

PRESS RELEASE

Punch's graphics subsidiary Punch Graphix closes successful financing round despite difficult market

Dealings in shares expected to commence on 26 May 2005

Lier, Belgium - 20 May 2005 – Punch International ('Punch') announces the successful closure of the subscription period for the admission to trading of its graphics subsidiary Punch Graphix plc ('Punch Graphix') on the Alternative Investment Market ('AIM') of the London Stock Exchange. Punch Graphix is raising GBP 20.61 million (EUR 30 million) before expenses through an institutional placing of 21,027,551 ordinary shares at a price of 98 pence per share. On admission, expected 26 May, a total of 102,829,220 ordinary shares will be issued and Punch Graphix will have a market capitalisation at the placing price of GBP 100.8 million (EUR 146.7 million) and an enterprise value of GBP 120.7 million (EUR 175.7 million). The company's ticker symbol will be 'PGX'.

Punch Graphix plc, incorporated on 25 March last, groups the activities of the former Graphic Solutions division of Punch, namely Xeikon (digital colour printing), basysPrint (Computer-To-conventional-Plate prepress) and Strobbe Graphics (Computer-to-Plate prepress). Punch is selling 29,507,461 ordinary shares at the placing price for a total amount of GBP 28.9 million (EUR 42.1 million) and will hold a stake of 49% after the transaction. The surplus value realised on the sale of its shares in Punch Graphix amounts to approximately EUR 20 million.

"We are satisfied that we have succeeded in raising no less than EUR 72 million funds despite difficult market conditions," says Guido Dumarey, Chief Executive Officer of Punch. "The market capitalisation of Punch Graphix alone exceeds that of the entire Punch group by more than 30%. This shows that we made the right decision to seek a separate listing for the graphics division. However, it also illustrates that Punch as a group is substantially undervalued, the graphics activities representing only half of the group. This successful financing round provides Punch Graphix with the means for autonomous and focused growth. Our graphics subsidiaries have already gained strong positions in their markets, yet we believe there is still significant untapped potential for further expansion. Obviously, the same holds for the other operational entities of our group. We are therefore convinced that this transaction will ultimately benefit our Euronext investors as well."

About Punch International

Punch is a knowledge and technology provider 'par excellence', empowering all the companies within its group to create new technology that is marketable and profitable. Punch will apply all its knowledge and experience, and use its financial assets to help leverage potentially successful technology towards a higher level of maturity. Punch strives to meet its customers' quality, costs, delivery and service demands with total solutions and empowers its clients to reach and surpass their goals and to establish a sustainable competitive advantage within their markets and gain market share. This approach enables Punch to continuously increase added value for its stakeholders: partners, shareholders, clients, suppliers, and society. Punch – Empowering Technology

Punch is listed on Euronext Brussels and is part of the NextPrime index. All press releases and other information are available online at www.punchinternational.com and www.euronext.com.

More information

The Admission Document is available on request, free of charge, via Altium Capital Limited, 30 St James's Square, London SW1Y 4AL. The press release on the publication of the Admission Document and closure of the subscription period, published by Punch Graphix, is available on the company's website: www.punchgraphix.com.

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