

August 2, 2005



Perma-Fix Reports Record Revenues and Record YTD Profitability

* Record Revenues for the Quarter and YTD 2005

* Nuclear Segment Revenues Increase 62.3%

ATLANTA, Aug. 2 /PRNewswire-FirstCall/ -- Perma-Fix Environmental Services, Inc. (Nasdaq: PESI) (BSE: PESI) (Germany: PES.BE) today announced that its revenue for the second quarter ended June 30, 2005, increased 32.6% to a record \$25.4 million compared to \$19.1 million for the second quarter of 2004. Revenue for the Nuclear Segment increased 62.3% to \$13.8 million, primarily as a result of increased shipments within the mixed waste market, including new government and commercial contracts. Revenue for the Industrial Segment increased 10.8% to \$10.9 million for the quarter.

Income from continuing operations for the second quarter of 2005 was \$1.4 million, compared to income from continuing operations of \$589,000 in the second quarter of 2004. Net income applicable to common stock for the quarter was \$1.2 million, or \$0.03 per share, compared to net income applicable to common stock of \$70,000, or \$0.00 per share, for the same period in 2004. Net income for the second quarter of 2005 included \$122,000 of expenses 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.

	Quarter Ended June 30, 2005			Quarter Ended June 30, 2004		
(In thousands)	Industrial	Nuclear	Engineering	Industrial	Nuclear	Engineering
Net revenues	\$10,853	13,807	\$699	\$9,791	\$8,509	\$828
Gross profit	959	6,242	142	2,274	3,160	269
Segment profit (loss)	(1,003)	4,003	42	298	1,332	125

Revenue for the six months of 2005 increased 30.7% to a record \$47.0 million compared to \$35.9 million for the six months of 2004. Revenue for the Nuclear Segment increased 37.4% to \$24.7 million, also a record for the Segment. Revenue for the Industrial Segment increased 26.8% to \$20.8 million for the six months.

Income from continuing operations for the six months reached a record \$1.5 million,

compared to a loss from continuing operations of \$856,000 in 2004. Net income applicable to common stock for the six months was \$1.1 million, or \$0.03 per share, compared to net loss applicable to common stock of \$2.0 million or \$0.05 per share, for the same period in 2004. Net income for the 2005 period included \$289,000 of expenses 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.

	Six Months Ended June 30, 2005			Six Months Ended June 30, 2004		
(In thousands)	Industrial	Nuclear	Engineering	Industrial	Nuclear	Engineering
Net revenues	\$20,802	\$24,703	\$1,462	\$16,399	\$17,984	\$1,556
Gross profit	2,759	9,787	298	2,594	6,523	436
Segment profit						
(loss)	(1,248)	5,650	73	(1,228)	2,599	193

Dr. Louis F. Centofanti, Chairman and Chief Executive Officer, commented, "Our record-setting results in the second quarter and first half are attributable to our Nuclear Segment. Within Nuclear, we saw increases in the shipments of mixed waste, a very favorable product mix, and the improvements in treatment processes and operational efficiencies. Overall, Nuclear has continued its steady growth with a great second quarter."

Dr. Centofanti continued, "Performance in the Industrial Segment did not meet expectations. Despite encouraging and substantial increases in revenue, the Segment's gross profit and net income results were well below established goals. Efforts to evaluate and increase division performance are ongoing."

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.

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)

(Amounts in Thousands, Except for Per Share Amounts)	Three Months Ended June 30,		Six Months Ended June 30,	
	2005	2004	2005	2004
Net revenues	\$25,359	\$19,128	\$46,967	\$35,939
Cost of goods sold	18,016	13,425	34,123	26,386
Gross profit	7,343	5,703	12,844	9,553
Selling, general and administrative expenses	5,741	4,320	10,660	8,658
Gain on disposal of fixed assets	(337)	(1)	(337)	(18)
Income from operations	1,939	1,384	2,521	913
Other income (expense):				
Interest income	1	1	2	2
Interest expense	(381)	(575)	(793)	(1,240)
Interest expense-financing fees	(110)	(257)	(221)	(513)
Other	(45)	36	(59)	(18)
Income (loss) from continuing operations	1,404	589	1,450	(856)
Loss from discontinued operations	(122)	(472)	(289)	(1,025)
Net income (loss)	1,282	117	1,161	(1,881)
Preferred Stock dividends	47	47	94	94
Net income (loss) applicable to Common Stock	\$1,235	\$70	\$1,067	\$ (1,975)
Net income (loss) per common share - basic				
Continuing operations	\$.03	\$.01	\$.03	\$ (.02)
Discontinued operations	--	(.01)	--	(.03)
Net income (loss) per common share	\$.03	\$--	\$.03	\$ (.05)
Net income (loss) per common share - diluted				
Continuing operations	\$.03	\$.01	\$.03	\$ (.02)
Discontinued operations	--	(.01)	--	(.03)

Net income (loss) per common share	\$.03	\$--	.03	\$ (.05)
Number of shares and potential common shares used in net income (loss) per common share:				
Basic	41,805	41,448	41,792	39,244
Diluted	44,475	45,210	44,506	39,244

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

	June 30, 2005 (Unaudited)	December 31, 2004
(Amounts in Thousands, Except for Share Amounts)		
ASSETS		
Current assets		
Cash	\$100	\$215
Restricted cash	60	60
Accounts receivable, net of allowance for doubtful accounts of \$517 and \$570	26,678	27,192
Prepaid expenses and other	2,786	3,818
Current assets of discontinued operations, net of allowance for doubtful accounts of \$93 and \$125	194	1,609
Total current assets	29,818	32,894
Net property and equipment	46,063	47,261
Property and equipment of discontinued operations	603	600
Permits	13,045	12,895
Goodwill	1,330	1,330
Finite Risk Sinking Fund	3,216	2,225
Other assets	2,875	3,250
Total assets	\$96,950	\$100,455
LIABILITIES AND STOCKHOLDERS'		
EQUITY		
Current liabilities:		
Accounts payable	\$6,788	\$6,529
Accrued expenses and other	15,692	17,936
Current liabilities of discontinued operations	2,235	2,550
Current portion of long-term debt	2,868	6,376
Total current liabilities	27,583	33,391
Other long-term liabilities	9,410	9,147
Long-term liabilities of discontinued operations	1,600	1,804
Long-term debt, less current portion	13,664	12,580
Total long-term liabilities	24,674	23,531
Total liabilities	52,257	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
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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, 42,793,267 and 42,749,117 shares issued, including 988,000 shares held as treasury stock, respectively	43	43
Additional paid-in capital	80,968	80,902
Accumulated deficit	(35,727)	(36,794)
Interest rate swap	(14)	(41)
	45,270	44,110
Less: Common Stock in treasury at cost; 988,000 shares	(1,862)	(1,862)
Total stockholders' equity	43,408	42,248

Total liabilities and stockholders' equity	\$96,950	\$100,455
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SOURCE Perma-Fix Environmental Services, Inc.

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ST: Georgia

IN: ENV

SU: ERN

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