



ARCA Recycling Successfully Adapting to Changing Recycling Landscape

Minneapolis – March 8, 2016 – ARCA Recycling, Inc., a wholly owned subsidiary of Appliance Recycling Centers of America, Inc. (NASDAQ: ARCI), is successfully adapting to trends impacting the recycling of appliances and consumer electronics by negotiating contracts with utilities and manufacturers that reflect the industry’s changing landscape, notably the sharp decline in scrap metal prices.

Scrap steel prices have fallen 22 percent the past year and are down 57 percent over the last two years. Nonferrous metals have had similar price declines. U.S. steel imports have dramatically increased over the past year and the European Union recently launched new probes into Chinese steel imports, claiming unfair competition. The American Iron and Steel Institute called on the U.S. Government to “address injurious import surges.”

“We’ve become less reliant on scrap metal revenue by adjusting our utility contracts and raising our pricing over the past six months,” said Edward R. (Jack) Cameron, ARCA Recycling’s President. “We’ve been very busy with new utility contracts, as we announced last month.”

Cameron added, “Utilities, manufacturers, retailers and consumers are all realizing the landscape has changed dramatically, evidenced by many private and public recycling programs struggling financially. Sharing costs ensures the long-term viability of a recycling market that delivers important environmental benefits.”

For the recycling of every 1,000 refrigerators that were more than 20 years old, the EPA estimates more than \$800,000 in benefits through lower energy consumption and fewer harmful emissions.

ApplianceSmart, ARCA’s retail arm, was the first independent retailer to join the EPA’s Responsible Appliance Disposal (RAD) Program, which launched ten years ago. National appliance retailers Home Depot, Best Buy and Sears – also RAD members – have recently started charging fees for recycling TVs, monitor and select appliances. Industry trade media expect more fee-based recycling initiatives going forward as a more sustainable business model is developed.

ARCA has nearly 40 years of leadership in appliance recycling, including regional processing centers across the U.S. and state-of-the-art technology that removes environmentally damaging substances and produces byproducts for recycling.



About ARCA

ARCA's three business components are uniquely positioned in the industry to work together to provide a full array of appliance-related services. ARCA Advanced Processing, LLC employs advanced technology to refine traditional appliance recycling techniques to achieve optimal revenue-generating and environmental benefits. ARCA (www.ARCALnc.com) 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.

ARCA's regional centers process appliances at end of life to remove environmentally damaging substances and produce material byproducts for recycling for utilities in the U.S. and Canada. Eighteen company-owned stores under the name ApplianceSmart, Inc.® (www.ApplianceSmart.com) sell new appliances directly to consumers and provide affordable ENERGY STAR® options for energy efficiency appliance replacement programs.

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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