Cenveo™

News Release

Cenveo Announces First Quarter 2006 Results

1st Quarter EPS of $2.10 per diluted share

Non-GAAP EPS of $0.20 per diluted share

Adjusted EBITDA of $45 million, up 61% from prior year

STAMFORD, CT – (May 10, 2006) – Cenveo, Inc. (NYSE: CVO) today announced its results for the three months ended March 31, 2006.

For the first quarter, the Company reported net income of $112.2 million, or $2.10 per diluted share compared to a net loss of $22.6 million, or $0.47 per diluted share in the first quarter of 2005. The first quarter 2006 results include restructuring and impairment charges of $13.5 million, and the gain on sale of non-strategic businesses of $123.4 million, primarily relating to our initial sale of a 63.5% interest in Supremex. Net sales for the quarter decreased to $426.7 million from $449.6 million in 2005, primarily due to the Company's decision to close or sell several non-strategic businesses.

Non-GAAP net income totaled $10.5 million, or $0.20 per diluted share in the first quarter of 2006. Non-GAAP net income excludes restructuring and impairment charges, and gain on sale of non-strategic businesses. A reconciliation of net income to Non-GAAP net income for these adjustments is presented in an attached table.

Adjusted EBITDA (earnings before interest, taxes, depreciation and amortization, excluding restructuring, impairment, and other charges, gain/loss on sale of non-strategic businesses, divested operations, and stock compensation expense on the adoption of SFAS 123R) in the first quarter of 2006, was $45.0 million compared to Adjusted

EBITDA of $28.0 million in the same period last year, an increase of 61%. An explanation of the Company's use of Adjusted EBITDA is provided below.

Robert G. Burton, Chairman and Chief Executive Officer stated:

"I am very pleased to report that we achieved substantial operating improvement during the first quarter. Each of our business units met or exceeded budget, resulting in across-the-board improvement in operating margins and an increase in Adjusted EBITDA of 61% versus the prior year. We are also seeing the benefits of effectively leveraging our size with suppliers by driving our purchasing volume to a few strategic business partners, consolidating our back-office functions, and lowering our overhead costs. This continued focus on costs, combined with improved performance from our operations, allowed us to realize over $17 million in cost savings in the first quarter."

Mr. Burton continued:

"As I stated previously, Cenveo had a strong quarter of operational improvement, highlighted by gains across all of our businesses, particularly with solid performance from our envelope, forms and label segment which showed strong sales and profit gains. We have also made positive improvements in our commercial print segment, which showed dramatic year over year profitability improvement during the quarter. We significantly improved our capital structure with the successful sale of our Canadian envelope business. The total transaction value was approximately $290 million, of which we received approximately $210 million in cash, and a 28.6% retained interest that is currently worth over $80 million at today's market price. As we move further into the year, we will continue to look at improving our capital structure to help position us for future growth opportunities as we expand our platform."

Mr. Burton concluded:

"Our strong management team and focused operating strategies continue to drive our momentum, positioning the Company favorably to deliver on our previously communicated financial commitments for the rest of the year. I continue to remain very optimistic about the Company's prospects for 2006 and beyond. Our team is committed to creating shareholder value and delivering results that our customers, employees and shareholders expect."

Conference Call:

Cenveo will host a conference call tomorrow, Thursday May 11, 2006, at 10:00 a.m. Eastern Time. The conference call will be available via webcast, which can be accessed via the Internet at www.cenveo.com.

Cenveo, Inc., and Subsidiaries
Condensed Consolidated Statements of Operations
(in thousands, except per share data)
(Unaudited)

	Three Months Ended March 31,	
	2006	**2005**
Net sales	$ 426,678	$ 449,602
Cost of sales	337,085	364,150
Selling, general and administrative	56,124	69,410
Amortization of intangible assets	1,298	1,330
Restructuring, impairment and other charges	13,476	10,019
Operating income	18,695	4,693
(Gain) loss on sale of non-strategic businesses	(123,352)	722
Interest expense	18,037	18,192
Other (income) expense	222	(11)
Income (loss) before income taxes	123,788	(14,210)
Income tax expense	11,586	8,346
Net income (loss)	$112,202	$(22,556)
Income (loss) per share:		
Income (loss) per share—basic	$2.11	$(0.47)
Income (loss) per share—diluted	$2.10	$(0.47)
Weighted average shares—basic	53,109	47,780
Weighted average shares—diluted	53,536	47,780

Cenveo, Inc., and Subsidiaries
Reconciliation of net income to Non-GAAP net income
(in thousands, except per share data)
(Unaudited)

