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**FOR IMMEDIATE RELEASE
WEDNESDAY, JULY 5, 2006**

**CLARCOR BOARD OF DIRECTORS APPROVES CAPITAL SPENDING AND
RESTRUCTURING PROGRAM**

FRANKLIN, TN, July 5, 2006--CLARCOR Inc. (NYSE: CLC) announced today that its Board of Directors has approved a capital spending and restructuring program aimed at improving operating efficiencies and reducing manufacturing costs at its CLARCOR Air Filtration Products subsidiary (CLC Air). CLC Air manufactures and sells air filtration products and systems through a variety of distribution channels under such well-known brands as Purolator® and Airguard®.

The program is designed to be implemented in several phases over a three-year period. The Company plans to invest approximately \$22 million in capital and incur approximately \$4 million in restructuring charges over the period and expects annualized savings to reach approximately \$14 million by the end of the program.

Norm Johnson, CLARCOR's Chairman and Chief Executive Officer, said: "The capital investment we are making will be focused on expanding and reorganizing our production facilities to better serve our customers. We expect to significantly improve plant productivity through a major investment in automation to make our air filtration plants the most technically advanced in the industry. We also will make a major investment to reduce our freight costs which have risen substantially over the last 18 months.

"We have made improvements in the profitability of our Industrial/Environmental segment profit margins over the last several years with a goal of earning an operating margin of over 10% for this segment. This program is designed to accelerate margin improvement by focusing on the lower margin areas of this segment, principally HVAC air filter products and systems. By the end of the program, we expect to be the lowest cost environmental air filter manufacturer in our industry with the highest quality product and exemplary customer service.

"We are fortunate that we are able to completely fund this program and continue to invest to expand the rest of our businesses, continue to seek further acquisitions and to repurchase our common stock. Based on our current forecasts, we expect that 2006 will be another record year for CLARCOR with increased sales and profits, and with free cash flow exceeding \$55 million."

CLARCOR is based in Franklin, Tennessee, and is a diversified marketer and manufacturer of mobile, industrial and environmental filtration products and consumer and industrial packaging products sold in domestic and international markets. Common shares of the Company are traded on the New York Stock Exchange under the symbol CLC.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements made in this press release other than statements of historical fact, are forward-looking statements. These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements may include, among other things: statements and assumptions relating to future growth, earnings, earnings per share, cash flow and other financial performance measures, as well as management's short-term and long-term performance goals and management's expectations with respect to Company restructuring and capital spending programs; statements relating to the anticipated affects on results of operations or financial condition from recent and expected developments or events; statements relating to expectations about cost decreases and productivity gains to be realized through improved technology; statements relating to the Company's business and growth strategies; and any other statements or assumptions that are not historical facts. The Company believes that its expectations are based on reasonable assumptions. However, these forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the Company's actual results, performance or achievements, or industry results, to differ materially from the Company's expectations of future results, performance or achievements expressed or implied by these forward-looking statements. In addition, the Company's past results of operations do not necessarily indicate its future results. These and other uncertainties are discussed in the "Risk Factors" section of the Company's 2005 Form 10-K. The future results of the Company may fluctuate as a result of these and other risk factors detailed from time to time in the Company's filings with the Securities and Exchange Commission. You should not place undue reliance on any forward-looking statements. These statements speak only as of the date of this press release. Except as otherwise required by applicable laws, the Company undertakes no obligation to publicly update or revise any forward-looking statements or the risk factors described in this press release, whether as a result of new information, future events, changed circumstances or any other reason after the date of this press release.

Free cash flow as used in this press release is defined by the Company as operating cash flow plus purchases of short-term securities, less capital spending and less dividends. The \$55 million free cash flow estimate used in this press release does not include capital investments required by the CLC Air restructuring program or amounts spent for acquisitions or common share repurchases.