

Paragon Technologies News Release

EASTON, Pa., April 3, 2017 /PRNewswire/ -- Paragon Technologies, Inc. (OTC Pink: PGNT), a holding company, announced its results for the year ended December 31, 2016, on March 31, 2017.

Paragon Technologies, Inc.'s Consolidated Statement of Operations for the Years ended December 31, 2016, 2015 and 2014 are summarized below. For further detail on our results, shareholders should carefully review our annual report, which can found at www.pgntgroup.com.

(In Thousands)	December 31, 2016	December 31, 2015	December 31, 2014
Net Sales	\$ 8,574	\$ 11,582	\$ 6,680
Operating Income (loss)	(1,472)	1,028	(467)
Other income (expense)			
Interest expense	(12)	(1)	(11)
Interest Income	39	20	17
Gain on investment, marketable securities	138	17	13
Total other income (expense), net	165	36	19
Income (loss) before income taxes	(1,307)	1,064	(448)
Income tax (expense) benefit	223	(216)	17
Net income (loss)	\$ (1,084)	\$ 848	\$ (431)

Analysis of Results:

Operating income in 2016 was impacted by a \$1,006,000 write-off of assets associated with our acquisition of Innovative Automation. Revenues in 2016 were impacted by delayed projects, an inherent component of the material handling business.

Investment gains or losses reflect realized gains or losses in the company's investment portfolio.

Paragon utilizes pre-tax operating income, a non-GAAP financial measure, in its analysis of financial results. Paragon Technologies defines pre-tax operating earnings outside of the investment gains/losses of the Company.

On March 1, 2017 Paragon acquired SED International de Colombia, S.A.S. Paragon expects to report consolidated results inclusive of SED Colombia with our 2017 first quarter results.

About Paragon Technologies

Paragon Technologies, Inc. is a holding company with diverse business activities. Paragon's wholly owned operating subsidiary, SI Systems, LLC., offers branded technologies and material handling solutions that serve manufacturing operations and order fulfillment applications. Operating decisions for Paragon's operating businesses are made by the management of those businesses. All investment decisions under Paragon's investment policy are made by Sham Gad, Chairman and CEO of Paragon pursuant to the Company's investment management policy.