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**FOR IMMEDIATE RELEASE**

**NIAGARA CORPORATION EFFECTS STOCK SPLITS  
TO ENSURE RETENTION OF DEREGISTERED STATUS**

New York, December 30, 2005— Niagara Corporation (OTC: NGCD.PK) announced that earlier today, the Company filed charter amendments with the Delaware Secretary of State to effect a reverse stock split in a ratio of 1-for-2 followed by a forward stock split in a ratio of 2-for-1. These stock splits, effective as of 11:58 and 11:59 p.m. on December 31, 2005, respectively, will allow Niagara to maintain its deregistered status.

Niagara stockholders who own 2 or more shares immediately prior to the stock splits will continue to own the same number of shares of the Company, and the combined effect of the stock splits will have no effect on their holdings of Niagara common stock. Niagara stockholders who own fewer than 2 shares at the time of the stock splits are entitled to receive cash in exchange for their fractional interests in an amount based on the average of the last sales price of Niagara common stock as reported on the Pink Sheets® for the ten trading days ending December 30, 2005, which was \$15.85 per share. The Company will shortly be sending transmittal materials to its stockholders to enable them to either receive cash for their fractional interests or to exchange their old share certificates for new share certificates.

Niagara expects that its common stock will continue to be quoted on the Pink Sheets® ([www.pinksheets.com](http://www.pinksheets.com)). As a result of the stock splits, Niagara's common stock will begin trading under the new ticker symbol "NGCN.PK" as of January 3, 2006.

**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 and estimates of cost savings 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, 2004. 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.**