



2364 Leicester Rd.
Leicester NY, 14481 USA
585-382-3223 cpac.com

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COMPANY CONTACTS:

Karen Ash, *Mgr., Corp Comm*
Wendy F. Clay, *VP, Admin*
585-382-3223

***CPAC, Inc. Announces Third Quarter and Nine-Month Results;
Declares Quarterly Cash Dividend of \$0.07***

LEICESTER, NY... February 13, 2006 -- CPAC, Inc. (Nasdaq: CPAK), a manufacturer and marketer with holdings in the Cleaning & Personal Care and Imaging industries, today reported third quarter and nine-month results for the fiscal period ended December 31, 2005.

On February 13, 2006, CPAC's Board of Directors declared a quarterly cash dividend in the amount of \$0.07 per share, payable on March 24, 2006 to shareholders of record at the close of business on March 3, 2006.

Consolidated Results

Net sales for the third quarter were \$19.8 million compared to \$20.4 million for the same quarter last year, a decline of 3.1% (a decline of 2.8% excluding the impact of foreign currency exchange). Net loss for the quarter was \$(260,000) or \$(0.05) per diluted share versus a net loss of \$(87,000) or \$(0.02) per diluted share for the quarter ended December 31, 2004.

For the nine months ended December 31, 2005, net sales were \$63.6 million versus \$64.8 million for the same period last year, a decline of 1.8% (a decline of 2.1% excluding the impact of foreign currency exchange). Net loss for the nine months was \$(612,000) or \$(0.12) per diluted share versus net income of \$156,000 or \$0.03 per diluted share for the quarter ended December 31, 2004.

During the quarter ended December 31, 2005, corporate expenses increased significantly as compared to prior periods, reflecting expenses relating to several consulting projects and strategic initiatives pursued by the Company. These expenses totaled \$319,000 for the quarter and \$424,000 for the nine months ended December 31, 2005. The Company does not believe that future quarters will bear this magnitude of project expense and believes that consolidated selling, administrative, and engineering costs will decline as a percentage of sales.

Results and Highlights by Segment

more... more... more...

Fuller Brands Segment

Third quarter net sales in the Fuller Brands segment were \$10.8 million versus \$11.5 million in the prior year's third quarter. Operating loss for the quarter narrowed to \$(353,000) compared to \$(450,000) for the same period last year. For the nine months ended December 31, 2005, net segment sales were \$38.0 million compared to \$39.1 million in the prior year, with an operating loss of \$(28,000) versus operating income of \$1.1 million in the previous year. Losses in both periods are tied in large part to raw material and freight costs that are being partially recouped through phased-in price increases in all segment businesses.

- Since the beginning of the fiscal year, one major OEM account reengineered its product, eliminating the need for brush components, and a private label brush account took its business off-shore. Fuller Brush sales for the quarter declined 15% from prior year. For the nine-month period, the decline narrows to 8%, including the first wave of orders from the Dometic private label account.
- Cleaning Technologies Group (CTG) sales were flat for the third quarter compared to prior year, but increased 5% for the nine-month period, the result of strong growth in its private label business.
- Stanley Home Products sales increased by 1% in the third quarter over the same quarter in FY '05, as conversion to the new compensation plan gains momentum. For the nine months ending December 31, 2005 Stanley sales declined by 6% compared to the previous year.

Imaging Segment

Third quarter Imaging segment sales were up 1.2% to \$9.0 million versus \$8.9 million last year (an increase of 1.8% excluding the impact of foreign currency exchange). Operating income for the quarter more than doubled to \$537,000 versus operating income of \$265,000 in last year's comparable period. For the nine-months ended December 31, 2005, Imaging segment sales were flat at \$25.6 million versus the prior year (an increase of 1.0% excluding the impact of foreign currency exchange). Operating income for the nine-month period increased to \$333,000 compared to a loss of \$(267,000) for the prior year's nine-month period.

- Due to strong export sales to Mexico and Latin America, revenues for the domestic Imaging locations for the quarter were even with prior year. For the nine-months, domestic sales are off prior year by 1.0%.
- Sales from international Imaging locations increased 4.6% for the quarter (5.0% excluding the impact of foreign currency) due to the Segment's ability to capitalize on both geographic and competitive opportunities.