	Three Months Ended March 31, 2006		
	As Reported	**Adjustments To Non-GAAP**	**Non-GAAP**
Net sales	$ 426,678	—	$ 426,678
Cost of sales	337,085	—	337,085
Selling, general and administrative	56,124	—	56,124
Amortization of intangible assets	1,298	—	1,298
Restructuring and impairment charges	13,476	(13,476)	—
Operating income (loss)	18,695	13,476	32,171
(Gain) loss on sale of non-strategic businesses	(123,352)	123,352	—
Interest expense	18,037	—	18,037
Other (income) expense	222	—	222
Income (loss) before income taxes	123,788	(109,876)	13,912
Income tax expense	11,586	(8,163)	3,423
Net income (loss)	$112,202	(101,713)	$10,489
Income (loss) per share:			
Income (loss) per share—basic	$2.11		$0.20
Income (loss) per share —diluted	$2.10		$0.20
Weighted average shares—basic	53,109		53,109
Weighted average shares—diluted	53,536		53,536

Cenveo, Inc., and Subsidiaries
Condensed Consolidated Balance Sheets
(in thousands)
(Unaudited)

	March 31, 2006	**December 31, 2005**
Assets		
Current assets:		
Cash and cash equivalents	$1,394	$1,035
Accounts receivable, net	223,701	247,277
Inventories, net	96,183	108,704
Receivables from sale of business	72,559	—
Prepaid and other current assets	22,440	25,767
Total current assets	416,277	382,783
Property, plant and equipment, net	281,750	317,606
Goodwill	255,632	311,146
Investment in affiliate	34,444	—
Other intangible assets, net	22,664	23,961
Other assets, net	33,779	44,068
Total assets	$1,044,546	$1,079,564
Liabilities and Shareholders' Equity (Deficit)		
Current liabilities:		
Current maturities of long-term debt	$2,822	$2,791
Accounts payable	140,381	124,901
Accrued compensation and related liabilities	42,473	53,765
Other current liabilities	73,904	79,051
Total current liabilities	259,580	260,508
Long-term debt	684,947	809,345
Deferred income taxes	4,692	10,045
Other liabilities	39,758	49,216
Commitments and contingencies		
Shareholders' equity (deficit):		
Preferred stock	—	—
Common stock	532	530
Paid-in capital	239,940	239,432
Retained deficit	(192,889)	(305,091)
Deferred compensation	—	(1,825)
Accumulated other comprehensive income	7,986	17,404
Total shareholders' equity (deficit)	55,569	(49,550)
Total liabilities and shareholders' equity (deficit)	$1,044,546	$1,079,564

Cenveo, Inc., and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(in thousands)
(Unaudited)

	Three Months Ended March 31,	
	2006	**2005**
Cash flows from operating activities:		
Net income (loss) ………………………………………………...	$ 112,202	$ (22,556)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization………………………………….	12,213	14,088
Non-cash charges, net…………………………………………..	10,151	5,610
(Gain) loss on sale of non-strategic businesses.……………….	(123,352)	722
Changes in operating assets and liabilities:		
Accounts receivable……………………………………………….	2,877	(5,522)
Inventories…………………………………………………………	(2,601)	(6,417)
Accounts payable and accrued compensation and related liabilities…………………………………………………………	7,929	(7,304)
Other working capital changes…………………………………….	(6,085)	(30)
Other, net………………………………………………………..	1,348	(1,437)
Net cash provided by (used in) operating activities……………	14,682	(22,846)
Cash flows from investing activities:		
Proceeds from divestitures, net………………………………	119,380	3,058
Capital expenditures……………………………………………….	(6,134)	(6,478)
Acquisition payments…………………………………………….	(4,653)	(3,653)
Proceeds from sale of property, plant and equipment……………..	326	21
Net cash provided by (used in) investing activities………...….	108,919	(7,052)
Cash flows from financing activities:		
Repayments under senior secured revolving credit facility, net…..	(123,931)	—
Borrowings under senior secured revolving credit facility, net…...	—	32,469
Repayments of long-term debt…………………………………….	(436)	(565)
Proceeds from exercise of stock options………………………….	1,110	28
Net cash provided by (used in) financing activities………….....	(123,257)	31,932
Effect of exchange rate changes on cash and cash equivalents………	15	67
Net increase in cash and cash equivalents…………………….	359	2,101
Cash and cash equivalents at beginning of year……………………...	1,035	796
Cash and cash equivalents at end of quarter………………………….	$ 1,394	$ 2,897

Cenveo, Inc. and Subsidiaries
Reconciliation of Net Income (loss) to Adjusted EBITDA
(in thousands)

