CORPORATE BACKGROUND

Ashton-Tate Corporation is one of the world's largest developers and marketers of business software for microcomputers.

The company is the leading supplier of database management systems; offers advanced spreadsheet, integrated, word processing, business graphics and desktop publishing packages; and provides complete service and support programs for all levels of customers.

Based in Torrance, California, Ashton-Tate was founded in 1980 and rapidly became an industry leader in sales, marketing and innovation. It remains one of the fastest-growing companies in the personal computer industry. For the fourth quarter of fiscal 1989, ended January 31, 1989, the company reported revenues of $87.3 million and net income of $13.4 million, increases of 15.6 percent and 5.0 percent, respectively, from the same period of the previous year.

Since introducing its initial product in 1981, the best-selling dBASE II, Ashton-Tate has released a succession of

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software packages that significantly increase business
productivity. Ashton-Tate's product family includes leaders in
six significant applications software categories: database
management systems (DBMS) with industry-standard dBASE IV,
dBASE IV Developer's Edition, dBASE IV LAN Pack, dBASE Mac and
RapidFile; word processing with MultiMate Advantage II and
FullWrite Professional; business graphics with DRAW APPLAUSE,
the MASTER GRAPHICS Series and FullPaint; spreadsheets with
Full Impact; desktop publishing with Byline; and integrated
software with Framework III and Framework III LAN.

The company recently introduced its first two in a series
of dBASE connectivity products. The first, dBASE DIRECT/36,
links dBASE IV and dBASE III PLUS with data residing on the IBM
System/36 to give users access to departmental and corporate
database files. The second, dBASE DIRECT/38, allows personal
computer users to access and manipulate IBM System/38 data
through dBASE IV and dBASE III PLUS.

The company's ongoing development efforts center on
providing new database workstation products for both DOS and
OS/2. During the first quarter, the company announced a
strategic alliance with Microsoft Corporation to co-develop and
co-market SQL Server, a relational database server based
technology developed by Sybase, Inc. SQL Server will help
establish high-end personal computers as the core of
departmental computing. The company also is developing
products in the major applications categories for OS/2 that

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will feature dynamic links permitting the transparent exchange
of data among applications. The company also announced a
technology agreement with Interbase Software Corporation under
which the two companies will jointly develop technology
components for Ashton-Tate's next generation of workstation
database products running under OS/2 Presentation Manager and
other operating system platforms.

The company has also made a significant move into the
systems realm of the MIS and DP manager through a development
and marketing agreement with Digital Equipment Corporation of
Maynard, Massachusetts. Under the agreement Ashton-Tate will
develop character-based dBASE products for VAX users with VT
terminals and graphics-based dBASE products for DECwindows/XUI
workstations. These products will run under both Digital's
VAX/VMS and ULTRIX operating systems, providing local and
remote transparent data access and sharing with VAX Rdb/VMS or
native dBASE databases. The pact also calls for Ashton-Tate to
develop a PC to VAX connectivity link to support PC dBASE users
on DECnet. Digital will market and support all dBASE products
developed under the agreement.

Ashton-Tate maintains development centers in Torrance,
Glendale, Sunnyvale, Los Gatos and Walnut Creek, California,
and in East Hartford and Shelton, Connecticut. The company
also works with several independent development firms.

In 1985-86, the company made three strategic acquisitions
to broaden its product line. These included Forefront Corp.,

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developer of Framework, in July 1985; MultiMate International Corp., originators of the MultiMate word processing line, in December 1985; and Decision Resources, Inc., makers of the MASTER GRAPHICS Series, in September 1986. The latter two companies have become Ashton-Tate user support and product development centers specializing in their applications fields.

In February 1988, Ashton-Tate acquired Ann Arbor Softworks, the Newbury Park, Calif., developer of FullWrite Professional and the developer and marketer of FullPaint. Ann Arbor Softworks will be merged into the company's Macintosh Software Division.

Ashton-Tate markets its products through an extensive distribution network, including retail dealers, value-added re-sellers (VARs), and hardware and software vendors. The company is a leader in the international software marketplace, which accounted for 30 percent of the firm's total revenues for the fiscal year ended January 31, 1988.

Tate Publishing has published more than 50 books, book/disk packages and add-in software products that help users better understand and use hardware and software products.

PRODUCTS

dBASE IV is the most fully featured, highest-performance database management system ever designed for a personal computer. Designed to operate on both new OS/2-based personal computers as well as MS-DOS systems, it provides complete

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program and data compatibility with dBASE III PLUS. It

features a completely redesigned user interface -- including a

new applications generator -- that makes program development

and data management simpler for non-programmers. It supports

SQL (Structured Query Language), a popular mainframe data

manipulation facility. New automatic record and field locking

capability provide for easy networked multi-user operations.

The Control Center, which consists of six on-screen

graphic panels, enables users to perform data entry, query and

report generation without writing programs.

