



2364 Leicester Rd. PO Box 175
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 STRONG SECOND QUARTER AND
SIX-MONTH RESULTS; DECLARES DIVIDEND***

LEICESTER, NY... November 13, 2006 -- CPAC, Inc. (Nasdaq: CPAK) today reported second quarter and six-month results for the fiscal period ended September 30, 2006. The Board of Directors has declared a cash dividend in the amount of \$0.07 per share payable on December 20, 2006 to shareholders of record at the close of business on November 29, 2006.

Consolidated Results

Net sales for the second quarter increased 20.8% to \$25.9 million, compared to \$21.5 million for the same quarter last year (20.2% excluding the impact of foreign currency exchange.) Net income for the quarter was \$860,000 or \$0.17 per diluted share versus a net loss of \$(213,000) or \$(0.04) per diluted share for the quarter ended September 30, 2005.

For the six months ended September 30, 2006 net sales were \$49.8 million versus \$43.9 million for the same period last year, an increase of 13.6% (13.1% excluding the impact of foreign currency exchange.) Six-month net income was \$1.9 million or \$0.39 per diluted share as compared to a net loss of \$(352,000) or \$(0.07) per diluted share for the same period ended September 30, 2005.

Thomas N. Hendrickson, President and CEO, said, "Second quarter sales increases were recorded in both Imaging and Fuller Brands segments, but were primarily driven by distribution agreements negotiated by the Imaging segment to take advantage of opportunities in the consolidating global Imaging market. Both segments also reported significantly improved profits for the quarter and six-month periods as compared to last year, reflecting continued emphasis on cost reduction paired with a \$4.0 million increase in Imaging sales."

Results and Highlights by Segment

Fuller Brands Segment

Second quarter net sales in the Fuller Brands segment rose 3% to \$13.1 million from \$12.7 million in last year's comparable period. Segment operating income was \$235,000 versus an operating loss of \$(31,000) for the second quarter of fiscal 2005.

For the six-month period ended September 30, 2006 segment net sales were up by 5% at \$28.6 million compared to \$27.2 million in the corresponding period last year. Operating income was up nearly four-fold at \$1.6 million versus \$325,000 in the previous year's six-month period.

- Fuller Brush sales were down by 3% for the quarter due primarily to decreases in private label and direct-to-consumer sales. However, operating income improved over the prior year's second quarter. The increased profitability is the result of a combination of improved production efficiencies and administrative cost reductions.
- Cleaning Technologies Group (CTG) sales increased by 11% for the quarter, largely the result of greater than anticipated order activity from a large national account and significant sales from a new national account customer. Also, for the sixth consecutive quarter, distributor sales showed growth over prior year.
- Stanley Home Products sales rose 2% for the quarter, reflecting successful new product introductions and compensation plan improvements.

Imaging Segment

Second quarter Imaging segment sales climbed 46% to \$12.8 million (a 45% increase excluding the impact of foreign currency exchange), compared to \$8.7 million for the previous year's second quarter. Operating income for the second quarter was \$973,000, compared to \$38,000 last year.

For the six-month period, Imaging segment sales rose by 28% to \$21.3 million versus \$16.6 million in the prior year (increased 26.6% excluding the impact of foreign currency exchange.) Operating income for the six-month period was \$1.1 million compared to a loss of \$(204,000) for the prior year's six-month period.

- Second quarter International Imaging sales increased 41% over last year's second quarter. The Company expects to report continued strong sales in foreign markets in its third fiscal quarter.
- Total domestic Imaging sales were up significantly in Q2 over prior year, due to \$2.9 million of new distribution and manufacturing agreements to supply other companies' traditional Imaging products. This new business is expected to provide incremental growth to domestic operations to offset modest declines in traditional chemical and equipment sales.

Other Financial Information:

Thomas J. Weldgen, VP Finance and Chief Financial Officer, said, "The Company's cash balance on June 30, 2006 was \$7.4 million. The new distribution agreements in the U.S. Imaging operations required

an initial cash investment in opening inventory during the second quarter. At September 30, 2006, the Company cash balance was \$5.7 million. This reflects the inventory investment, payment of \$693,000 in dividends, and capital equipment additions of \$614,000. On September 30, 2006 the Company had \$32.1 million in working capital versus \$31.3 million at June 30, 2006. “

On September 28, 2006 the Company signed a new financing agreement with HSBC Business Credit (USA) Inc., to provide up to \$12 million in Senior Secured Revolving Credit, based on available asset formulas. The agreement provides asset-based lending capabilities to the Company’s U.S. operations to finance future working capital needs, general corporate requirements, and issuance of letters of credit. This facility replaces the former facility with Bank of America, N.A.

