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FOR IMMEDIATE RELEASE

**NIAGARA CORPORATION ANNOUNCES
RECORD RESULTS FOR FIRST QUARTER**

New York, May 11, 2006 - Niagara Corporation (OTC: NGCN.PK) announced today results for the three months ended March 31, 2006.

Selected Financial Data

	Three Months Ended <u>March 31, 2005</u>	Three Months Ended <u>March 31, 2006</u>
Revenues	\$ 133,164,000	\$ 129,687,000
Net Income	\$ 6,371,000	\$ 7,081,000
Share Earnings		
(basic)	\$.75	\$.80
(diluted)	\$.72	\$.76
Average Shares		
(basic)	8,492,687	8,856,265
(diluted)	8,886,223	9,336,243
Adjusted EBITDA*	\$ 13,359,000	\$ 14,142,000
LIFO expense (benefit)	\$ 500,000	\$ (439,000)

* Adjusted EBITDA consists of net income before interest, taxes, depreciation and amortization, adjusted for, among other things, extraordinary and non-recurring items.



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

“I am pleased to announce that for the first quarter of 2006, Niagara Corporation achieved record levels of income from operations, adjusted EBITDA and net income. Business conditions were strong, and Niagara’s emphasis on a broad product line, specialty products, quality and on-time delivery stood it in good stead with customers.

The slight decline in sales was caused by slightly lower sales in the U.K. and a reduction in the value of the British pound relative to the U.S. dollar.

Our previously announced review of strategic alternatives to maximize value for our shareholders is continuing.

Our complete First Quarter Report will be posted shortly on the Company’s website (www.niag.com).”

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, which 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 for the year ended December 31, 2005. 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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