	Three Months Ended March 31,	
	2006	**2005**
Net Income (loss)	$112,202	$(22,556)
Interest expense………………………………	18,037	18,192
Income taxes…………………………………	11,586	8,346
Depreciation………………………………	10,298	11,649
Amortization of intangible assets……………	1,298	1,360
Restructuring, impairment and other charges	13,476	10,019
(Gain) loss on sale of non-strategic businesses	(123,352)	722
Divested operations…………………………	(8,974)	(9,477)
Stock compensation expense on adoption of SFAS 123R	633	—
Adjusted EBITDA, as defined……………………..	$35,204	$18,255
Supremex operations……………………………….	9,784	9,744
Adjusted EBITDA, as defined and Supremex operations...	$44,988	$27,999

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The common definition of EBITDA is "Earnings before Interest, Taxes, Depreciation and Amortization". Adjusted EBITDA is equivalent to the common definition of EBITDA excluding restructuring, impairment and other charges, gain/loss on sale of non-strategic business, divested operations EBITDA, stock compensation expense on the adoption of SFAS 123R, gain/loss from early extinguishment of debt and gain/loss on disposal of discontinued operations. Restructuring, impairment and other charges have been excluded from Adjusted EBITDA to maintain comparability of our results with the results of competitors using similar measures. Adjusted EBITDA should be used in conjunction with U.S. GAAP financial measures and is not presented as an alternative to cash flow from operations as a measure of our liquidity or as an alternative to net income as an indicator of our operating performance.

We believe the use of Adjusted EBITDA along with U.S. GAAP financial measures enhances the understanding of our operating results and is useful to investors in comparing performance with competitors, estimating enterprise value and making investment decisions. Adjusted EBITDA allows investors to compare operating results of competitors exclusive of depreciation and amortization. Adjusted EBITDA is a useful tool given the significant variation that can result from the timing of capital expenditures, the amount of intangible assets recorded or the differences in assets' lives. Adjusted EBITDA as used here may not be comparable to similarly titled measures reported by competitors. We also use Adjusted EBITDA to evaluate operating performance of our segments, to allocate resources and capital to such segments, to measure performance for incentive compensation programs, and to evaluate future growth opportunities.

Cenveo, Inc. (NYSE: CVO), www.cenveo.com, is one of North America's leading providers of print and visual communications, with one-stop services from design through fulfillment. The company's broad portfolio of services and products include commercial printing, envelopes, labels, packaging and business documents delivered through a network of production, fulfillment and distribution facilities throughout North America.

Statements made in this release, other than those concerning historical financial information, may be considered forward-looking statements, which speak only as of the date of this release and are based upon current expectations and involve a number of assumptions, risks and uncertainties that could cause the actual result to differ materially from such forward-looking statements. Those assumptions, risks and uncertainties include, without limitation: (1) general economic, business and labor conditions, particularly as affect the commercial printing, envelopes, labels and packaging business, (2) the Company’s substantial level of indebtedness, which imposes significant restrictions on the ability to implement the Company's strategic initiatives, (3) the ability to regain profitability after substantial losses in 2004 and 2005, (4) the majority of the Company's sales are not subject to long-term contracts, (5) the impact of changes in the board of directors, the company's CEO and other management and the strategic direction that may be made, (6) the ability to effectively execute cost reduction programs and management reorganizations, (7) the industry is extremely competitive due to over capacity, (8) the impact of the Internet and other electronic media on the demand for envelopes and printed material, (9) postage rates and other changes in the direct mail industry, (10) environmental laws that may affect the Company's business, (11) the ability to retain key management personnel, (12) compliance with recently enacted and proposed changes in laws and regulations affecting public companies that could be burdensome and expensive, (13) the ability to successfully identify, manage and integrate possible future acquisitions, (14) dependence on suppliers and the costs of paper and other raw materials and the ability to pass price increases onto customers, (15) the ability to meet customer demand for additional value-added products and services, (16) changes in interest rates and currency exchange rates of the Canadian dollar, (17) the ability to manage operating expenses, (18) the risk that a decline in business volume or profitability could result in a further impairment of goodwill, (19) the ability to timely or adequately respond to technological changes in the Company’s industry, (20) an adverse development in rating agency credit ratings or assessments, (21) adverse developments in the value of collateral securing financings and (22) the cyclical nature of the Company’s industry.

These risks and uncertainties are set forth under Item 1 and Item 1A, Risk Factors, in the Cenveo, Inc. Annual Report in form 10-K for the year ended December 31, 2005, and in the Company's other SEC filings. A copy of the annual report is available on the Company's website at http://www.cenveo.com.

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