

IMMEDIATE

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For Contacts

ASHTON-TATE ANNOUNCES COST CONTROL PROGRAM
AND ANTICIPATED THIRD QUARTER OPERATING LOSS

TORRANCE, Calif., August 15, 1989 -- Ashton-Tate Corporation (NASDAQ:TATE) today announced that it intends to significantly reduce its workforce and other operating costs and expenses. The company also announced that its revenues will continue to be adversely impacted and that reduced revenues, together with anticipated severance and other costs, may result in an operating loss for the quarter ending September 30, 1989 greater than the operating loss for the quarter ended June 30, 1989.

The company further stated that its previously announced joint program with its U.S. distributors and resellers to substantially reduce distribution channel inventories is continuing. The Company is also going through a transition from the current version of dBASE IV to a successor version. Accordingly, shipments of the current version of dBASE IV are expected to decline as the date of initial shipment of the next version approaches.

In connection with these announcements, Edward M. Esber, Jr., Ashton-Tate's chairman, president and CEO, said that he will

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directly oversee the company's Database Division, with vice presidents Eric Kim and William Stow reporting directly to him.

"This is another important step in restoring Ashton-Tate's profitability," said Esber. "The company's cost reduction program will result in greater focus and execution on projects with the biggest impact on near-term revenues."

"Assuming direct responsibility for the Database Division reflects my personal commitment to ensuring our products conform to our customers' requirements," Esber added.

The company also announced plans to release two versions of its dBASE IV Version 1.1 software: dBASE IV 1.1 and dBASE IV 1.1 Server Edition (see related release).

Esber said that the multiple release strategy has been adopted to allow Ashton-Tate to meet its customers' immediate demand for a version dBASE IV Version 1.1 without a SQL Server connection, and to allow the company to have a more extended beta test of the dBASE IV 1.1 Server Edition.

Although no product delivery dates are being projected, the company acknowledged that in an effort to meet stringent quality standards for dBASE IV 1.1, it will not ship either version in the third quarter.

"The key for us now is to ensure that dBASE IV 1.1 meets significant quality standards," said Esber. "We will not ship either version of the product until it conforms to these standards."

Based in Torrance, California, Ashton-Tate markets microcomputer business applications software for DOS, OS/2 and

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Macintosh operating systems. Products are available in six major categories: database management systems, word processing, integrated decision support software, spreadsheets, graphics and desktop publishing. The company also offers a variety of software applications, tools and utilities, as well as a library of best-selling computer hardware and software related books and periodicals. Ashton-Tate also markets a comprehensive line of service and support programs for individuals, corporations and government agencies.

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Total emps worldwide: 1731 (rough count)

Domestic

Torrance	679
Warehouse	34
Glendale	54
NCPC	250
Hartford	33
Walnut Creek	32
Total	1082

E/Int'l

Europe	330
Int'l	178
Total	508

WORLDWIDE	1590
Other	

UCAN Sales & Support	358	note: support people all accounted in other offices
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Est. of Sales emps $1731 - 1590 = 141$

We're working on number of offices, states

15% cut