

November 1, 2005



Perma-Fix Reports Record YTD Revenues and Profitability

- * Income increases for quarter and YTD
- * Record YTD Nuclear Revenues

ATLANTA, Nov. 1 /PRNewswire-FirstCall/ -- Perma-Fix Environmental Services, Inc. (Nasdaq: PESI; BSE: PESI) (Germany: PES.BE) today announced that its income from continuing operations for the third quarter of 2005 was \$1.2 million, compared to a loss from continuing operations of \$7.0 million in the third quarter of 2004. Net income applicable to common stock for the quarter was \$2.0 million, or \$0.05 per share, compared to net loss applicable to common stock of \$17.6 million, or \$0.42 per share, for the same period in 2004. Net income for the third quarter of 2005 included \$860,000 of income related to discontinued operations at the Detroit facility, which was closed in the third quarter of 2004.

Revenue for the third quarter ended September 30, 2005, was \$23.0 million compared to \$24.3 million for the third quarter of 2004. The 5.3% decrease was due primarily to a more even distribution of mixed waste shipments under the Company's government contracts. This resulted in a dramatic increase in second quarter 2005 shipments and a decrease in the third quarter. Due to this shift, the Nuclear Segment reported revenue of \$11.3 million, a 12.6% decrease when compared with the 2004 third quarter. The short-term effect of the more efficient distribution schedule was somewhat offset by the Industrial Segment's revenue, which increased 4.6% to \$11.1 million for the third quarter.

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

| | Quarter Ended September 30, 2005 | | | Quarter Ended September 30, 2004 | | |
|-----------------------|-------------------------------------|----------|-------------|-------------------------------------|----------|-------------|
| (In thousands) | Industrial | Nuclear | Engineering | Industrial | Nuclear | Engineering |
| Net revenues | \$11,098 | \$11,260 | \$683 | \$10,606 | \$12,886 | \$845 |
| Gross profit | 2,350 | 4,164 | 185 | 1,573 | 5,749 | 207 |
| Segment profit (loss) | 361 | 2,061 | 61 | (8,648) | 3,904 | 113 |

Revenue for the nine months of 2005 increased 16.1% to a record \$70.0 million compared to \$60.3 million for the nine months of 2004. Revenue for the Nuclear Segment increased 16.5% to \$36.0 million, also a record for the segment. Revenue for the Industrial Segment increased 18.1% to \$31.9 million for the nine months.

Income from continuing operations for the nine months reached a record \$2.6 million, compared to a loss from continuing operations of \$7.8 million in 2004. Net income applicable to common stock for the nine months was \$3.0 million, or \$0.07 per share, compared to net loss applicable to common stock of \$19.6 million or \$0.49 per share, for the same period in 2004. Net income for the 2005 period included \$571,000 of income related to discontinued operations at the Detroit facility, which was closed in the third quarter of 2004.

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

| (In thousands) | Nine Months Ended September 30, 2005 | | | Nine Months Ended September 30, 2004 | | |
|-----------------------|---|----------|-------------|---|----------|-------------|
| | Industrial | Nuclear | Engineering | Industrial | Nuclear | Engineering |
| Net revenues | \$31,900 | \$35,963 | \$2,145 | \$27,005 | \$30,871 | \$2,401 |
| Gross profit | 5,109 | 13,951 | 483 | 4,167 | 12,272 | 643 |
| Segment profit (loss) | (887) | 7,711 | 134 | (9,876) | 6,503 | 306 |

Dr. Louis F. Centofanti, Chairman and Chief Executive Officer, commented, "We are pleased by the progress Perma-Fix has made so far this year. This progress is most obvious in our record year-to-date revenue and income, which, for comparison purposes, are not affected by the quarter-by-quarter changes in waste shipment distribution. The smoothing of shipments, which we have worked hard to achieve, while making it difficult to make 'apples-to-apples' quarterly comparisons this year, gives us the long-term benefit of much greater processing efficiency that benefits both Perma-Fix and its customers.

"In addition, we are very encouraged by our Industrial Segment, which enjoyed not only increased commercial sales, but also higher margins resulting from certain operational and processing changes implemented during the quarter," Dr. Centofanti said.

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 the smoothing of government-related Nuclear shipments giving our Nuclear Segment the long-term benefit of much greater processing efficiency that benefits both Perma-Fix and its customers. This forward-looking statement is 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, 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 or failure to abide by or comply with contracts or to deliver waste as anticipated, and the Nuclear Segment's ability to process waste in a manner consistent with current operations. 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> .

