March 7, 2006

Perma-Fix Announces Results for the Fourth Quarter and Fiscal 2005

* 2005 Record Revenues Increase 10.2%
* 2005 Net Income Grows to a Record $3.6 million vs a Loss of $19.6 million in 2004

ATLANTA, March 7 /PRNewswire-FirstCall/ -- Perma-Fix Environmental Services, Inc. (Nasdaq: PESI) (BSE: PESI) (Germany: PES.BE) today announced financial results for the fourth quarter and fiscal 2005. Revenues for the quarter ended December 31, 2005, totaled $21.5 million, compared to $22.8 million for the same period in 2004. Revenue for the Industrial Segment was $9.5 million, down $704,000 principally due to the contract termination from a major home improvement chain, which was announced in October 2005. Revenue for the Nuclear Segment was $11.3 million, a $526,000 decrease from the 2004 fourth quarter. We have continued to work with the government to smooth out the waste shipments and as a result have experienced more consistent receipts throughout 2005. However, from a comparative perspective, the fourth quarter of 2004 reflected the benefit of several larger shipments and certain surcharges recorded during the period. Although the fourth quarter of this year was down, the Nuclear Segment finished overall higher in 2005, as noted below.

Net income, applicable to Common Stock, for the fourth quarter 2005 was $541,000 or $.01 per share compared to $4,000 for the same period in 2004. In the 2005 fourth quarter, the Company had income from discontinued operations of $289,000 as a result of a gain of $510,000 from the final Michigan insurance settlement. Discontinued operations includes the Michigan facility which was shut down in 2004 and the Pittsburgh, Pennsylvania, facility which was shut down in November 2005.

The table below presents certain financial information for the business segments, excluding allocation of corporate expenses.

	Quarter Ended December 31, 2005			Quarter Ended December 31, 2004		
(In thousands)	Industrial	Nuclear	Engineering	Industrial	Nuclear	Engineering
Net revenues	$ 9,475	$11,282	$ 708	$10,179	$11,808	$ 803
Gross profit	1,450	4,149	186	2,064	4,469	169
Segment profit (loss)	(1,064)	2,430	48	(3,022)	2,737	70

For the twelve months ended December 31, 2005, revenues increased by approximately 10.2% to a record $90.9 million, compared to $82.5 million in 2004. Results for fiscal 2005 reflect a 10.7% increase in revenue from the Nuclear Segment to $47.2 million, and an

11.4% increase in revenue from the Industrial Segment to $40.8 million. The increase in the Nuclear Segment was principally attributable to the Company's continued expansion within the mixed waste market, including new government and commercial contract awards.

For the twelve months ended December 31, 2005, net income, applicable to Common Stock, totaled $3.6 million or $.08 per share, compared to a loss of $19.6 million or $.48 per share in 2004. Results for 2005 include income from discontinued operations of $670,000.

The table below presents certain financial information for the business segments, excluding allocation of corporate expenses.

	Twelve Months Ended December 31, 2005			Twelve Months Ended December 31, 2004		
(In thousands)	Industrial	Nuclear	Engineering	Industrial	Nuclear	Engineering
Net revenues	$40,768	$47,245	$ 2,853	$36,600	$42,679	$ 3,204
Gross profit	6,627	18,100	669	6,160	16,741	812
Segment profit (loss)	(1,762)	10,141	182	(12,900)	9,240	376

Dr. Louis F. Centofanti, Chairman and CEO, commented, "We are pleased with the progress that Perma-Fix has made over the past year. We have achieved revenue increases in our two major segments, which resulted in record revenues on a consolidated basis for 2005, record revenues for our Nuclear Segment for 2005, four profitable quarters from continuing operations and a very positive change in our net income for the year. All the while, we have been executing our plans to increase revenue, efficiency and profitability. We continue to strengthen our balance sheet and have significantly improved our liquidity and working capital position this year. We believe that 2006 will be a very exciting year of growth for Perma-Fix."