The dBASE IV Developer's Edition offers a complete dBASE

IV programming environment for applications developers and

consultants.

dBASE DIRECT/36 is a connectivity product that enables

dBASE IV users to transparently interrogate, manipulate and

generate reports on IBM System/36 data files as if they were

dBASE files. It allows users to execute relational database

applications for System/36 data at the PC level, and provides

an applications gateway for other PC products that support the

standard dBASE .dbf file format.

dBASE DIRECT/38 is a connectivity product that gives

System/38 installations the power and flexibility of dBASE IV

while providing transparent access to System/38 files. Using

dBASE DIRECT/38, users can select, sort, display and print

System/38 data from within their dBASE applications.

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RAPIDFILE is a high-performance file manager that has become a small business standard since its introduction. The program enables IBM personal computer users to easily and quickly manage data, create reports, write form letters, and produce mailing labels.

RapidFile's choice of interfaces (Framework-like pull-down menus and a Lotus 1-2-3-like horizontal menu structure) shortens the learning process. Virtual memory gives RapidFile the speed of a random access memory-based program and the capacity of a disk-based program; and data compaction techniques provide up to twice the storage capacity of competing file managers. RapidFile also directly uses dBASE files to provide a direct growth path to the advanced capabilities of dBASE IV.

RapidFile 1.2 contains a spelling checker, thesaurus and has been certified as OS/2-compatible.

dBASE Mac is a powerful relational DBMS for the Macintosh personal computer that combines the power of Ashton-Tate's dBASE products with the ease of learning and presentation capabilities of the Macintosh.

dBASE Mac was designed for users who need to perform a wide variety of database applications. The product is easy to learn through its extended implementation of the Macintosh graphic interface; enables users to access powerful features with little or no programming experience; directly accesses

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.dbf files from the IBM-compatible dBASE family; and has
advanced applications development power through its
full-featured programming language.

FRAMEWORK III is the successor to critically acclaimed
Framework II. Framework III includes improvements in all six
functional areas -- word processing, spreadsheet, database
management, business graphics, telecommunications and outlining
-- and features the addition of electronic mail capabilities.
The product is designed as an integrated set of tools for
executives and managers which help organize, analyze and
communicate decision-support functions. A LAN version of the
product is also available.

MULTIMATE ADVANTAGE II provides power, flexibility and
ease of use for a new generation of word processing users.

Major features include the option of document or page
orientation; an optional, pull-down menu interface; an
extensive undo/delete feature; faster processing; a preview
option; "hot start" menu bypass; single-key execution; list
sorting within documents; six function math; and FFT-DCA and
WordStar conversion functions. The dBASE merge feature makes
the product the logical word processing companion for dBASE III
PLUS and dBASE IV users.

MultiMate Advantage II is also available in a local area
network version.

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FULLWRITE PROFESSIONAL is a second-generation, full-featured word processor for business and professional users of the Macintosh computer. It combines the features of three separate applications -- word processing, desktop publishing and graphics -- in one completely WYSIWYG (what-you-see-is-what-you-get) program that allows users to create and manipulate text and graphics.

FullWrite Professional guides users through the entire document creation process, from initial concept through the printed page. Highlights include document integrated outlining, a built-in draw environment, and group productivity features that allow users to write posted notes on documents.

BYLINE is easy-to-use desktop publishing software for IBM personal computers and compatibles. With Byline, business users can quickly and easily enhance the quality of printed output of such materials as sales and marketing communications documents, database-driven directories, price lists, newsletters, inventory reports and overhead presentations.

Byline integrates files from leading microcomputer word processors (such as MultiMate Advantage II), databases (dBASE III PLUS and dBASE IV), spreadsheets (Lotus 1-2-3 worksheets and graphs), and graphics and paint products. Byline's dBASE merge feature enables users to import dBASE III PLUS and dBASE IV databases into pre-styled forms for database publishing.

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DRAW APPLAUSE is a state-of-the-art business presentation graphics software product that provides power, flexibility nd ease-of-use. It offers both business professionals and graphic artists the ability to quickly and easily design charts, graphs, diagrams and other graphics for presentations with color and impact. DRAW APPLAUSE includes free-form drawing capabilities, a library of 125 professionally-drawn color art images, more than 16 million color options and special effects. Color slides, overhead transparencies and color or black and white prints can be ordered overnight via the Ashton-Tate Graphics Service.

The MASTER GRAPHICS Series is a family of four corporate-standard business graphics products designed to enable users to communicate more effectively. It includes the following four modules:

CHART-MASTER enables users to create presentation-quality bar, area, scatter, pie and line charts for use in business reports, proposals and presentations.

MAP-MASTER produces shaded maps which display the geographic distribution of any business data, including sales and demographic information. Additional files available from Ashton-Tate permit data view by zip Code, county, country, or customized regions.

