



June 3, 1999

Comtech Telecommunications Corp. Announces Third Quarter Results For Fiscal 1999

Melville, NY - JUNE 3, 1999 - Comtech Telecommunications Corp. (Nasdaq: CMTL) today reported for the third quarter ended April 30, 1999, sales of \$10,473,000, earnings from operations of \$595,000, and net income of \$498,000 or \$.18 per share. For the same quarter of last year, the Company had sales of \$8,689,000, earnings from operations of \$436,000 and net income of \$388,000 or \$.15 per share.

For the first nine months of fiscal 1999, the Company reported sales of \$28,265,000, earnings from operations of \$1,485,000 and after a non-recurring tax benefit of \$1,420,000, net income of \$2,666,000 or \$.98 per share as compared to sales of \$22,323,000, earnings from operations of \$1,142,000 and net income of \$809,000, or \$.31 per share for the nine month period in fiscal 1998.

Backlog at April 30, 1999 was \$43,652,000 as compared to \$18,729,000 a year before and \$15,452,000 at July 31, 1998. The increase in backlog is a result of the large order reported in the first quarter. We are continuing to strengthen our market position in Europe, South America and the Mid-East to offset affected bookings by the continuing economic difficulties in the Pacific Rim and other international markets.

Revenues for the three and nine month periods of the fiscal year increased by 21% and 27% respectively over last fiscal year, earnings from operations increased by 36% and 30% and net income increased by 28% and 230%, respectively. Net earnings and earnings per share for the nine month period reflect a non-recurring gain of \$1,420,000 or approximately \$.52 per share resulting from taking into earnings a reduction in the Company's valuation allowance against deferred tax assets relating to federal income tax loss carryforwards. Net earnings for these periods were also effected by expenses associated with the Company's start-up subsidiaries, Comtech Wireless Inc. and Comtech Mobile Datacom Corp. Expenses associated with the start-ups are expected to continue to impact results for at least the balance of this year.

Under applicable accounting principles, the Company was required to reduce its valuation allowance against approximately \$4.2 million of its \$11.5 million net operating loss carryforward and take it into income during the second quarter of this year since it believes that it is more likely than not that the Company will generate sufficient taxable income prior to that portion of its NOL carryforward expiring. The Company will continue to assess its remaining NOL with this principle in mind.

In reporting these results, Mr. Fred Kornberg, President and CEO, commented "I am pleased that fiscal year 1999 continues to go well and that results for the third quarter ended April 30, 1999 were on target with our expectations. The Company's increased sales and income over the corresponding three and nine month periods in fiscal 1998 continue to reflect the benefits flowing from Comtech's ongoing transition to a product oriented business and new product introductions. On balance, Mr. Kornberg said, "I look forward to the end of the year with confidence."

Comtech, through its operating units, is a broad based manufacturer of state-of-the-art solid state high power amplifiers and high technology satellite and troposcatter telecommunication products and systems for commercial and government applications. For more information, Email: Info@comtechtel.com

