	$.07
Discontinued operations	(.25)	-	(.29)	(.01)
Net income (loss) per common share	$(.42)	$.11	$(.49)	$.06
Number of shares and potential common shares used in net income (loss) per common share:				
Basic	41,648	34,885	40,051	34,764
Diluted	41,648	38,247	40,051	39,089

PERMA-FIX ENVIRONMENTAL SERVICES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

(Amounts in Thousands, Except for Share Amounts)	September 30, 2004 (Unaudited)	December 31, 2003
ASSETS		
Current assets:		
Cash	$458	$411
Restricted cash	61	30
Accounts receivable, net of allowance for doubtful accounts of $601 and $661	31,391	23,576
Prepaid expenses and other	4,784	2,910
Current assets of discontinued operations	802	1,454
Total current assets	37,496	28,381
Net property and equipment	47,530	47,311
Net property and equipment of discontinued operations	600	5,758
Permits	13,723	16,150
Goodwill	1,330	5,817
Finite Risk Sinking Fund	2,225	1,234
Other assets	3,406	4,635
Long-term assets of discontinued operations	-	929
Total assets	$106,310	$110,215
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$6,111	$5,518
Accrued expenses and other	17,175	14,463
Current liabilities of discontinued operations	3,214	1,345
Current portion of long-term debt	6,074	2,896
Total current liabilities	32,574	24,222
Other long-term liabilities	9,145	7,983

Long-term liabilities of discontinued operations	1,804	91
Long-term debt, less current portion	19,338	26,192
Total long-term liabilities	30,287	34,266
Total liabilities	62,861	58,488
Commitments and Contingencies	-	-
Preferred Stock of subsidiary, $1.00 par value; 1,467,396 shares authorized, 1,284,730 shares issued and outstanding, liquidation value $1.00 per share	1,285	1,285
Stockholders' equity:		
Preferred Stock, $.001 par value; 2,000,000 shares authorized, 2,500 shares issued and outstanding	-	-
Common Stock, $.001 par value; 75,000,000 shares authorized, 42,708,117 and 37,241,881 shares issued, including 988,000 shares held as treasury stock, respectively	43	37
Additional paid-in capital	80,843	69,640
Accumulated deficit	(36,798)	(17,243)
Interest rate swap	(62)	(130)
	44,026	52,304
Less Common Stock in treasury at cost; 988,000 shares	(1,862)	(1,862)
Total stockholders' equity	42,164	50,442
Total liabilities and stockholders' equity	$106,310	$110,215

SOURCE Perma-Fix Environmental Services, Inc.

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ST: Georgia
IN: ENV
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