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SIGN-MASTER enables users to create colorful title pages, summaries, outlines, schedules, tables, and other word charts. It comes equipped with a 94-symbol font, and a Table Mode that permits rapid table construction.

DIAGRAM-MASTER provides easy-to-use applications for creating organization and Gantt charts, as well as custom diagrams, to visually communicate complex processes. The Drawing Board feature allows users to create flow charts, network diagrams, and pyramids, as well as other diagrams.

The Master Graphics PRESENTATION PACK combines CHART-MASTER, SIGN-MASTER and DIAGRAM-MASTER in one package with a single master menu, along with a bonus book, "How to Run Better Business Meetings."

The Ashton-Tate Graphics Service provides DRAW APPLAUSE, CHART-MASTER, SIGN-MASTER, DIAGRAM-MASTER and PRESENTATION PACK users with direct, on-line access to slide and overhead producing facilities. Color 35mm slides and overhead transparencies, and color or black and white prints can be returned to the user in as little as 24 hours.

FULLPAINT is a critically-acclaimed graphics generator that provides full screen painting capability and high performance. Multiple files open, scrolling tools, movable and hidable tool palettes and a familiar interface make FullPaint the premier paint program in the Macintosh environment. Developed by Ann Arbor Softworks, the program quickly became a Macintosh standard upon its release in 1986.

FULL IMPACT is a full-featured, multi-function spreadsheet product for users of the Macintosh computer that combines analytical power with superior presentation/business report capabilities. It includes complete implementation of the graphic interface; a mini-word processor to create text paragraphs as large as one page, superior formatting and graphics, an extensive macro language support and a wide range of import-export capabilities.

SUPPORT AND SERVICE PROGRAMS

Ashton-Tate markets a comprehensive line of service and support programs, including the Custom Support Plan for individual users, and the Corporate and Government Service Program for microcomputer managers in corporations and government agencies with centralized support.

The Custom Support Plan offers end-users four levels of support. Basic Support, available to all purchasers of Ashton-Tate products, provides 90 days of free telephone technical support. The Extended and Professional Support plans offer subscribers a fixed number of telephone calls, plus discounts on Ashton-Tate books and publications, a utility disk, remote de-bugging services, express support, an electronic mailbox, and a subscription to Compuserve.

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The Corporate and Government Service Program allows users
to select services from a menu of options. In addition, two
cost-saving service packages are available: the Technical
Support II Plus Package, which is directed toward in-depth
technical support, and the Comprehensive Services Plan, which
is a combination of all the services provided and is designed
for large organizations with internal support centers.

INTERNATIONAL

An early leader in international software marketing,
Ashton-Tate offers its product line in many languages. dBASE
II is currently available in eleven languages; dBASE III is
available in seven. Framework III is available in ten
languages.

The company maintains subsidiaries in Germany, Italy, the
Netherlands, Spain, Australia, Japan, Hong Kong, Singapore and
the United Kingdom. The company has master distributors in
France, Mexico, New Zealand and Brazil, and works jointly with
major hardware manufacturers, including Olivetti, Siemens AG
and IBM to distribute its products.

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PUBLISHING

In 1983, Ashton-Tate was the first microcomputer software company to establish a Publishing Group, which releases books, book/disk packages and add-in software to help users better understand and use a variety of hardware and software products. The group also publishes a magazine called <u>The Ashton-Tate Quarterly</u>, which provides users of Ashton-Tate products with practical advice on how to use those products.

MANAGEMENT

<u>Edward M. Esber Jr</u>., chairman and chief executive officer, joined Ashton-Tate in May 1984 as executive vice president, marketing and sales. He became president in August 1984 and chief executive officer three months later. He was appointed chairman of the board of directors and CEO in August 1986.

Esber previously held several executive positions at VisiCorp, was a marketing manager for Texas Instruments' Consumer Products Division and held engineering positions with IBM's Systems Products Division.

<u>Luther J. Nussbaum</u>, president and chief operating officer, joined the company in October 1986 after serving Businessland in a number of high-level posts, including vice president of operations, and, most recently, senior vice president, marketing and operations. Nussbaum also held senior management positions at Cummins Engine Company, where he worked for 11 years.

George L. Farinsky, executive vice president and chief
financial officer, was president, U.S. operations, and board
member of the Bank of British Columbia before he came to
Ashton-Tate in February 1987. Prior to that, Farinsky was vice
president, chief financial officer of Dysan Corp. His 30-year
business career also includes executive positions with Kaiser
Resources, Kaiser Industries, Mattel and Teledyne.

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tm   dBASE IV, dBASE III PLUS, dBASE III PLUS LAN PACK, dBASE
     Mac, dBASE Mac RunTime, RapidFile, Framework III, MultiMate
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     MASTER GRAPHICS Series, PRESENTATION PACK, Ashton-Tate
     Graphics Service, Full Impact, FullWrite Professional and
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