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FOR IMMEDIATE RELEASE
PORTA SYSTEMS CORP. REPORTS RESULTS FOR THE QUARTER
AND YEAR ENDED DECEMBER 31, 2005

Syosset, NY – March 30, 2006 – Porta Systems Corp. (OTC.BB:PYTM) today reported an operating loss for the quarter ended December 31, 2005 of \$1,236,000 compared to operating income of \$922,000 for the quarter ended December 31, 2004. The fourth quarter loss reflects \$877,000 of restructuring costs, of which \$450,000 was treated as a prepaid expense at September 30, 2005.

The Company reported a net loss of \$1,387,000, (\$0.14) per share (basic and diluted), for the quarter ended December 31, 2005, as compared with net income of \$469,000, \$0.05 per share (basic and diluted), for the comparable quarter of 2004.

The Company reported operating income for the year ended December 31, 2005 of \$2,021,000 compared to operating income of \$4,153,000 for the year ended December 31, 2004. The Company reported net income of \$810,000, \$0.08 per share (basic and diluted), for the year ended December 31, 2005 compared with net income of \$2,675,000, \$0.27 per share (basic and diluted), for 2004.

Sales for all units were \$5,543,000 for the quarter ended December 31, 2005 versus \$6,913,000 for the quarter ended December 31, 2004, a decrease of \$1,370,000 (20%). Copper Connection/Protection sales were \$4,122,000 versus \$5,113,000 for the quarters ended December 31, 2005 and 2004, respectively. The decrease of \$991,000 (19%) for the quarter primarily reflects changes in the product mix of orders from British Telecommunications, due to an increase in sales of products having a lower unit selling price from products having a higher unit selling price. Signal Processing sales for the quarter ended December 31, 2005 were \$1,193,000 versus \$1,431,000 for the quarter ended December 31, 2004, a decrease of \$238,000 (17%). This decrease in revenue resulted from a decrease in orders placed and reduced level of deliveries on government contracts during this period. OSS sales, all of which related to maintenance contracts, were \$228,000 for the quarter ended December 31, 2005 versus \$368,000 for the quarter ended December 31, 2004, a decrease of \$140,000 (38%). The decreased OSS sales during the quarter reflect our strategic business decision to scale back the OSS operation. Currently our OSS operations are limited to the performance of maintenance on existing systems and the performance of warranty services. We are also seeking to sell our existing OSS inventory; however, such sales were not significant in 2005, and we do not plan to add additional inventory.

Sales for all units were \$28,604,000 for the year ended December 31, 2005 versus \$29,168,000 for the year ended December 31, 2004, a decrease of \$564,000 (2%). Copper Connection/Protection sales for the year ended December 31, 2005 were \$22,109,000 versus \$21,612,000 for the year ended December 31, 2004, an increase of \$497,000 (2%). This increase resulted primarily from sales to British Telecommunications as a result of British Telecommunications' continuing rollout of the availability of DSL lines and their requirement to provide local loop unbundling service, demanded by regulators in the United Kingdom, to enable third party providers of telephone service to gain access to British Telecommunications' systems. Signal Processing sales for the year ended December 31, 2005 were \$5,710,000 versus \$5,551,000 for the year ended December 31, 2004, an increase of \$159,000 (3%). The increase in sales primarily reflects our ability to meet targeted shipment dates due to our improved ability to secure materials during the first three quarters, which was partially offset by a decline in Signal sales in the fourth quarter. OSS sales for the year ended December 31, 2005, were \$785,000 versus \$2,003,000 for the year ended December 31, 2004, a decrease of approximately \$1,218,000 (61%). The decrease in OSS sales resulted from the reduction in scope of our OSS operations and marketing effort as described above.

The overall gross margin for all business units was 27% for the quarter ended December 31, 2005, compared to 40% for the quarter ended December 31, 2004. Gross margin for the year ended December 31, 2005 was 36% compared to 39% for the year ended December 31, 2004. The decrease in the gross margin percentages resulted primarily from the change in product mix from higher margin to low margin product sales to British Telecommunications in our Connection business.

Operating expenses for the quarter and year ended December 31, 2005 increased by \$860,000 (46%) and increased by \$1,209,000 (17%), respectively, when compared to the fourth quarter of 2004 and the year ended December 31, 2004. The increase in the fourth quarter resulted primarily from the expending of restructuring costs of \$877,000. These costs were for investment banking, legal and accounting fees resulting from a requirement of our senior debt holder that we restructure our business. Through the third quarter restructuring costs, totaling approximately \$450,000, were included in "Prepaid Expenses and Other Current Assets." These costs, along with an additional \$427,000 for the fourth quarter, were written off in the fourth quarter. The increase for the year is attributed to the above noted restructuring costs, the recording of a lease termination in the United Kingdom of approximately \$715,000 and an additional reserve of \$100,000 added to approximately \$727,000 previously reserved in 2004 for a settlement of an arbitration dispute, somewhat offset by reduced research and development of the scaled back OSS division.

