

11 January 2000

**Company Announcement: Artwork Systems Group NV receives significant tax claim, which has no legal basis according to the company's advisors.**

Artwork Systems Group NV receives significant tax claim, which has no legal basis according to the company's advisors.

GENT, Belgium - January 11, 2000 - In preparation of the Initial Public Offering in december 1996, all the operations of the group were merged under the holding company Artwork Systems Group NV. As part of this restructuring, Artwork Systems Group NV acquired all shares of Artwork Systems NV at net asset value.

This transaction is clearly and fully described in the prospectus for the IPO. (See "'change in legal structure'" in the notes to the financial statements on page 60, section 6.4 "'certain relationships and related transactions'" on page 71, and section 3.2.3 "'description of the group'" on page 25 of the English language version of the prospectus.)

The special branch of the Belgian tax authorities ("'Bijzondere Belastinginspectie'") now claims that the difference between the market value of Artwork Systems Group NV at the IPO and the price paid for Artwork Systems NV, is taxable as a benefit ("'voordeel van alle aard'") to Artwork Systems Group NV. The total tax claim, which the company received today, amounts to BEF 2.3 billion or EUR 58.1 million (including 10% penalty).

According to the law firm Loeff Claey's Verbeke, who assisted Artwork Systems Group NV during the IPO, and according to the law firm De Bandt Van Hecke Lagae, who has been asked to give a second opinion, this tax claim is contrary to the current application of tax rules in Belgium. These rules specify that benefits received by a company are taxable only if they are reflected in the accounts of that company or had to be reflected in the accounts according to Belgian accounting law. Belgian accounting law clearly states that shares have to be recorded at purchase price. Ernst&Young, statutory auditors of Artwork Systems Group NV, confirm that Artwork Systems Group NV has rightly not expressed this benefit in its accounts.

Moreover, since Belgium does not tax capital gains on shares realized by companies, expressing the actual value of the shares of Artwork Systems NV in the accounts of Artwork Systems Group NV, or even selling the shares of Artwork Systems NV at actual value, would not give rise to taxable income.

The dispute is a dispute on Belgian tax principles. No tax fraud or evasion is involved. (Accordingly the tax authorities levy the lowest tax penalty of 10%.)

In this respect, management also points out that Artwork Systems Group NV and its subsidiaries have never implemented any tax optimization schemes and that the group has paid BEF 583.0 million or EUR 14.5 million of taxes in Belgium since 1996 (which corresponds to an effective tax rate of 40.25%).

Artwork Systems Group NV will strongly defend its rights and will use all legal means to do so. Artwork Systems Group NV intends to seek compensation for any damage resulting from this tax claim.

The tax claim will not have an immediate impact on the company's operations, since no payments are required until a final judgment is reached.

Artwork Systems develops complete and integrated software solutions for the preparation of professional color printing or pre-press. Artwork Systems' software runs on personal computers but equals or even betters the quality and productivity of specialized and much more expensive integrated computer systems. Artwork Systems now has offices in Belgium, France, Germany, the United Kingdom and the United States with international support structures in Brazil and Singapore. Partner organizations in more than 40 countries are responsible for the additional world-wide distribution of the various products. The most important markets are Western Europe and the United States. In 1999, worldwide turnover amounted to EUR 28.6 million.

For further information, contact Peter Denoo, phone +32-9-265.84.11 , mobile +32-75-74.13.72.