- CPAC Imaging's newest facility in China has been operational and serving customers in that area since December, 2005.

CPAC President and CEO Thomas N. Hendrickson commented, "In the Fuller Brands segment, Fuller Brush sales to QVC remain strong with the nine-month total increasing 7% over the same period last year. In addition, Fuller's alliance with Dometic Corporation has expanded to include the manufacture of 13 new Dometic-branded cleaning products for recreational vehicle owners. In CTG, the production requirements of multiple private label customers this year will help increase sales. Stanley's new compensation plan was rolled out in a second geographic area of the U.S. in January, bringing more than one-third of all direct selling representatives under the new plan which places a stronger emphasis on recruiting."

Mr. Hendrickson continued, "In CPAC's Imaging segment, our strategy has been to stand as a strong manufacturing partner and supplier of choice within the traditional silver halide photographic industry. With other key manufacturers exiting the chemical market, the opportunity exists to grow our customer base by supplying customers of former competitors. In the international marketplace, new business opportunities continue to emerge as a result of this industry consolidation and, although the overall market for silver halide chemicals is contracting worldwide, with our global manufacturing footprint we are well-positioned to control of a larger share of this market."

Other Financial Information

Thomas J. Weldgen, CPAC's Chief Financial Officer, said, "Since beginning the fiscal year on April 1, 2005, we have expended \$371,000 on new property and equipment, reduced debt in the amount of \$395,000, and distributed shareholder dividends of \$1,039,000. At December 31, 2005, the Company had \$6.1 million in cash, and working capital in excess of \$23.1 million."

Mr. Weldgen continued, "Based on the strong fourth quarter from our international Imaging locations and all other information available through the date of this press release, we now expect to report a profit for the fourth quarter ending March 31, 2006."

About CPAC, Inc.

Established in 1969, CPAC, Inc. (cpac.com) manages holdings in two industries. The Fuller Brands segment manufactures commercial, industrial, and household cleaning products, as well as custom brushes and personal care lines. The CPAC Imaging segment develops and markets innovative Imaging chemicals, equipment, and supplies at seven operations worldwide. Products are sold under more than 350 registered trademarks. Stock is traded under the symbol: CPAK.

Except for the historical matters contained herein, statements in this press release are forward-looking and are made pursuant to the safe harbor provisions of the Securities Litigation Reform Act of 1995. Investors are cautioned that forward-looking statements involve risks and uncertainties that may affect CPAC's business and prospects, including economic, competitive, governmental, technological, and other factors discussed in CPAC's filings with the Securities and Exchange Commission.

(Tables follow)

CPAC, Inc.
RESULTS OF OPERATIONS DATA
DECEMBER 31, 2005 and DECEMBER 31, 2004
(UNAUDITED)

	<u>Three months ended</u>		<u>% change</u>	<u>Nine months ended</u>		<u>% change</u>
	<u>2005</u>	<u>2004</u>		<u>2005</u>	<u>2004</u>	
Net sales:						
Fuller Brands	\$ 10,770,360	\$ 11,505,566	(6.4)	\$ 38,002,956	\$ 39,123,129	(2.9)
Imaging	<u>8,982,498</u>	<u>8,879,793</u>	1.2	<u>25,630,748</u>	<u>25,644,755</u>	(0.1)
Total sales:	<u>\$ 19,752,858</u>	<u>\$ 20,385,359</u>	(3.1)	<u>\$ 63,633,704</u>	<u>\$ 64,767,884</u>	(1.8)
Net income (loss)	<u>\$ (260,172)</u>	<u>\$ (87,003)</u>	NM	<u>\$ (612,393)</u>	<u>\$ 155,591</u>	NM
Diluted net income (loss) per share	<u>\$ (0.05)</u>	<u>\$ (0.02)</u>	NM	<u>\$ (0.12)</u>	<u>\$ 0.03</u>	NM
Diluted Shares Outstanding	4,946,774	4,946,774	NM	4,946,774	4,951,798	NM

SUPPLEMENTAL SEGMENT DATA
DECEMBER 31, 2005 and DECEMBER 31, 2004
(UNAUDITED)

