



For Immediate Release

Corel Corporation Completes Initial Public Offering

Finalizes Acquisition of WinZip Computing

Ottawa, Canada – May 2, 2006 – Corel Corporation (NASDAQ: CREL; TSX: CRE) today announced the closing of its initial public offering of 6,500,000 common shares at an initial public offering price of US \$16.00 (CDN \$18.11) per share. The offering includes 5,000,000 common shares sold by Corel and 1,500,000 common shares sold by certain selling shareholders. Corel and the selling shareholders granted the underwriters the right to purchase up to an additional 975,000 common shares to cover over-allotments.

Concurrent with the close of its initial public offering, Corel has acquired all of the outstanding securities of WinZip from Vector Capital. The purchase price for the acquisition was 4,322,587 of Corel's common shares.

In conjunction with the closing of this offering, Corel borrowed US \$90.0 million under the term loan portion of its new credit facility. Corel will use these proceeds, together with net proceeds of approximately US \$69.0 million from the offering, to repay outstanding debt under its existing credit facilities and all outstanding indebtedness of WinZip, to pay financing fees and expenses associated with its new credit facility, and for general corporate purposes, which may include acquisitions.

Morgan Stanley & Co. Incorporated acted as lead bookrunning manager for the offering. JPMorgan, Deutsche Bank, Piper Jaffray, CIBC World Markets and Canaccord Adams were co-managers.

A copy of the prospectus relating to this offering may be obtained from Morgan Stanley & Co. Incorporated, 180 Varick Street, New York, NY 10014 or by emailing prospectus@morganstanley.com. It may also be accessed through Corel's website at www.corel.com or directly from the U.S. Securities and Exchange Commission at www.sec.gov.

The final supplemented Canadian prospectus has been filed with the applicable Canadian securities authorities and is available at www.sedar.com.

This release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities or any acceptance of an offer to buy these securities in any State, province or other jurisdiction in which such offer, solicitation, or sale would be unlawful prior to their registration or qualification under the securities laws of any such State, province or jurisdiction.

About Corel Corporation

Corel is a leading global packaged software company with an estimated installed base of over 20 million users. The Company provides high quality, affordable and easy-to-use productivity, graphics and digital imaging software and enjoys a favorable market position among value-conscious consumers and small businesses. Its products are sold in over 75 countries through a scalable distribution platform comprised of original equipment manufacturers (OEMs), Corel's domestic and international websites, and a global network of resellers and retailers. The Company's product portfolio features well-established, globally recognized brands including CorelDRAW® Graphics Suite, Corel WordPerfect® Office, Corel® Paint Shop® Pro, and Corel Painter™.

-30-

© 2006 Corel Corporation. All rights reserved. Corel, CorelDRAW, WordPerfect, WinZip, Paint Shop, Painter, and the Corel logo are trademarks or registered trademarks of Corel Corporation and/or its subsidiaries. All other product, font and company names and logos are trademarks or registered trademarks of their respective companies.

Press Contact:

Gail Scibelli

617-539-9984

gail.scibelli@corel.com

Investor Relations Contact:

The Blueshirt Group

415-217-7722

Todd Friedman

todd@blueshirtgroup.com

Stacie Bosinoff

stacie@blueshirtgroup.com

