

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-k

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) September 30, 2005

PERMA-FIX ENVIRONMENTAL SERVICES, INC.
(Exact name of registrant as specified in its charter)

Delaware	1-11596	58-1954497
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(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)
1940 N. W. 67th Place, Suite A, Gainesville, Florida		32653
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(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code (352) 373-4200

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

SECTION 8 - OTHER EVENTS
ITEM - 8.01 OTHER EVENTS

On September 30, 2005, the Company received from Capital Bank GRAWE Gruppe, AG, a notice dated September 26, 2005, to convert the 2,500 issued and outstanding shares of the Company's Series 17 Class Q Convertible Preferred Stock. Pursuant to the terms of the Series 17 Preferred Stock, the conversion resulted in the issuance of 1,666,667 shares of the Company's common stock, \$.001 par value ("Common Stock") to Capital Bank, as agent for certain of its investors. The final dividend due on the Series 17 Preferred Stock of approximately \$30,000 for the period from July 1, 2005 through the conversion date will be paid in October 2005.

After conversion of the Series 17 Preferred Stock, Capital Bank owns of record, as agent for certain investors, 6,425,375 shares of Common Stock, or

14.4% of the Company's issued and outstanding Common Stock as of September 30, 2005, and 2,659,807 shares that Capital Bank has the right to acquire, as agent for certain investors, under certain Warrants. The Warrants are exercisable at an exercise price of \$1.75 per share of Common Stock. If Capital Bank were to exercise all of the warrants, Capital Bank would hold, as agent for certain investors, 9,085,182 shares or 19.2% of the Company's Common Stock, as of September 30, 2005.

Capital Bank has advised the Company that it is a banking institution regulated by the banking regulations of Austria, which holds shares of the Company's Common Stock and rights to acquire Common Stock only as agent on behalf of numerous Capital Bank investors. Capital Bank has represented that all of its investors are accredited investors under Rule 501 of Regulation D promulgated under the Act. In addition, Capital Bank has advised the Company that none of its investors beneficially own more than 4.9% of the Company's Common Stock. Capital Bank has further informed the Company that its clients (and not Capital Bank) maintain full voting and dispositive power over such shares. Consequently, Capital Bank has advised the Company that it believes it is not the beneficial owner, as such term is defined in Rule 13d-3 of the Exchange Act, of the shares of Common Stock registered in the name of Capital Bank because it has neither voting nor investment power, as such terms are defined in Rule 13d-3, over such shares. Capital Bank has informed the Company that it does not believe that it is required (a) to file, and has not filed, reports under Section 16(a), or (b) to file either Schedule 13D or Schedule 13G in connection with the shares of Common Stock registered in the name of Capital Bank.

Because Capital Bank (a) has advised the Company that it holds the Common Stock as a nominee only, that it does not exercise voting or investment power over the common stock held in its name, and that no one such investor of Capital Bank holds more than 4.9% of our issued and outstanding Common Stock; (b) has no right to, and is not believed to possess the power to, exercise control over the Company's management or its policies; (c) has not nominated, and has not sought to nominate, a director to the Company's board; and (d) has no representative serving as an executive officer of the Company, we do not believe that Capital Bank is an affiliate of the Company.

SECTION 9 - FINANCIAL STATEMENTS AND EXHIBITS

ITEM 9.01 - FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

Exhibit Number	Description
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99.1	Press release dated October 5, 2005

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PERMA-FIX ENVIRONMENTAL
SERVICES, INC.

By: /s/ Richard T. Kelecý

Richard T. Kelecý
Chief Financial Officer

Dated: October 6, 2005

PERMA-FIX SERIES 17 PREFERRED STOCK IS CONVERTED

ATLANTA, Oct. 5 /PRNewswire-FirstCall/ -- Perma-Fix Environmental Services, Inc. (Nasdaq: PESI; BSE: PESI) (Germany: PES.BE) today announced that Capital Bank GRAWE Gruppe, AG, converted the 2,500 shares of the Company's Series 17 Class Q Convertible Preferred Stock, effective September 26, 2005. Pursuant to the terms of the Series 17 Preferred Stock, the conversion resulted in the issuance of 1,666,667 shares of the Company's common stock to Capital Bank as agent for its investors. The final dividend due on the Series 17 Preferred of approximately \$30,000 for the period from July 1, 2005, through the conversion date will be paid in October 2005.

No shares of Series 17 Preferred Stock remain outstanding. Following the conversion, Capital Bank holds as agent for its investors, 6,425,375 shares of the Company's common stock, representing approximately 14.4% of the Company's issued and outstanding common stock as of September 30, 2005, and warrants to purchase up to an additional 2,659,807 shares of common stock.

Dr. Louis F. Centofanti, Chairman and Chief Executive Officer, stated, "We are very pleased with the conversion of our Series 17 Preferred Stock, and Capital Bank's continued support of the Company. This conversion simplifies the Company's capital structure. In addition, with this conversion, the Company will no longer incur the annualized dividend expense of \$125,000, on this Series 17 Preferred Stock."

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> .

SOURCE Perma-Fix Environmental Services, Inc.

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10/05/2005

/CONTACT: Dr. Louis F. Centofanti, Chairman and CEO, Perma-Fix Environmental Services, Inc., +1-404-847-9990; or Valerie Kimball, vkimball@epochfinancial.com, or J. Todd Atenhan, EPOCH Financial Group, Inc., +1-888-917-5109; or Herbert Strauss, European investor relations, +011-43-316-296-316, or herbert@eu-ir.com, all for Perma-Fix/
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(PESI)