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FINANCIAL TABLES FOLLOW

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

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|-------------------------------------|----------|------------------------------------|----------|
| (Amounts in Thousands, Except for Per Share Amounts) | 2005 | 2004 | 2005 | 2004 |
| Net revenues | \$23,041 | \$24,337 | \$70,008 | \$60,277 |
| Cost of goods sold | 16,342 | 16,808 | 50,465 | 43,195 |
| Gross profit | 6,699 | 7,529 | 19,543 | 17,082 |
| Selling, general and administrative expenses | 4,965 | 4,443 | 15,342 | 12,975 |
| Loss (gain) on disposal/ impairment of property and equipment | 4 | 1,014 | (333) | 996 |
| Impairment loss on intangible assets | -- | 7,101 | -- | 7,101 |
| Income (loss) from operations | 1,730 | (5,029) | 4,534 | (3,990) |
| Other income (expense): | | | | |
| Interest income | 5 | -- | 7 | 2 |

| | | | | |
|---|---------|------------|---------|------------|
| Interest expense | (385) | (294) | (1,178) | (1,535) |
| Interest expense- financing fees | (48) | (1,566) | (269) | (2,079) |
| Other | (100) | (31) | (159) | (48) |
| Income (loss) from continuing operations before taxes | 1,202 | (6,920) | 2,935 | (7,650) |
| Income tax expense | 41 | 37 | 324 | 163 |
| Income (loss) from continuing operations | 1,161 | (6,957) | 2,611 | (7,813) |
| Discontinued operations: | | | | |
| Income (loss) from discontinued operations | 860 | (740) | 571 | (1,765) |
| Loss on disposals from discontinued operations | -- | (9,835) | -- | (9,835) |
| Total income (loss) from discontinued operations | 860 | (10,575) | 571 | (11,600) |
| Net income (loss) | 2,021 | (17,532) | 3,182 | (19,413) |
| Preferred Stock dividends | 46 | 48 | 140 | 142 |
| Net income (loss) applicable to Common Stock | \$1,975 | \$(17,580) | \$3,042 | \$(19,555) |
| Net income (loss) per common share - basic | | | | |
| Continuing operations | \$.03 | \$(.17) | \$.06 | \$(.20) |
| Discontinued operations | .02 | (.25) | .01 | (.29) |
| Net income (loss) per common share | \$.05 | \$(.42) | \$.07 | \$(.49) |
| Net income (loss) per common share - diluted | | | | |
| Continuing operations | \$.03 | \$(.17) | \$.06 | \$(.20) |
| Discontinued operations | .02 | (.25) | .01 | (.29) |
| Net income (loss) per common share | \$.05 | \$(.42) | \$.07 | \$(.49) |
| Number of shares and potential common shares used in net income (loss) per common share: | | | | |
| Basic | 42,055 | 41,648 | 41,881 | 40,051 |
| Diluted | 44,152 | 41,648 | 43,138 | 40,051 |

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

| | Sept. 30, 2005 (Unaudited) | Dec. 31, 2004 |
|---|----------------------------------|------------------|
| (Amounts in Thousands, Except for Share Amounts) | | |
| ASSETS | | |
| Current assets | | |
| Cash | \$ 119 | \$ 215 |
| Restricted cash | 40 | 60 |
| Accounts receivable, net of allowance for doubtful accounts of \$438 and \$570 | 14,995 | 17,674 |

| | | |
|---|------------|------------|
| Unbilled Receivables | 14,096 | 9,518 |
| Prepaid expenses and other | 4,702 | 3,818 |
| Current assets of discontinued operations, net of allowance for doubtful accounts of \$86 and \$125 | -- | 1,609 |
| Total current assets | 33,952 | 32,894 |
| Net property and equipment | 45,527 | 47,261 |
| Property and equipment of discontinued operations | 603 | 600 |
| Permits | 13,186 | 12,895 |
| Goodwill | 1,330 | 1,330 |
| Finite Risk Sinking Fund | 3,216 | 2,225 |
| Other assets | 3,095 | 3,250 |
| Total assets | \$ 100,909 | \$ 100,455 |

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

| | | |
|---|----------|----------|
| Accounts payable | \$ 5,753 | \$ 6,529 |
| Accrued expenses and other | 17,809 | 17,936 |
| Current liabilities of discontinued operations | 2,119 | 2,550 |
| Current portion of long-term debt | 2,766 | 6,376 |
| Total current liabilities | 28,447 | 33,391 |

| | | |
|---|--------|--------|
| Other long-term liabilities | 9,209 | 9,147 |
| Long-term liabilities of discontinued operations | 1,574 | 1,804 |
| Long-term debt, less current portion | 13,909 | 12,580 |
| Total long-term liabilities | 24,692 | 23,531 |
| Total liabilities | 53,139 | 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 | -- | -- |
| Common Stock, \$.001 par value; 75,000,000 shares authorized, 45,673,537 and 42,749,117 shares issued, including 988,000 shares held as treasury stock, respectively | 46 | 43 |
| Additional paid-in capital | 82,059 | 80,902 |
| Accumulated deficit | (33,752) | (36,794) |
| Interest rate swap | (6) | (41) |
| | 48,347 | 44,110 |
| Less: Common Stock in treasury at cost; 988,000 shares | (1,862) | (1,862) |
| Total stockholders' equity | 46,485 | 42,248 |
| Total liabilities and stockholders' equity | \$ 100,909 | \$ 100,455 |

SOURCE Perma-Fix Environmental Services, Inc.

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IN: ENV UTI OIL
SU: ERN

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