

Paragon Airheater Technologies Posts 517 percent Revenue Increase for Second Quarter 2006

Company's new line of basketed elements spikes revenues

(Corona, CA, June, 2006) – Paragon Airheater Technologies, the fastest growing manufacturer of high-performance seals and baskets for rotary, regenerative airheaters used in power plants, has announced a revenue increase of 517 percent for the second quarter of 2006 compared to the same period for the previous year. The company has been rapidly advancing into the U.S. and world energy markets, having recently been awarded multiple multi-million dollar contracts for their newest product line of basketed elements introduced in November 2005.

Paragon Airheater Technologies, formally Power Replacements, Inc., was formed by a group of investors, who acquired the company and changed its name in April, 2005. The company owns several patented brands for airheater upgrades and maintenance, including DuraMax™ and DuraFlex™ airheater seals, DuraShield™ technology for basketed elements, DuraPro™ technical services and their DuraCare™ maintenance and inspections program.

"Our quarterly earnings were heightened because of the growing demand for our DuraMax & DuraFlex seals - which out-performs OEM products, the design enables the seal to dynamically adjust while still maintaining a superior seal," says Cannon Pearson, COO for Paragon Airheater Technologies. "Significantly contributing to the growth is the demand and popularity of our newly-released basketed elements, which is showing excellent sales growth and exceeding our projections."

Paragon has recently been awarded several high profile accounts, and in order to deal with the explosive growth has tripled its sales force.

About Paragon: Specializing in the manufacturing of high-performance seals and related replacement parts for rotary, regenerative airheaters, Paragon is establishing a broad presence in the energy market. Their high-quality seals are specially designed to provide maximum efficiency while withstanding the harsh operating conditions normally encountered in the airheater. Paragon's exclusive and patented design for both radial and circumferential/bypass seals, surpass original equipment manufacturer standards, providing maximum performance and improving airheater efficiency.

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