MATERIAL CHANGE REPORT UNDER
SECTION 85(1) OF THE *SECURITIES ACT* (BRITISH COLUMBIA)
AND SECTION 151 OF THE SECURITIES RULES;
SECTION 75(2) OF THE *SECURITIES ACT* (ONTARIO)

1. Reporting Issuer

CREO INC.
3700 Gilmore Way
Burnaby, British Columbia

2. Date of Material Change

June 18, 2002

3. Press Release

Date of Issuance: June 18, 2002

Place of Issuance: Burnaby, British Columbia

4. Summary of Material Change

Creo Inc. announced that its strategic partner, Printcafe Software, Inc. priced its initial public offering ("IPO") of 3.75 million shares on June 18, 2002. Shares of Printcafe common stock commenced trading on the Nasdaq National Market under the symbol PCAF. The IPO subsequently closed on Friday, June 21, 2002.

5. Full Description of Material Change

Creo Inc. announced that its strategic partner, Printcafe Software, Inc. priced its initial public offering ("IPO") of 3.75 million shares on June 18, 2002. Shares of Printcafe common stock commenced trading on the Nasdaq National Market under the symbol PCAF.

The IPO subsequently closed on Friday, June 21, 2002. Creo received approximately US$16.9 million in debt repayment from the net proceeds of the IPO, including US$11.8 million in loan principal, US$1.4 million in interest and US$3.7 million in prepayment fees. Through a wholly-owned subsidiary, Creo acquired a further $3.7 million of Printcafe common stock in the IPO. Upon completion of the IPO, Creo will own approximately 30.2 percent of Printcafe's outstanding common stock.

In January, 2002, Creo issued US$23.6 million of senior, secured long-term debt to Printcafe. Following the transactions described above, the remaining balance of US$11.8 million is to be paid by January, 2004. Creo will continue to account for its investment in Printcafe under the equity method and retain two seats on the Printcafe board of directors.

6. Reliance on Section 85(2) of the *Securities Act* (British Columbia)/Section 75(3) of the *Securities Act* (Ontario)

Not applicable.

7. Omitted Information

Not applicable.

8. Senior Officers

For further information contact:

Paul Kacir
Corporate Secretary
4225 Kincaid Street
Burnaby, British Columbia

Telephone: (604) 453-4343
Facsimile: (604) 419-4724

9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Burnaby, British Columbia this 28th of June, 2002.

CREO INC.

Per: "*Amos Michelson*"
(Authorized Signatory)

Amos Michelson, Chief Executive Officer
(Print Name and Title)