

**FOR:** PARAGON TECHNOLOGIES, INC.

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## **PARAGON TECHNOLOGIES' SI SYSTEMS BRAND RECEIVES AN ORDER TOTALING APPROXIMATELY \$3.4 MILLION**

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**EASTON, PA — November 25, 2008--** Paragon Technologies, Inc. (AMEX:PTG), a leading supplier of “smart” material handling systems and “software-driven” warehouse and distribution center solutions, announced today that its SI Systems brand received an order totaling approximately \$3.4 million from an internationally recognized hospital. Terms of the contract were not disclosed.

SI Systems will provide and install its proprietary LO-TOW<sup>®</sup> transportation conveyor system as part of an expansion to the conveyor system originally installed by the Company in 2006. This project is part of the hospital’s building expansion, and the system will be used to transport a varied fleet of carts carrying clean linens and supplies between the existing hospital building, and two new hospital towers. One of the towers will be for a new children’s hospital wing, and the other tower will be dedicated to adult cardiovascular and critical care. The campus redevelopment program will encompass nearly 1.5 million square feet of new facility.

The hospital is internationally recognized for its outstanding patient care, medical research, and teaching.

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Len Yurkovic, President and CEO of Paragon Technologies, states, “We are delighted that a prominent healthcare organization again chose our SI LO-TOW® technology for their hospital expansion. This proven technology has been used in a similar fashion, connecting separate, adjoining buildings in warehousing or manufacturing applications, and we are excited about applying this technology to address the expanding needs of a well-known hospital.”

SI Systems has installed similar towline-based system solutions in hundreds of locations worldwide, including assembly plants, distribution centers, military facilities, and bulk mail processing centers.

## **About Paragon Technologies**

Paragon Technologies is a leader in integrating material handling systems and creating automated solutions for material flow applications. SI Systems’ branded technologies and material handling solutions address unit assembly in manufacturing operations and order fulfillment applications. One of the top material handling systems suppliers worldwide, SI Systems leading clients have included the United States Postal Service, BMG, Peterbilt, Honda, and Maybelline.

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**Cautionary Statement.** *Certain statements contained herein are not based on historical fact and are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 and the Securities and Exchange Commission rules, regulations and releases. Paragon intends that such forward-looking statements be subject to the safe harbors created hereby. Among other things, the forward-looking statements regard Paragon’s earnings, liquidity, financial condition, review of strategic alternatives, and other matters. Words or phrases denoting the anticipated results of future events, such as “anticipate,” “does not anticipate,” “should help to,” “believe,” “estimate,” “is positioned,” “expects,” “may,” “will,” “is expected,” “should,” “continue,” and similar expressions that denote uncertainty, are intended to identify such forward-looking statements. Paragon’s actual results, performance, or achievements could differ materially from the results expressed in, or implied by, such “forward-looking statements:” (1) as a result of factors over which Paragon has no control, including the strength of domestic and foreign economies, sales growth, competition, and certain cost increases; and (2) if the factors on which Paragon’s conclusions are based do not conform to its expectations. The forward-looking statements contained in this press release may become outdated over time. Paragon does not assume any responsibility for updating any forward-looking statements. Furthermore, achievement of the objectives of the Company is subject to certain risks, including, but not limited to, those risks outlined in Paragon’s filings with the Securities and Exchange Commission, including its annual report on Form 10-K for the year ended December 31, 2007 and the most recent quarterly report on Form 10-Q for the quarter ended September 30, 2008.*

This press release and prior releases are available at [www.ptgamex.com](http://www.ptgamex.com).