

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

1. Reporting Issuer

CREO INC.
3700 Gilmore Way
Burnaby, British Columbia V5G 4M1
("Creo")

2. Date of Material Change

March 1, 2004

3. Press Release

Date of Issuance: March 1, 2004

Place of Issuance: Vancouver, British Columbia

4. Summary of Material Change

Creo has entered into an agreement with a syndicate of underwriters led by RBC Capital Markets for the issuance of 5,000,000 common shares at a price of C\$13.39 per common share or US\$10.00 per common share for total gross proceeds of approximately C\$67.0 million or US\$50.0 million based on current exchange rates.

5. Full Description of Material Change

Creo has entered into an agreement with a syndicate of underwriters led by RBC Capital Markets for the issuance of 5,000,000 common shares at a price of C\$13.39 per common share or US\$10.00 per common share for total gross proceeds of approximately C\$67.0 million or US\$50.0 million based on current exchange rates.

The issue is being underwritten on a bought deal basis and is being made by way of a prospectus filed in all provinces and territories of Canada and a registration statement filed in the United States, and is subject to regulatory approval. Closing of the offering is expected on or about March 15, 2004. Creo intends to use these proceeds for general corporate and working capital purposes to support the execution of its digital media strategy and the capitalization and integration of its recent acquisitions, financing investment opportunities, and for additions to its facilities including adding new manufacturing capacity for plates and hardware and expanding capacity at existing plants.

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

Not applicable.

7. Omitted Information

Not applicable.

8. Senior Officers

For further information contact:

Paul Kacir
Corporate Secretary
3700 Gilmore Way
Burnaby, British Columbia
Telephone: (604) 453-4343
Facsimile: (604) 451-2711

9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Burnaby, British Columbia, this 9th day of March, 2004.

CREO INC.

Per: "Paul Kacir"
(Authorized Signatory)

Paul Kacir – Corporate Secretary
(Print Name and Title)