March 6, 2007

Perma-Fix Reports Record Fourth Quarter Net Income of $1.9 Million; 7th Consecutive Quarter of Profitability

Perma-Fix Completes Construction of New Treatment Bay at M&EC Facility to Treat Higher Level and Special Classified Mixed Nuclear Waste

Proposed Acquisition of Nuvotec Would Provide Greater Access to DOE's Hanford Site

ATLANTA, March 6 /PRNewswire-FirstCall/ -- Perma-Fix Environmental Services, Inc. (Nasdaq: PESI; BSE: PESI; Germany: PES.BE) today announced financial results for the fourth quarter and twelve months ended December 31, 2006.

Dr. Louis F. Centofanti, Chairman and Chief Executive Officer, stated, "We are pleased to report record net income for both the fourth quarter of 2006 and full year ending December 31, 2006. Our Nuclear Segment generated solid results during the fourth quarter of 2006 as the government entered its new fiscal year and Department of Energy (DOE) spending returned to normal levels. We are also very excited about the growth prospects for our Nuclear Segment heading into 2007. First, we completed construction of the new treatment bay at our M&EC facility, which allows us to treat higher level and special classified nuclear waste. We are the first commercial operator with the licenses and facilities to treat these wastes. We have already begun treating these higher level and special classified wastes during the first quarter of 2007, which positions us to capture significant share of this untapped market."

"Second, we have entered into a letter of intent to acquire Nuvotec USA, Inc. and its wholly owned subsidiary, Pacific EcoSolutions, Inc. (PEcoS), a nuclear waste management company, based in Richland, Washington. Completion of this acquisition is subject to numerous conditions, including finalization and execution of definitive agreements, completion of due diligence and lender approvals. This acquisition, if completed, would provide us with a number of strategic benefits. Foremost, this acquisition will secure PEcoS' radioactive and hazardous waste permits and licenses, which further solidifies our position within the mixed-waste industry. Additionally, the PEcoS facility is located adjacent to the Hanford site, which represents one of the largest environmental clean-up projects in the nation, and is expected to be one of the most expensive of the DOE's nuclear weapons facilities to remediate. In addition, the acquisition expands our west coast presence and increases our treatment capacity for radioactive waste. Overall, this acquisition, if completed, represents a significant growth opportunity treating both low-level mixed waste as well as higher level radioactive wastes. Looking ahead, we remain focused on exploiting the growth opportunities in our Nuclear Segment by expanding our capabilities and leveraging our current infrastructure to increase both revenues and margins."

Financial Results

Revenues for the fourth quarter of 2006 were $22.0 million versus $21.5 million for the same period last year. Revenue for the Nuclear Segment was $13.1 million versus $11.3 million for the fourth quarter of 2005. Revenue for the Nuclear Segment benefited from surcharge revenues of $1.1 million relating to a settlement with a DOE contractor for work that had been previously completed. Revenue for the Industrial segment was $8.3 million versus $9.5 million in the same period last year, reflecting the Company's efforts to replace lower margin contracts.

Income from operations for the fourth quarter was $2.6 million, versus $708,000 for the same period last year. Net income applicable to common stock for the fourth quarter of 2006 was $1.9 million, or $0.04 per share, versus $541,000 or $0.01 per share, for the same period last year.

Revenues for the year ended December 31, 2006, were $87.9 million versus $90.9 million for the same period last year. Revenue for the Nuclear Segment was $49.4 million versus $47.2 million for the twelve months ended December 31, 2005. Revenue for the Industrial segment was $35.1 million versus $40.8 million for the same period last year.

Income from operations for the year ended December 31, 2006, was $6.2 million versus $5.3 million for the same period last year. Net income applicable to common stock for the year ended December 31, 2006, was $4.7 million, or $0.10 per share, versus net income applicable to common stock of $3.6 million or $0.08 per share, for the same period last year. Net income applicable to common stock for the year ended December 31, 2006, included a gain of $349,000 from discontinued operations compared to a gain of $670,000 for the year ended December 31, 2005.