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 SEPTEMBER 30, 2006 and SEPTEMBER 30, 2005 (UNAUDITED)

	<u>Three months ended</u>			<u>Six months ended</u>		
	<u>2006</u>	<u>2005</u>	<u>% change</u>	<u>2006</u>	<u>2005</u>	<u>% change</u>
Net sales:						
Fuller Brands	\$ 13,141,402	\$ 12,738,441	3.2	\$28,562,136	\$ 27,232,596	4.9
Imaging	<u>12,771,177</u>	<u>8,718,838</u>	46.5	<u>21,285,210</u>	<u>16,648,250</u>	27.9
Total net sales:	<u>\$ 25,912,579</u>	<u>\$ 21,457,279</u>	20.8	<u>\$ 49,847,346</u>	<u>\$ 43,880,846</u>	13.6
Net income (loss)	<u>\$ 859,854</u>	<u>\$ (213,151)</u>	NM	<u>\$ 1,931,474</u>	<u>\$ (352,221)</u>	NM
Diluted net income (loss) per share	<u>\$ 0.17</u>	<u>\$ (0.04)</u>		<u>\$ 0.39</u>	<u>\$ (0.07)</u>	NM
Diluted Shares Outstanding	4,965,677	4,946,774	NM	4,956,226	4,946,774	NM

SUPPLEMENTAL SEGMENT DATA
SEPTEMBER 30, 2006 and SEPTEMBER 30, 2005
(UNAUDITED)

Three months ended September, 2006

	FULLER BRANDS	IMAGING	COMBINED
Net sales	\$ 13,141,402	\$ 12,771,177	\$ 25,912,579
Cost of sales	<u>7,041,008</u>	<u>8,884,624</u>	<u>15,925,632</u>
Gross profits	6,100,394	3,886,553	9,986,947
Selling, administrative and engineering expenses	5,725,054	2,847,252	8,572,306
Research and development expense	<u>140,704</u>	<u>66,137</u>	<u>206,841</u>
Operating income	<u>\$ 234,636</u>	<u>\$ 973,164</u>	1,207,800
Corporate expense			(55,021)
Interest expense, net			<u>(118,489)</u>
Income before non-operating expenses and income taxes			1,034,290
Non-operating expenses:			
Minority interests			<u>(14,436)</u>
			<u>(14,436)</u>
Income before income taxes			1,019,854
Provision for income taxes			<u>160,000</u>
Net income			<u>\$ 859,854</u>

Three months ended September, 2005

	FULLER BRANDS	IMAGING	COMBINED
Net sales	\$ 12,738,441	\$ 8,718,838	\$ 21,457,279
Cost of sales	<u>6,907,000</u>	<u>5,894,203</u>	<u>12,801,203</u>
Gross profits	5,831,441	2,824,635	8,656,076
Selling, administrative and engineering expenses	5,719,965	2,725,464	8,445,429
Research and development expense	<u>142,894</u>	<u>61,411</u>	<u>204,305</u>
Operating income (loss)	<u>\$ (31,418)</u>	<u>\$ 37,760</u>	\$ 6,342
Corporate expense			(64,843)
Interest expense, net			<u>(124,145)</u>
Loss before non-operating expenses and income taxes			(182,646)
Taxes			(182,646)
Non-operating expenses:			
Minority interests			<u>(9,505)</u>
			<u>(9,505)</u>
Loss before income taxes			(192,151)
Provision for income taxes			<u>21,000</u>
Net loss			<u>\$ (213,151)</u>

SUPPLEMENTAL SEGMENT DATA
SEPTEMBER 30, 2006 and SEPTEMBER 30, 2005
(UNAUDITED)

Six months ended September, 2006

	FULLER BRANDS	IMAGING	COMBINED
Net sales	\$ 28,562,136	\$ 21,285,210	\$ 49,847,346
Cost of sales	<u>14,878,503</u>	<u>14,736,444</u>	<u>29,614,947</u>
Gross profits	13,683,633	6,548,766	20,232,399
Selling, administrative and engineering expenses	11,834,964	5,337,891	17,172,855
Research and development expense	<u>280,758</u>	<u>124,056</u>	<u>404,814</u>
Operating income	<u>\$ 1,567,911</u>	<u>\$ 1,086,819</u>	<u>2,654,730</u>
Corporate expense			(107,298)
Interest expense, net			<u>(233,152)</u>
Income before non-operating expenses and income taxes			2,314,280
Non-operating expenses:			
Minority interests			<u>(24,806)</u>
			<u>(24,806)</u>
Income before income taxes			2,289,474
Provision for income taxes			<u>358,000</u>
Net income			<u>\$ 1,931,474</u>

Six months ended September, 2005

	FULLER BRANDS	IMAGING	COMBINED
Net sales	\$ 27,232,596	\$ 16,648,250	\$ 43,880,846
Cost of sales	<u>14,496,298</u>	<u>11,210,044</u>	<u>25,706,342</u>
Gross profits	12,736,298	5,438,206	18,174,504
Selling, administrative and engineering expenses	12,098,603	5,517,150	17,615,753
Research and development expense	<u>312,299</u>	<u>124,758</u>	<u>437,057</u>
Operating income (loss)	<u>\$ 325,396</u>	<u>\$ (203,702)</u>	<u>\$ 121,694</u>
Corporate expense			(148,669)
Interest expense, net			<u>(223,258)</u>
Loss before non-operating expenses and income taxes			(250,233)
Non-operating expenses:			
Minority interests			<u>(13,988)</u>
			<u>(13,988)</u>
Loss before income taxes			(264,221)
Provision for income taxes			<u>88,000</u>
Net loss			<u>\$ (352,221)</u>

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