Interest expense, primarily on our subordinated debt and that portion of our senior debt that we incurred during 2002, decreased for the year by \$261,000 (20%) from \$1,317,000 in 2004 to \$1,056,000 in 2005. The reason for the decrease in interest expense came from an adjustment for interest expense accrued in prior periods.

The Company's Copper Connection/Protection business unit had an operating profit of \$290,000 and \$4,349,000 during the fourth quarter and the year ended December 31, 2005, respectively. The Signal Processing unit had an operating profit of \$259,000 and \$2,134,000 during the fourth quarter and the year ended December 31, 2005, respectively. The OSS unit incurred operating losses of \$342,000 and \$1,044,000 for the quarter and year of 2005, respectively.

On December 31, 2005, the Company's outstanding senior debt was \$24,675,000. In February 2006, the maturity date of the senior debt was extended to May 1, 2006. The extension was granted by SHF IX LLC, an affiliate of Stonehill Financial, LLC, which purchased the Company's senior debt from Wells Fargo Foothill, Inc. during the third quarter of 2004. We cannot give any assurance that SHF IX will extend the maturity date beyond May 1, 2006. If SHF IX does not extend the maturity date of our obligations or demands payment of all or a significant portion of our obligations due to the senior lender, we will not be able to continue in business.

On March 23, 2006, William V. Carney resigned as chief executive officer of the Company and Edward B. Kornfeld was elected as chief executive officer. Mr. Carney continues to serve as chairman of the board and a consultant to the Company. The chairman of the board is not an executive officer. Mr. Kornfeld will continue to serve as chief financial officer. In connection with his election as chief executive officer, Mr. Kornfeld resigned from the positions of president and chief operating officer, which positions are currently vacant. Mr. Kornfeld has been an executive officer of the Company since 1995.

Porta Systems Corp. designs, manufactures, markets and supports communication equipment used in telecommunications, video and data networks worldwide.

Statements in this press release may be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations, estimates and projections about the Company's business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and may, and probably will, differ materially from what is expressed or forecasted in such forward-looking statements due to numerous factors, including those described above and those risks discussed from time to time in the Company's filings with the Securities and Exchange Commission filings, including the Risk Factors included in the Form 10-K for the year ended December 31, 2005 and the Management's Discussion and Analysis of Financial Conditions and Results of Operations in the Form 10-K for the year ended December 31, 2005. In addition, general industry and market conditions and growth rates, and general economic conditions could affect such statements. Any forward-looking statements speak only as of the date on which they are made, and the Company does not undertake any obligation to update any forward-looking statements to reflect events or circumstances after the date of this release.

- See Accompanying Table -

Porta Systems Corp. and Subsidiaries
Condensed Consolidated Statement of Operations
Quarter and Year ended December 31, 2005
(in thousands except per share amounts)

	Quarter ended Dec. 31, 2005	2004	Year ended Dec. 31, 2005	2004
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Sales	\$ 5,543	\$ 6,913	\$ 28,604	\$ 29,168
Gross profit	1,487	2,783	10,406	11,328
Total operating expenses	<u>2,722</u>	<u>1,861</u>	<u>8,384</u>	<u>7,175</u>
Operating income (loss)	(1,236)	922	2,021	4,153
Interest expense, net	(98)	(328)	(1,056)	(1,317)
Other income	<u> -</u>	<u> 1</u>	<u> 5</u>	<u> 8</u>
Income (loss) before income taxes	(1,334)	593	971	2,844
Income tax expense	(53)	(124)	(161)	(169)
Net income (loss)	<u>\$ (1,387)</u>	<u>\$ 469</u>	<u>\$ 810</u>	<u>\$ 2,675</u>
Per share data:				
<u>Basic per share amounts:</u>				
Net income (loss) per share	<u>\$ (0.14)</u>	<u>\$ 0.05</u>	<u>\$ 0.08</u>	<u>\$ 0.27</u>
Weighted average shares Outstanding	<u>10,054</u>	<u>9,972</u>	<u>10,054</u>	<u>9,972</u>
<u>Diluted per share amounts:</u>				
Net income (loss) per share	<u>\$ (0.14)</u>	<u>\$ 0.05</u>	<u>\$ 0.08</u>	<u>\$ 0.27</u>
Weighted average shares Outstanding	<u>10,054</u>	<u>9,972</u>	<u>10,093</u>	<u>9,988</u>

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