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FOR IMMEDIATE RELEASE

**TII NETWORK TECHNOLOGIES, INC. FORMS DIVISION TO DEVELOP
DIGITAL COMMUNICATIONS PRODUCTS FOR CABLE/TELCO SERVICE PROVIDERS**

***NEW GLOBAL TECHNOLOGY GROUP TO FOCUS ON
MULTI-SERVICE RESIDENTIAL GATEWAYS AND OTHER ADVANCED CABLE/TELECOM PRODUCTS***

COPIAGUE, New York -- June 5, 2006 -- TII Network Technologies, Inc. (NASDAQ: TIII), a leading provider of telecommunications network protection and management products, announced today the formation of the Global Technology Group (GTG), a new division that will develop and produce exterior gateway portal products and other intelligent broadband technology devices for the Telco and Cable markets. TII named Martin Pucher as President of the new advanced technologies division.

Timothy J. Roach, President and Chief Executive Officer of TII, said, "I am pleased to announce that we have named Martin Pucher as the President of TII's new advanced technologies division, the Global Technologies Group (GTG). Martin brings to TII strong management experience and industry knowledge. His 17-year career as a cable, Telco, and satellite industry executive will significantly strengthen our Company's management team."

Roach added that "TII's Global Technology Group will capitalize on the explosive growth in Triple-Play services -- digital telephone, broadband data, and video over broadband. GTG will work closely with our parent company's engineering, marketing and sales groups to develop leading edge systems and products that position TII and our new division in a leadership role in the emerging broadband services markets."

Pucher said, "I am excited to join TII, a proven technology company in the Telco, cable and satellite industries. I am pleased to announce that GTG will launch its first product, the OutRigger™, an outside-the-home media access portal, at the GLOBALCOMM™ 2006 show at Booth 63034 at McCormick Place in Chicago, Illinois. GLOBALCOMM™ 2006, the next-generation communications marketplace and summit, is the largest annual horizontal telecommunications show in North America, with more than 500 exhibitors and 20,000 participants expected from more than 100 countries."

Pucher continued, "GTG has put together a strong team committed to launching the division and its products, while benefiting from the expertise and strength of its parent company. We see tremendous growth opportunities as residential demand for digital services continues to grow and service providers face increasing demand and deployment challenges. Our goal is to support 'content anywhere, anytime' applications as it becomes more mainstream."

"GTG is part of our long-term strategic objective to diversify and expand our products and customer base," said Roach. "By positioning GTG as broadband network specialists, we can leverage TII's extensive experience, continue to make investments in new technologies, and expand into areas offering significant new growth."

About TII's Global Technology Group

Launched this year, the Global Technology Group (GTG), a division of TII Network Technologies, Inc. (NASDAQ: TIII), develops, manufactures and markets commercial and residential communications products for national, regional and local telephone companies, as well as single- and multiple-system cable TV operators. The first to offer an intelligent exterior residential Network Interface Device with MoCA and HomePNA compatibility, GTG is also developing advanced technology products to support the emerging broadband services market. Additional information can be found at <http://www.tiiglobaltechnology.com>.

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About TII Network Technologies, Inc.

TII Network Technologies, Inc., a publicly traded company (NASDAQ: TIII) headquartered in Copiague, New York, is a proven technology leader specializing in providing the communications industry with innovative network protection and management products, including station protectors, network interface devices, DSL protectors, filters and splitters, power, data-line and home networking protectors and a multi-service residential gateway, as well as creative, custom design solutions to meet customers' individual requirements. Additional information can be found at <http://www.tiinettech.com/>

Certain statements in this Report are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. When used in this Report, words such as "may," "should," "seek," "believe," "expect," "anticipate," "estimate," "project," "intend," "strategy" and similar expressions are intended to identify forward-looking statements regarding events, conditions and financial trends that may affect the Company's future plans, operations, business strategies, operating results and financial position. Forward-looking statements are subject to a number of known and unknown risks and uncertainties that could cause the Company's actual results, performance or achievements to differ materially from those described or implied in the forward-looking statements. These factors include, but are not limited to: exposure to increases in the cost of the Company's products, including increases in the cost of the Company's petroleum-based plastic products and the limited ability of the Company to raise the selling prices of its products; dependence for products and product components from Pacific Rim contract manufacturers, including on-time delivery that could be interrupted as a result of third party labor disputes, political factors or shipping disruptions, quality control and exposure to changes in costs and changes in the valuation of the Chinese Yuan; dependence on, and ability to retain, its "as-ordered" general supply agreements with its largest three customers and win new contracts; continued dependence on the traditional copper-based telephone operating company ("Telco") market which has been declining over the last several years due principally to the impact of alternate technologies and competition from multi-system operators; the level of inventories maintained by the Company's customers; the ability to market and sell products to new markets beyond its principal market – the copper-based Telco market; the ability to timely develop products and adapt its existing products to address technological changes, including changes in its principal market; weather and similar conditions, particularly the effect of hurricanes or typhoons on the Company's manufacturing, assembly and warehouse facilities in Puerto Rico and the Pacific Rim; competition in the Company's traditional Telco market and new markets the Company is seeking to penetrate; potential changes in customers' spending and purchasing policies and practices; general economic and business conditions, especially as they pertain to the Telco industry; dependence on third parties for certain product development; risks inherent in new product development and sales, such as start-up delays and uncertainty of customer acceptance; the ability to attract and retain technologically qualified personnel; the ability to fulfill its growth strategies; the ability to maintain listing of the Company's Common Stock on the NASDAQ Capital Market and the availability of financing on satisfactory terms.

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