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 nine 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 possible or assumed future results of operations of the company, our increased revenue, efficiency and profitability and 2006 being a very exciting year of growth for Perma-Fix. 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, future economic conditions, industry conditions, competitive pressures, the ability of the company to apply and market its technologies, neither the government nor any party which has granted the Company a material contract terminates their contract prior to expiration of the term of the contract, and satisfactory resolution of the actions brought relating to air issues at our Dayton, Ohio and Tulsa, Oklahoma facilities. 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
For the periods ended December 31

	Three Months		Twelve Months	
(Amounts in Thousands, Except for Share Amounts)	2005	2004	2005	2004
Net Revenues	$21,465	$22,790	$90,866	$82,483
Cost of goods sold	15,680	16,088	65,470	58,770
Gross Profit	5,785	6,702	25,396	23,713
Selling, general and administrative expenses	5,078	5,521	20,443	18,461
Loss (gain) on disposal or impairment of fixed assets	(1)	(2)	(334)	994
Impairment loss on intangible assets	--	1,901	--	9,002
Income (loss) from operations	708	(718)	5,287	(4,744)
Other income (expense):				
Interest income	126	1	133	3
Interest expense	(418)	(486)	(1,594)	(2,020)
Interest expense - financing fees	(48)	(112)	(318)	(2,191)
Other	8	(442)	7	(456)
Income (loss) from continuing operations before taxes	376	(1,757)	3,501	(9,408)
Income Taxes	108	6	432	169
Income (loss) from continuing operations	268	(1,763)	3,069	(9,577)
Discontinued operations:				

Income (loss) from discontinued operations	289	1,158	670	(606)
Income (loss) on disposal of discontinued operations	--	657	--	(9,178)
Total income (loss) from discontinued operations	289	1,815	670	(9,784)
Net income (loss)	557	52	3,739	(19,361)
Preferred Stock dividends	(16)	(48)	(156)	(190)
Net income (loss) applicable to Common Stock	$541	$4	$3,583	$(19,551)
Net income (loss) per common share - basic:				
Continuing operations	$.01	$(.04)	$.07	$(.24)
Discontinued operations	--	.04	.01	(.24)
Net income (loss) per common share	$.01	$--	$.08	$(.48)
Net income (loss) per common share - diluted:				
Continuing operations	$.01	$(.04)	$.07	$(.24)
Discontinued operations	--	.04	.01	(.24)
Net income (loss) per common share	$.01	$--	$.08	$(.48)
Number of shares and potential common shares Used in computing net income (loss) per share:				
Basic	44,754	41,747	42,605	40,478
Diluted	47,512	43,947	44,804	40,478

PERMA-FIX ENVIRONMENTAL SERVICES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
As of December 31

(Amounts in Thousands, Except for Share Amounts)	2005	2004
ASSETS		
Current assets		
Cash	$ 94	$ 215
Restricted cash	511	60
Accounts receivable, net of allowance for doubtful accounts of $512 and $560	16,609	17,408
Unbilled receivables	11,948	9,518
Prepaid expenses and other	3,656	3,810
Current assets of discontinued operations	60	1,883
Total current assets	32,878	32,894
Net property and equipment	44,480	46,898
Net property and equipment of discontinued operations	806	963
Permits	13,188	12,895

Goodwill	1,330	1,330
Finite Risk Sinking Fund	3,339	2,225
Other assets	2,504	3,250
Total assets	$ 98,525	$100,455
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 6,053	$ 6,361
Accrued expenses and other	17,603	17,857
Current liabilities of discontinued operations	628	2,797
Current portion of long-term debt	2,678	6,376
Total current liabilities	26,962	33,391
Other long-term liabilities	9,279	8,997
Long-term liabilities of discontinued operations	3,149	1,954
Long-term debt, less current portion	10,697	12,580
Total long-term liabilities	23,125	23,531
Total liabilities	50,087	56,922
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, 0 and 2,500 shares issued and outstanding, respectively	--	--
Common Stock, $.001 par value; 75,000,000 shares authorized, 45,813,916 and 42,749,117 shares issued, including 988,000 shares held as treasury stock, respectively	46	43
Additional paid-in capital	82,180	80,902
Accumulated deficit	(33,211)	(36,794)
Interest rate swap	--	(41)
	49,015	44,110
Less Common Stock in treasury at cost; 988,000 shares	(1,862)	(1,862)
Total stockholders' equity	47,153	42,248
Total liabilities and stockholders' equity	$ 98,525	$100,455

SOURCE Perma-Fix Environmental Services, Inc.

-0- 03/07/2006

/CONTACT: Dr. Louis F. Centofanti, Chairman and CEO, Perma-Fix Environmental Services, Inc., +1-404-847-9990; or James Kautz or J. Todd Atenhan, both of EPOCH Financial Group, Inc., +1-888-917-5105, or jkautz@epochfinancial.com, or Herbert Strauss, European investor relations, +43-316-296-316, or herbert@eu-ir.comherbert@eu-ir.com, all for Perma-Fix/

/Web site: http://www.perma-fix.com /

(PESI)

CO: Perma-Fix Environmental Services, Inc.
ST: Georgia
IN: ENV INS
SU: ERN

DS-MD
-- FLTU008 --
8577 03/07/2006 08:15 EST http://www.prnewswire.com