

Keller Files Notice with the Pension Benefit Guaranty Corporation to Terminate Pension Plan

LOUISVILLE, KY April 28, 2006 – The Keller Manufacturing Company, Inc. (“Keller” or “KMFI.PK”) announced today that it has initiated formal action with the Pension Benefit Guaranty Corporation (“PBGC”) to terminate The Keller Manufacturing Company, Inc. Employees’ Pension Plan (“Plan”) in what is known as a “distress termination”. Keller’s board of directors has determined that Keller can no longer afford to maintain the Plan. Further, Keller’s board has determined that the business associated with its recently acquired 85% interest in Paragon Door Designs, Inc. (“Paragon”) cannot support the ongoing liabilities associated with the Plan. Accordingly, Keller has asked the PBGC to approve the termination of the Plan. Keller is hopeful that it will be able to work with the PBGC to finally resolve all Plan liabilities pursuant to terms which are acceptable to the PBGC and affordable for Keller and its new subsidiary Paragon. However, there can be no assurance that the PBGC will approve the termination of the Plan or that the PBGC will be willing to work with Keller and Paragon to resolve this liability in a manner which will allow them to continue to do business with Keller maintaining an ownership interest in Paragon. It is possible that the PBGC will require Keller or Paragon, or both, to liquidate their business and assets and contribute the proceeds toward the Plan liability.

The Plan’s actuaries have calculated an accrued pension liability of \$3,957,368 at December 31, 2005, up from \$3,881,320 at December 31, 2004. However, based on the alternative actuarial methodology used by the PBGC for calculating the pension plan liability on a “termination basis”, this accrued pension liability may be substantially higher.

The initial determination by the Plan’s actuaries is that retirement benefits for approximately 98% of the participants in the Plan should be fully guaranteed by the PBGC and not reduced as a result of the distress termination (this is subject to review and approval by the PBGC). The Plan’s actuaries also believe that a small portion of the retirement benefits for those Plan participants who had earnings over \$170,000 annually (less than 2% of the Plan participants) will not be fully guaranteed by the PBGC. The Plan’s actuaries estimate that these higher wage earners will experience a minimal reduction in their guaranteed benefits (less than 5%). Keller is communicating directly with all Plan participants regarding the termination action and the impact it may have on their benefits, if any.

Keller anticipates finalizing its 2005 audited financial statements and releasing them to shareholders during the second quarter along with a letter which will provide, if available, an update on the Plan termination.