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Perma-Fix Receives Contract Termination

ATLANTA, Oct. 27 /PRNewswire-FirstCall/ -- Perma-Fix Environmental Services, Inc. (Nasdaq: PESI; BSE: PESI; Germany: PES.BE) today announced that its Industrial Services Segment has received a letter from a leading North- American home-improvement chain terminating the contract that had been awarded during the second quarter of 2005. Revenue generated from work done for the customer in 2005 amounts to $3.6 million. The termination is effective November 25, 2005.

For Perma-Fix, this contract termination will result in restructuring of their Industrial Services Segment operations to accommodate this changed business condition. Dr. Louis F. Centofanti, Perma-Fix Chairman and Chief Executive Officer commented, "While we experienced a good working relationship with this home-improvement chain, as evidenced by the award of the two-year contract extension, this change will allow our Industrial Services Segment to better structure their operations for new conditions in the marketplace."

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, better structuring of the Industrial Services Segment for new conditions in the marketplace. 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, general economic conditions, industry conditions, competitive pressures or inability to better structure the Industrial Services Segment. 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.

SOURCE Perma-Fix Environmental Services, Inc.
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