News

For release: **IMMEDIATE**

Contact: Gail Pomerantz Ashton-Tate (213) 538-7348 ASHTON TATE

20101 Hamilton Avenue Torrance, California 90502-1319 Telephone: 213-329-8000 Telex: 669984 ASHT TATE LSA

Mel Webster Miller Communications (617) 536-0470

ASHTON-TATE REPORTS 43 PERCENT INCREASE IN SALES 407 PERCENT INCREASE IN EARNINGS FOR SECOND QUARTER

CULVER CITY, Calif., Sept. 9, 1985 -- Ashton-Tate (OTC: TATE) today reported net income of \$3.45 million for the second quarter of fiscal 1986 ended July 31, 1985, an increase of 407 percent over earnings of \$682,000 for the same quarter last year. Earnings per share were \$.37, compared with \$.07 in the second quarter of fiscal 1985.

Second quarter revenues were \$27.5 million, a 43 percent increase over revenues of \$19.2 million for the second quarter of last year.

Net income for the first six months of fiscal 1986 was \$5.8 million, compared with \$831,000 for the first half of last year, a 598 percent increase. Earnings per share for the six-month period were \$.62 compared with \$.09 for the first six months of fiscal 1985.

(more)

Revenues for the six-month period were \$51.5 million, compared with \$30.4 million during the same period last year, an increase of 69 percent.

2 - 2 - 2

"Extremely strong sales of dBASE III, the industry-standard relational database management system, are the key reason for the large increase in earnings and revenues for the second quarter," said Edward M. Esber, Jr., president and chief executive officer of Ashton-Tate. "With successful products and a talented management team, Ashton-Tate is well positioned for continued growth despite the current industry slump.

"Another major reason for our confidence about our future success is the implementation of a long range strategic plan that will allow Ashton-Tate to continue to grow and prosper through the eighties. This plan will enable us to be ready with innovative and useful business software products as the needs of business computer users change," Esber said. "Also, an experienced management team, recently strengthened by the addition of Roy Folk as executive vice president of marketing and strategic planning, has transformed the company into a strong contender for the number one position among microcomputer software companies.

"As part of our strategy to bolster our product line," Esber continued, "we announced the signing of a letter of intent to acquire Multimate International Corporation and completion of the

(more)

acquisition of Forefront Corporation. Upon completion of the Multimate acquisition, we will offer one of the broadest lines of business software for microcomputers in the industry -- database management, word processing, and integrated packages. Forefront, developer of Framework, adds strength to our development capabilities," Esber said.

The company's international sales continued to surge in the second quarter, increasing significantly over the last fiscal year's second quarter. Ashton-Tate offers the most comprehensive line of database and integrated software translated into foreign languages. Framework and dBASE III are currently available in 10 languages, while dBASE II has been translated into 11 languages, including Japanese.

"We continue to place major emphasis on international sales," Esber said. "The international marketplace is growing more rapidly than the U.S., and we plan to capture a large share of that market."

During the second quarter, Ashton-Tate announced a new version of dBASE III for developers and a program for value-added resellers (VARs). Called The Developer's Release, the new version of dBASE III enables third-party developers to build custom applications around the database management system. Accompanying The Developer's Release was the introduction of a dBASE III version of dBRUN, a low-cost, execute-only version of the product.

(more)

3-3-3

The new VAR program features dedicated product, promotional and informational support for qualified remarketers who develop programs using Ashton-Tate products. The program includes a dedicated VAR hotline, advanced training for VARs, high-level technical support and an application directory which will be distributed at trade shows, to authorized dealers, and through other channels.

Other key developments during the second quarter included the signing of a joint marketing agreement with Software AG for a micro-to-mainframe connection and an announcement that Framework will support the open-architecture memory expansion board from AST of Irvine, Calif.

Ashton-Tate is among the leading microcomputer software companies worldwide. In addition to developing and marketing business software for microcomputers, the company also includes a publishing unit that produces books and a quarterly magazine.

#

4 - 4 - 4

<u>COMPARATIVE QUARTERLY RESULTS</u> (In thousands, except per share data)

THREE MONTHS ENDED

	<u>July 31, 1985</u> <u>Actual</u>	July 31, 1984 Actual	April 30, 1985 Actual
Net Revenues	\$27,501	\$19,193	\$23,971
Pre-Tax Income	6,426	1,240	4,345
Net Income	\$ 3,456	\$ 682	\$ 2,344
Earnings Per Shar	e \$.37	\$.07	\$.25

SIX MONTHS ENDED

	July 31, 1985 Actual	July 31, 1984 Actual
Net Revenues	\$51,472	\$30,400
Pre-Tax Income	10,771	1,528
Net Income	\$ 5,800	\$ 831
Earnings Per Sha	re \$.62	\$.09

NOTE: On a pro forma basis, giving retroactive effect to the acquisition of Forefront Corporation, net revenues for the three months ended July 31, 1985 were \$27,502,000 and pro forma net income was \$3,095,000 (\$.31 a share). For the six months ended July 31, 1985, net revenues were \$51,473,000 and pro forma net income ws \$5,240,000 (\$.53 a share).