



Appliance Recycling Centers of America, Inc.

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FOR IMMEDIATE RELEASE

**ARCA Advanced Processing, LLC (AAP) Receives Pennsylvania 2012
Governor's Award for Environmental Excellence**

April 26, 2012---Minneapolis---Appliance Recycling Centers of America, Inc. (NASDAQ: ARCI) today announced that ARCA Advanced Processing, LLC (AAP) has received a Pennsylvania 2012 Governor's Award for Environmental Excellence for the installation of the first UNTHA Recycling Technology (URT) plant in the United States. The Governor's Awards for Environmental Excellence are presented each year by the Pennsylvania Department of Environmental Protection to highlight the best in environmental innovation and expertise throughout the Commonwealth. AAP is one of seventeen award winners honored in 2012.

AAP, a joint venture between ARCA and 4301 Operations, LLC, provides appliance recycling services for GE Appliances in a 12-state region on the East Coast, as well as for several electric utility companies. The URT system processes entire refrigerators and freezers to remove over 95% of the blowing agent from polyurethane foam insulation, significantly reducing the emissions of ozone-depleting substances and greenhouse gases. Compared to the typical refrigerator recycling process, the URT system recovers approximately an additional 47 pounds of material that was originally destined for a landfill.

"We are delighted to have been selected to receive the Pennsylvania 2012 Governor's Award for Environmental Excellence," said Brian Connors, President and Chief Operating Officer of AAP. "The installation of the first URT technology in the U.S. at our Philadelphia recycling center has allowed us to recycle more than 70,000 refrigerators in conformance with U.S. EPA Responsible Appliance Disposal (RAD) standards, creating more than 50 green collar jobs in the process."

"This award recognizes our customers' commitment to environmental stewardship through innovative technology and key partnerships that provide us with the steady stream of appliances needed to support a URT system," commented Edward R. (Jack) Cameron, President and CEO of ARCA, Inc. "We are excited that the Pennsylvania Department of Environmental Protection has acknowledged our contribution to the protection of our natural resources."

About ARCA

ARCA (www.ARCAINc.com), one of the nation's largest recyclers of major household appliances for the energy conservation programs of electric utilities, currently provides

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services for approximately 200 utilities in the U.S. and Canada. Toxic chemicals and environmentally harmful materials such as ozone-depleting refrigerants, PCBs, mercury and oil are carefully recovered in the decommissioning process for destruction or disposal, preventing them from contaminating soil, air and water resources. The Company is also the exclusive North American distributor for UNTHA Recycling Technology (URT), one of the world's leading manufacturers of technologically advanced refrigerator recycling systems and recycling facilities for electrical household appliances and electronic scrap.

Through its ApplianceSmart, Inc. (www.ApplianceSmart.com), ARCA also is one of the nation's leading retailers of special-buy household appliances, primarily those manufactured by General Electric, Electrolux, Whirlpool and Bosch. These special-buy appliances, which include close-outs, factory overruns and discontinued models, typically are not integrated into the manufacturer's normal distribution channel. ApplianceSmart, Inc. sells these new appliances at a discount to full retail, offers a 100% money-back guarantee and provides warranties on parts and labor. As of April 2012, ApplianceSmart, Inc. was operating 20 stores: six in the Minneapolis/St. Paul market; one in the Rochester, Minn., market; one in the St. Cloud, Minn. Market; four in the Columbus, Ohio, market; six in the Atlanta market; and two in San Antonio, Texas. The Company will also open store in Eden Prairie, Minnesota, in May 2012.

This press release contains statements that are forward-looking statements as defined within the Private Securities Litigation Reform Act of 1995, including statements regarding ARCA's future success. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from the statements made, including the risks associated with general economic conditions, competition in the retail and recycling industries and regulatory risks. Other factors that could cause operating and financial results to differ are described in ARCA's periodic reports filed with the Securities and Exchange Commission. Other risks may be detailed from time to time in reports to be filed with the SEC.

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