

News

IMMEDIATE

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ASHTON-TATE REPORTS 78.2 PERCENT INCREASE IN SALES;
87.5 PERCENT INCREASE IN EARNINGS FOR SECOND QUARTER

TORRANCE, Calif., August 18, 1986 -- Ashton-Tate (OTC: TATE) today reported net income of \$6.47 million for the second quarter of fiscal 1987 ended July 31, 1986, an increase of 87.5 percent over earnings of \$3.45 million for the same quarter last year. Earnings per share were \$.53, compared with \$.37 in the second quarter of fiscal 1986.

Second quarter revenues were \$49 million, a 78.2 percent increase over revenues of \$27.5 million for the second quarter of last year.

Net income for the first six months of fiscal 1987 was \$11.6 million, compared with \$5.8 million for the first half of last year, a 100 percent increase. Earnings per share for the six month period were \$1.00 compared with \$.62 for the first six months of fiscal 1986.

Revenues for the six-month period were \$90.2 million, compared with \$51.5 million during the same period last year, an increase of 75.1 percent.

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"Continued strong sales of dBASE III PLUS, the industry standard database management system, was key in helping us maintain financial success in the second quarter," said Edward M. Esber, Jr., Ashton-Tate's chairman, president and chief executive officer. "MultiMate sales also remained strong and we were encouraged with the initial revenue from our international distribution deal with Javelin Software Corporation.

"During the quarter we announced a significant restructuring of the company to accommodate our rapid growth and to allow us to meet the future product and service needs of our customers," Esber said.

The company now consists of two main operating groups: the Software Products Division (SPD) headed by executive vice president and general manager Roy E. Folk, and the Systems, Service and Information Division (SSID) headed by executive vice president and general manager Ronald S. Posner.

SPD is responsible for product marketing, research and development, documentation, marketing communications and publications, while under SSID are services, industry segment marketing, business development, value-added remarketers and micro-to-mainframe links.

During the quarter, the company continued its aggressive activity in the micro-to-mainframe link area, announcing deals with CINCOM and Comshare.

Under the CINCOM agreement, Ashton-Tate's Framework II and

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dBASE III PLUS are able to exchange data with CINCOM's mainframe products through PC CONTACT, an interactive communications link. The Comshare agreement provides for data exchange between dBASE II, dBASE III PLUS, Framework II and Comshare's System W decision support software. These agreements represent the fifth and sixth formal arrangements Ashton-Tate has announced regarding micro-to-mainframe links, making the company a leader in the micro-to-mainframe arena.

Other major activities in the second quarter included:

- o The introduction of dBRUN III PLUS, a low-cost, execute-only version of dBASE III PLUS that gives Ashton-Tate's value-added remarketers and corporate developers increased security and faster execution of their dBASE III PLUS applications.

- o Shipment of a family of products that allows Version 3.60 of MultiMate Advantage to operate on local area networks.

Since the end of the second quarter, the company has announced its entry into the Macintosh market with dBASE Mac, an advanced relational database management system that combines the power of Ashton-Tate's dBASE products with the ease of learning and presentation capabilities of the Macintosh personal computer.

Ashton-Tate is the second largest independent developer and marketer of applications software. The company is a recognized leader in the database market and is a major presence in the word

processing and integrated software markets. In addition, the company recently signed a letter of intent to acquire Decision Resources , Inc., the largest supplier of microcomputer business graphics software. The acquisition, subject to board of directors approval at both companies, is expected to be completed within 60 days.

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

	THREE MONTHS ENDED		
	<u>July 31, 1986</u>	<u>July 31, 1985</u>	<u>April 30, 1986</u>
	Actual	Actual	Actual
Net Revenues	\$ 48,989	\$ 27,501	\$ 41,171
Pre-Tax Income	12,209	6,426	9,668
Net Income	\$ 6,471	\$ 3,456	\$ 5,124
Earnings Per Share	\$.53	\$.37	\$.47
Average Shares Outstanding	12,209,000	9,404,000	10,944,000

	SIX MONTHS ENDED	
	<u>July 31, 1986</u>	<u>July 31, 1985</u>
	Actual	Actual
Net Revenues	\$ 90,160	\$ 51,472
Pre-Tax Income	21,877	10,771
Net Income	\$ 11,595	\$ 5,800
Earnings Per Share	\$ 1.00	\$.62
Average Shares Outstanding	11,587,000	9,369,000