

ASHTON-TATE NEWS

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ASHTON-TATE REPORTS 40.5 PERCENT INCREASE IN EARNINGS
AND 17.9 PERCENT INCREASE IN SALES FOR THIRD QUARTER

NOV 17 1987

Edward M. Esber, Jr.

TORRANCE, Calif., November 17, 1987 -- Ashton-Tate

Corporation (NASDAQ: TATE) today reported record net income of \$11.1 million for the quarter ended October 31, 1987, a 40.5 percent increase over net income of \$7.9 million reported for the same quarter last year. Earnings per share were \$.44, compared with \$.32* in last year's third quarter.

Third quarter revenues were \$68.0 million, also a record, a 17.9 percent increase over revenues of \$57.7 million reported for the third quarter of last year.

Net income for the nine months ended October 31, 1987, was \$30.3 million, compared with \$19.5 million for the first nine months of last year. Earnings per share for the nine-month period were \$1.20, compared with \$.82* for the first nine months of last year.

Revenues for the nine months ended October 31, 1987, were \$191.8 million, compared with \$147.9 million during the same period last year.

(more)

* Restated to reflect a 100 percent stock dividend distributed to stockholders in January 1987.

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"Strong sales of our MultiMate product and rapid acceptance of dBASE Mac, our new relational database product for the Apple Macintosh computer, were key contributors to our third quarter sales and earnings increases," said Edward M. Esber, Jr., chairman and chief executive officer of Ashton-Tate.

In addition to dBASE Mac, the company recently shipped Byline, a desktop publishing product for IBM personal computers and compatibles, and dBASE DIRECT/36, a connectivity software package that permits dBASE III PLUS users to access data residing on an IBM System/36. dBASE Mac has a suggested retail price of \$495. Byline has a suggested retail price of \$295, while dBASE DIRECT/36, the first in a family of dBASE connectivity products, is priced at \$1,695 per System/36 CPU.

"These three new products are just the beginning of many new leading edge products in which Ashton-Tate has invested research and development dollars during the past three years," Esber said. "During the next year, our technical team, which includes many world class developers, will be bringing to market several new products that will have a significant impact on the computer industry."

Two members added to the development staff in the third quarter were Arvola Y. Chan, senior scientist for distributed databases and Michael K. Benson, chief architect for knowledge-base systems. Chan is primarily known for his development work on Computer Corporation of America's Adaplex DBMS prototype and its Distributed Data Manager (DDM) component for mini and mainframe computers. Benson developed Cincom

Systems' mainframe DBMS Supra query language (Spectra), widely regarded as the most advanced relational language in the minicomputer industry.

Ashton-Tate is one of the largest developers and marketers of microcomputer business applications software. The company's products, which cover five major applications areas, are designed to provide fast and efficient solutions to business problems.

Ashton-Tate markets the following programs: dBASE III PLUS, dBASE Mac, RapidFile and dBASE DIRECT/36 in database management systems, MultiMate Advantage II and MultiMate Advantage II LAN in word processing, the MASTER GRAPHICS Series in business graphics, Framework II in integrated software and Byline in desktop publishing.

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COMPARATIVE QUARTERLY RESULTS
(In thousands, except per share data)
(Unaudited)

| | THREE MONTHS ENDED | | |
|----------------------------|-------------------------|-------------------------|----------------------|
| | <u>October 31, 1987</u> | <u>October 31, 1986</u> | <u>July 31, 1987</u> |
| Net Revenues | \$68,034 | \$57,741 | \$63,575 |
| Pre-Tax Income | 19,887 | 15,557 | 18,089 |
| Net Income | 11,087 | 7,935 | 10,136 |
| Earnings Per Share | .44 | .32* | .40 |
| Average Shares Outstanding | 25,357 | 24,494* | 25,177 |

| | NINE MONTHS ENDED | |
|----------------------------|-------------------------|-------------------------|
| | <u>October 31, 1987</u> | <u>October 31, 1986</u> |
| Net Revenues | \$191,820 | \$147,901 |
| Pre-Tax Income | 54,221 | 37,434 |
| Net Income | 30,321 | 19,530 |
| Earnings Per Share | 1.20 | .82* |
| Average Shares Outstanding | 25,229 | 23,618* |

* Restated to reflect a 100 percent stock dividend distributed to stockholders in January 1987.