The Company's EBITDA was $3.7 million during the quarter ended December 31, 2006, as compared to $2.2 million for the same period of 2005. The Company defines EBITDA as earnings before interest, taxes, depreciation and amortization. EBITDA is not a measure of performance calculated in accordance with accounting principles generally accepted in the United States ("GAAP"), and should not be considered in isolation of, or as a substitute for, earnings as an indicator of operating performance or cash flows from operating activities as a measure of liquidity. The Company believes the presentation of EBITDA is relevant and useful by enhancing the readers' ability to understand the Company's operating performance. The Company's management utilizes EBITDA as a means to measure performance. The Company's measurements of EBITDA may not be comparable to similar titled measures reported by other companies. The table below reconciles EBITDA, a non-GAAP measure, to net income for the three and twelve months ended December 31, 2006 and 2005.

	Quarter Ended Dec. 31,		Twelve Months Ended Dec. 31,	
(In thousands)	2006	2005	2006	2005
Net Income, as reported	$1,877	$541	$4,711	$3,583
Adjustments:				
Depreciation &				

Amortization	1,214	1,222	4,858	4,754
Interest Income	(90)	(126)	(285)	(133)
Interest Expense	272	418	1,346	1,594
Interest Expense - Financing Fees	48	48	193	318
Income Tax Expense	355	108	507	432
EBITDA	$3,676	$2,211	$11,330	$10,548

The tables below present certain financial information for the business segments, excluding allocation of corporate expenses:

	Quarter Ended December 31, 2006		
(In thousands)	Industrial	Nuclear	Engineering
Net revenues	$8,274	$13,135	$621
Gross profit	1,527	6,268	105
Segment profit (loss)	(401)	4,201	6

	Quarter Ended December 31, 2005		
(In thousands)	Industrial	Nuclear	Engineering
Net revenues	$9,475	$11,283	$708
Gross profit	1,450	4,150	187
Segment profit (loss)	(1,064)	2,414	48

	Twelve Months Ended Dec 31, 2006		
(In thousands)	Industrial	Nuclear	Engineering
Net revenues	$35,148	$49,423	$3,358
Gross profit	7,483	20,930	797
Segment profit (loss)	(1,963)	12,652	252

	Twelve Months Ended Dec 31, 2005		
(In thousands)	Industrial	Nuclear	Engineering
Net revenues	$40,768	$47,245	$2,853
Gross profit	6,627	18,100	669
Segment profit (loss)	(1,762)	10,077	182

About Perma-Fix Environmental Services

Perma-Fix Environmental Services, Inc. is a national environmental services company, providing unique mixed waste and industrial waste management services. The Company has increased its focus on the nuclear services segment, which provides radioactive and mixed waste treatment services to hospitals, research laboratories and institutions, numerous federal agencies including DOE and the U.S. Department of Defense and nuclear utilities. The industrial services 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 growth prospects of our nuclear segment; new treatments at M&EC will allow us to treat high level and special classified nuclear waste, which positions us to capture significant share of an untapped market; completion of the proposed acquisition of PEcoS which, if completed, will allow us to be involved in the remediation of the DOE's Hanford site, representing a significant growth opportunity for us, provides us with a number of strategic benefits, including solidifying our position within the mixed waste industry, expanding our west coast presence and exploring new opportunities and leveraging our current business to improve revenues and margins in our 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, future economic conditions; industry conditions; competitive pressures; and our ability to apply and market our technologies; that neither the federal government nor any other party to a subcontract involving the federal government terminates or renegotiates any material contract granted to us prior to expiration of the term of the contract, as such contracts are generally terminable or renegotiable on 30 day notice, at the government's option; or the government or such other party to a contract granted to us fails to abide by or comply with the contract or to deliver waste as anticipated under the contract; the completion of the proposed acquisition of PEcoS, which completion is subject to numerous conditions precedents; and the additional factors referred to under "Special Note Regarding Forward-Looking Statements" of our 2005 Form 10-K and the Forward-Looking Statements discussed in our Forms 10-Q for the first three quarters of 2006. 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.

CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

(Amounts in Thousands, Except for Per Share Amounts)	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2006	2005	2006	2005
Net revenues	$22,031	$21,465	$87,929	$90,866
Cost of goods sold	14,131	15,680	58,719	65,470
Gross profit	7,900	5,785	29,210	25,396
Selling, general and administrative expenses	5,295	5,078	22,949	20,443
Loss (gain) on disposal of property and equipment	31	(1)	28	(334)
Income from operations	2,574	708	6,233	5,287
Other income (expense):				
Interest income	90	126	285	133

Interest expense	(272)	(418)	(1,346)	(1,594)
Interest expense- financing fees	(48)	(48)	(193)	(318)
Other	4	(8)	(110)	(71)
Income from continuing operations before taxes	2,348	360	4,869	3,437
Income tax expense	355	108	507	432
Income from continuing operations	1,993	252	4,362	3,005
Income (loss) from discontinued operations	(116)	289	349	670
Net income	1,877	541	4,711	3,675
Preferred Stock dividends	-	-	-	92
Net income applicable to Common Stock	$1,877	$541	$4,711	$3,583
Net income per common share - basic				
Continuing operations	$.04	$.01	$.09	$.07
Discontinued operations	-	-	.01	.01
Net income per common share	$.04	$.01	$.10	$.08
Net income per common share - diluted				
Continuing operations	$.04	$.01	$.09	$.07
Discontinued operations	-	-	.01	.01
Net income per common share	$.04	$.01	$.10	$.08
Number of shares and potential common shares used in net income per common share:				
Basic	52,036	44,754	48,157	42,605
Diluted	52,763	47,512	48,768	44,804

CONDENSED CONSOLIDATED BALANCE SHEETS

(Amounts in Thousands, Except for Share Amounts)	December 31, 2006 (unaudited)	December 31, 2005
ASSETS		
Current assets		
Cash	$1,863	$94
Restricted cash	65	511
Accounts receivable, net of allowance for doubtful accounts of $520 and $512	15,256	16,609
Unbilled receivables	12,861	11,948
Prepaid expenses and other	5,508	3,656
Current assets of discontinued operations, net of allowance for doubtful accounts of $0 and $90	22	60
Total current assets	35,575	32,878
Net property and equipment	45,920	44,480
Net Property and equipment of discontinued operations	706	806
Permits	13,395	13,188

Goodwill	1,330	1,330
Unbilled receivables - long term	2,600	-
Finite Risk Sinking Fund	4,518	3,339
Other assets	1,953	2,504
Total assets	$105,997	$98,525
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$3,922	$6,053
Accrued expenses and other	15,733	17,603
Current liabilities of discontinued operations	707	628
Current portion of long-term debt	2,403	2,678
Total current liabilities	22,765	26,962
Other long-term liabilities	10,166	9,279
Long-term liabilities of discontinued operations	1,402	3,149
Long-term debt, less current portion	5,926	10,697
Total long-term liabilities	17,494	23,125
Total liabilities	40,259	50,087
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:		
Common Stock, $.001 par value; 75,000,000 shares authorized, 52,053,744 and 45,813,916 shares issued, including 988,000 shares retired in 2006 and held as treasury stock as of December 31, 2005, respectively	52	46
Additional paid-in capital	92,980	82,180
Stock Subscription Receivable	(79)	
Accumulated deficit	(28,500)	(33,211)
	64,453	49,015
Less Common Stock in treasury at cost; 988,000 shares	-	(1,862)
Total stockholders' equity	64,453	47,153
Total liabilities and stockholders' equity	$105,997	$98,525

SOURCE
Perma-Fix Environmental Services, Inc.

CONTACT:
Dr. Louis F. Centofanti, Chairman and CEO of Perma-Fix Environmental Services, Inc., +1-770-587-5155, David K. Waldman-US Investor Relations, of Crescendo Communications, LLC, +1-212-671-1020 x101; or Herbert Strauss-European Investor Relations, +43-316-296-316, or herbert@eu-ir.com