Three months ended December, 2005

	FULLER BRANDS	IMAGING	COMBINED
Net sales	\$ 10,770,360	\$ 8,982,498	\$ 19,752,858
Cost of sales	<u>5,441,711</u>	<u>5,837,722</u>	<u>11,279,433</u>
Gross profits	5,328,649	3,144,776	8,473,425
Selling, administrative and engineering expenses	5,539,346	2,528,663	8,068,009
Research and development expense	<u>142,391</u>	<u>79,410</u>	<u>221,801</u>
Operating income (loss)	<u>\$ (353,088)</u>	<u>\$ 536,703</u>	183,615
Corporate expense			(239,107)
Interest expense, net			<u>(114,008)</u>
Loss before non-operating income (expense) and income tax			(169,500)
Non-operating income (expense):			
Minority interests			<u>(24,672)</u>
Loss before income taxes			(194,172)
Provision for income taxes			66,000
Net loss			<u>\$ (260,172)</u>

Three months ended December 31, 2004

	FULLER BRANDS	IMAGING	COMBINED
Net sales	\$ 11,505,566	\$ 8,879,793	\$ 20,385,359
Cost of sales	<u>6,132,312</u>	<u>5,635,569</u>	<u>11,767,881</u>
Gross profits	5,373,254	3,244,224	8,617,478
Selling, administrative and engineering expenses	5,654,360	2,903,382	8,557,742
Research and development expense	<u>168,559</u>	<u>76,317</u>	<u>244,876</u>
Operating income (loss)	<u>\$ (449,665)</u>	<u>\$ 264,525</u>	\$ (185,140)
Corporate expense			(2,590)
Interest expense, net			<u>(111,850)</u>
Income before non-operating income (expense) and income tax			(299,580)
Non-operating income (expense):			
Minority interests			<u>(47,423)</u>
Loss before income taxes			(347,003)
Benefit for income taxes			(260,000)
Net loss			<u>\$ (87,003)</u>

SUPPLEMENTAL SEGMENT DATA
DECEMBER 31, 2005 and DECEMBER 31, 2004
(UNAUDITED)

Nine months ended December, 2005

	FULLER BRANDS	IMAGING	COMBINED
Net sales	\$ 38,002,956	\$ 25,630,748	\$ 63,633,704
Cost of sales	<u>19,938,009</u>	<u>17,047,766</u>	<u>36,985,775</u>
Gross profits	18,064,947	8,582,982	26,647,929
Selling, administrative and engineering expenses	17,637,949	8,045,813	25,683,762
Research and development expense	<u>454,690</u>	<u>204,168</u>	<u>658,858</u>
Operating income (loss)	<u>\$ (27,692)</u>	<u>\$ 333,001</u>	305,309
Corporate expense			(387,776)
Interest expense, net			<u>(337,266)</u>
Loss before non-operating income (expense) and income tax			(419,733)
Non-operating income (expense):			
Minority interests			(38,660)
Equity in loss of affiliate			<u>0</u>
			<u>(38,660)</u>
Loss before income taxes			(458,393)
Provision for income taxes			<u>154,000</u>
Net loss			<u>\$ (612,393)</u>

Nine months ended December, 2004

	FULLER BRANDS	IMAGING	COMBINED
Net sales	\$ 39,123,129	\$ 25,644,755	\$ 64,767,884
Cost of sales	<u>19,951,015</u>	<u>16,867,866</u>	<u>36,818,881</u>
Gross profits	19,172,114	8,776,889	27,949,003
Selling, administrative and engineering expenses	17,633,048	8,826,640	26,459,688
Research and development expense	<u>447,595</u>	<u>217,327</u>	<u>664,922</u>
Operating income(loss)	<u>\$ 1,091,471</u>	<u>\$ (267,078)</u>	\$ 824,393
Corporate expense			(55,862)
Interest expense, net			<u>(297,095)</u>
Income before non-operating income and income tax			471,436
Non-operating income (expense):			
Minority interests			(163,409)
Equity in loss of affiliate			<u>(250,436)</u>
			<u>(413,845)</u>
Income before income taxes			57,591
Benefit for income taxes			<u>(98,000)</u>
Net income			<u>\$ 155,591</u>

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