News

ASHTON TATE

For release: IMMEDIATE

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ASHTON-TATE ADOPTS SHAREHOLDER RIGHTS PLAN

TORRANCE, CA, February 13, 1989 -- Ashton-Tate Corporation today announced that in the interest of assuring that any fundamental change or attempted change in the structure or control of Ashton-Tate be in the best interests of Ashton-Tate and its shareholders, its board of directors has adopted a Shareholder Rights Plan involving the distribution of share purchase rights to shareholders.

Edward M. Esber, Jr., chairman of the board and chief executive officer, said, "The adoption of a shareholder rights plan has become common practice among United States corporations. It allows a board of directors to better represent the interests of the shareholders in a manner that will permit the maximization of shareholder value in the long term. The Ashton-Tate Rights Plan will not and is not intended to prevent a takeover of the company on terms that are fair to, and in the best interests of, the company and all shareholders, but should encourage any person seeking to acquire the company to negotiate with the board of directors prior to attempting a takeover. The

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Ashton-Tate Shareholder Rights Plan

Ashton-Tate Rights Plan is also intended to assure that, in the event of any unsolicited takeover offer, the board of directors and the shareholders will be provided sufficient time to carefully consider the offer and any other alternatives to the offer that might enhance and protect shareholder values."

The Plan provides that shareholders will receive a dividend of one right for each share of Ashton-Tate's common stock held on February 24, 1989. Each share of Ashton-Tate's common stock issued after that date will be issued with one right attached, as well. The rights will expire on February 10, 1999. The rights, which will initially attach to and trade with the common stock, will separate from the common stock (and become represented by separate rights certificates) and become exercisable if and when a person or group of affiliated or associated persons (an "Acquiring Person") has acquired 15% of Ashton-Tate's common stock or announced an intention to do so in a tender or exchange offer.

Ashton-Tate may redeem the rights for \$0.01 each at any time prior to the earlier of ten days after the date when the rights become exercisable or the date upon which the rights expire.

When exercisable, each right will entitle shareholders to buy, at a price of \$105 per right, one share of Ashton-Tate's common stock. If the Acquiring Person engages in certain self-dealing transactions or becomes the beneficial owner of 20%

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Ashton-Tate Shareholder Rights Plan

or more of Ashton-Tate's common stock, or if Ashton-Tate is acquired in a merger or other business combination transaction, each holder of a right (other than the Acquiring Person) will have the right to receive, upon exercise, shares of common stock of Ashton-Tate or the acquiring company (as provided in the Rights Plan) having a value equal to two times the exercise price, unless the rights are earlier redeemed.

Based in Torrance, Calif., Ashton-Tate markets best-selling microcomputer business applications software for DOS, OS/2 and Macintosh operating systems. Products are available in six major categories: database management systems, word processing, integrated decision support software, spreadsheets and desktop publishing. Tate Publishing offers a variety of software applications, tools and utilities under the Tate Publishing Software family, as well as a library of bestselling 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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Ashton-Tate is a registered trademark of Ashton-Tate Corporation.

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