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FOR IMMEDIATE RELEASE

**NIAGARA CORPORATION SAYS WYNNEFIELD RELEASE
REPLETE WITH MISSTATEMENTS**

New York, March 9, 2005— Niagara Corporation (OTC: NGCD.PK) today responded to the press release and related letter issued this morning by Nelson Obus of The Wynnefield Group, a hedge fund firm that operates from New York and the Cayman Islands.

Michael Scharf, Chairman, President and CEO of Niagara, stated:

“Once again, Mr. Obus has acted irresponsibly and to the detriment of the Company and its stockholders. He continues to issue press releases that are replete with misstatements and that make unsubstantiated accusations. Obus has a history of opposing the Company’s decision to deregister its common stock, which took effect last summer. He has engaged in various schemes and maneuvers in an attempt to thwart the deregistration, including three separate purported transfers of small numbers of Niagara shares (10 shares, 90 shares and 1 share respectively) to more than 300 persons, some of whom were unaware that Niagara stock had been transferred into their names.

The reverse and forward stock splits that were effected by Niagara at the end of 2004 were designed to ensure that the Company maintained its deregistered status. Mr. Obus’ continuing harassment and misguided efforts to deprive Niagara’s stockholders of the substantial benefits of deregistration have been nothing but harmful to the Company and its stockholders, have been unnecessary distractions to Niagara’s management, and have misled our investors, bankers, customers, suppliers and employees.

Stockholders should know that the Company does not intend to re-register and is not required to do so, as the Company had less than 500 stockholders of record on December 31, 2004 and less than 300 stockholders of record on January 1, 2005. Since the deregistration became effective last summer, Niagara has continued to issue complete quarterly financial reports and press releases concerning material developments, all of which are easily accessible on the Company’s website (www.niag.com), and Niagara’s stock has been actively traded on the Pink Sheets.



Niagara urges Mr. Obus to cease his campaign of harassment so that management can focus all of its efforts on operating the business of the Company, which recently reported record sales and earnings.”

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 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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