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**FOR IMMEDIATE RELEASE**

**NIAGARA CORPORATION ANNOUNCES RECORD RESULTS  
FOR SECOND QUARTER AND SIX MONTHS**

New York, July 19, 2004 - Niagara Corporation (OTC: NIAG.PK) announced today record results for the second quarter and six months ended June 30, 2004.

In the second quarter, sales increased to \$106.9 million from \$73.0 million in the comparable quarter in 2003. Net income for the quarter increased to \$5,564,000 from \$568,000, and earnings per share increased to \$ .68 from \$ .07 for the second quarter of 2003.

Comparing the six months ended June 30, 2004 and 2003, sales increased to \$206.1 million from \$152.8 million, net income increased to \$8,372,000 from \$1,992,000, and net income per share increased to \$ 1.02 from \$ .24 for the first six months of 2003. The second quarter results were achieved after giving affect to a LIFO charge of approximately \$ 3.4 million.

In commenting on these results, Michael Scharf, Chairman and CEO of Niagara, stated:

“Niagara Corporation’s results for the second quarter and first six months of 2004 were outstanding. Sales, profit margins, net income and tons shipped for our U.S. operations improved significantly when compared to the same periods last year. The manufacturing sector continued to strengthen, and our U.S. operations were able to benefit from strong demand, price increases and appropriate inventories to satisfy customer needs. Our U.K. operations benefited from price increases, increased demand from Western Europe, and continued cost reductions. In both the U.S. and U.K. operations, we also benefited from the tight supply situation created by soaring demand for steel and other raw materials by China in order to support its infrastructure and manufacturing needs.

I am also pleased to report that during the first six months of 2004, Niagara was able to reduce long-term debt by \$16.8 million compared to \$7.3 million in the first six months of 2003. While I believe that the tight supply and strong demand conditions for our products may moderate in the coming months, I remain fairly confident that strong results will continue for the balance of the year.”



## Niagara Corporation

### Selected Financial Data

	Quarter Ended <u>June 30, 2003</u>	Quarter Ended <u>June 30, 2004</u>
Revenues	\$ 73,003,000	\$ 106,905,000
Net Income	\$ 568,000	\$ 5,564,000
Share Earnings (basic and diluted)	\$ .07	\$ .68
Average Shares (basic and diluted)	8,238,517	8,238,517

	Six Months Ended <u>June 30, 2003</u>	Six Months Ended <u>June 30, 2004</u>
Revenues	\$ 152,751,000	\$ 206,140,000
Net Income	\$ 1,992,000	\$ 8,372,000
Share Earnings (basic and diluted)	\$ .24	\$ 1.02
Average Shares (basic and diluted)	8,238,517	8,238,517

This release contains certain “forward-looking statements” made pursuant to the “safe-harbor” provisions of the Private Securities Litigation Reform Act of 1995. These statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, that may cause the Company’s actual results to be materially different from those expressed or implied by such statements. Such risks, uncertainties and other factors include those described in the Company’s Annual Report on Form 10-K for the year ended December 31, 2003. The forward-looking statements made herein are only made as of the date of this release, and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

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