

Informix Corporation
The mission of
Informix Corporation
Informix is to
Informix Corporation
provide, through
Informix Corporation
partnerships
Informix Corporation
worldwide, the best
Informix Corporation
technology and
Informix Corporation
services for
Informix Corporation
developing
Informix Corporation
enterprise-wide
Informix Corporation
data management
Informix Corporation
applications for
Informix Corporation
open systems.
Informix Corporation

About the cover

The Informix mission statement emphasizes the company's commitment to partnerships, quality products and services, and open systems. But a mission statement is only words unless it's embraced by those who carry it out from day to day. On the following pages, you'll meet some of the people who make the Informix mission a reality.

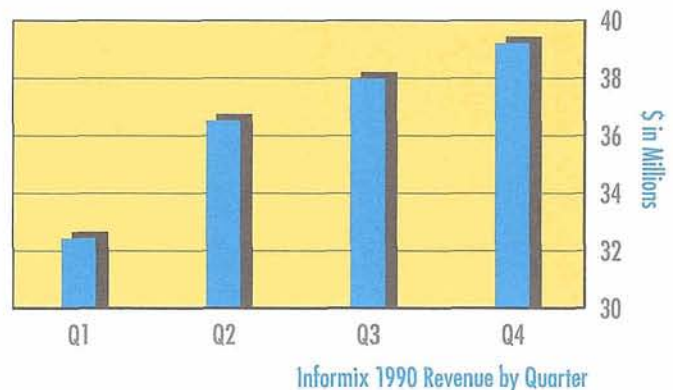
To our stockholders:



For Informix Corporation, 1990 was a year of significant change—and significant progress. We believe the decisions we made during the past year set the stage for the long-term success of the business, and strengthen the Company's position as a leading supplier of open systems software.

The major change of the year was the Company's voluntary adoption of a new—and more conservative—policy for recognizing revenue.

We have reported revenues for the full year and fourth quarter of 1990, and restated revenues from the first three quarters, in accordance with the new policy. The 1990 results also include the cumulative adjustment for all previous years of operation. These figures reflect a loss on the year, but our revenues grew each quarter in 1990, as shown in the chart here. While we cannot predict future results, we do believe this growth in revenue points to the overall health of our business. We also believe that now, with the new policy in place, we have a better view of our ongoing business as we move forward, enabling us to better manage the total Company.



It is important to realize that Informix has taken a leadership position within our segment of the industry by adopting this new policy. Current activity in the accounting profession indicates impending changes in revenue recognition standards for software companies, and we feel the Company's new policy proactively brings our reporting practices in line with the anticipated changes.

The change in revenue recognition policy was the single greatest factor in the 1990 loss. However, our 1990 revenue growth was significantly lower than in prior years—and lower than we had expected at the beginning of the year. We believe that the slowing of the worldwide economy during 1990 adversely affected our 1990 revenues, and we expect that 1991 revenue growth will depend in part upon an improvement in the general economic outlook.

We have taken measures to bring expenses in line with our current revenue expectations under the new policy and in light of current economic conditions. These measures include an organizational restructuring in early 1991—which resulted in a reduction of about 15 percent in our worldwide workforce—and a refocusing of our efforts in the areas of database technology, application development tools, and end-user desktop tools.

Informix continues to pursue strategic business partnerships, and 1990 marks the first year in the Company's history that an equity partnership strategy was implemented. Informix has recently signed agreements that go beyond simple equity investment by providing the Company with access to specific markets and/or technology.

During the fourth quarter of 1990, Informix signed the first such agreement with ASCII Corporation, our most visible marketing partner in Japan. For the past seven years, ASCII has distributed Informix's UNIX®-based database management systems (DBMS) software (as well as Wingz™), installing more than 32,000 Informix licenses into the Japanese market and attaining an estimated 65 percent market share. Under the agreement, ASCII purchased from Informix five percent (671,833 shares) of the Company's common stock at \$10 per share, for a total purchase price of approximately \$6.7 million.

The Company forged a similar agreement in early 1991 with Hewlett-Packard Company, another key Informix partner and a major open systems hardware vendor. HP has committed to buy up to five percent of Informix's outstanding common stock on the open market between April 17, 1991 and February 4, 1992. At Informix's option, HP can purchase up to an additional five percent equity interest in the form of newly issued shares of common stock directly from Informix, through February 4, 1992.

In conjunction with the above agreement, Informix and HP signed a joint development, marketing, and sales agreement that formalizes what has been an ongoing, yet informal, strategic relationship. The HP joint agreement underscores Informix's success in its mission to provide the best technology and services for open systems. In the agreement, HP designated Informix UNIX DBMS software products as "best-in-class" in the areas of on-line transaction processing (OLTP), high availability, trusted database, and computer-aided software engineering (CASE).

The first example of joint Informix-HP efforts is the Informix OpenCase/ToolBus, a new product based on HP's SoftBench™ technology. OpenCase/ToolBus is a key component of Informix's OpenCase™ CASE program, which was announced in June 1990.

Other product highlights for 1990 include the fulfillment of our Wingz graphical spreadsheet strategy. With the shipment of Wingz for Windows 3.0 and OS/2® Presentation Manager™ in the second quarter, Wingz is now available for all major desktop platforms, including UNIX systems supporting Motif™, OPEN LOOK®, and NextStep™ graphical environments.

Wingz-DataLink is now shipping on all major UNIX platforms, providing connectivity from Wingz on the desktop to any Informix SQL database. As of the first quarter of this year, DataLink is available for DOS in SmartWare® II version 1.5, which shipped in early 1991.

In 1990, Informix implemented an equity partnership strategy. Two recent agreements go beyond simple equity investment, providing the Company with access to specific computer markets and technology.



Roger Sippl, Informix founder and chairman,
and Phil White, Informix president and CEO.

The INFORMIX-OnLine mainframe-replacement database engine, which first began shipping in December 1989, became available on a wide range of UNIX platforms in 1990. OnLine was included in a number of significant installations, including Hyatt Hotels' new UNIX-based reservation system. We announced OnLine for NetWare® in the third quarter of 1990, and the product has since been named Product of the Year by *LAN Magazine*.

The Company announced the resignations of Dan Sully and Mark Callegari from of the board of directors during 1990. Mr. Sully had served on the Informix board since 1982 and was instrumental during the Company's formative years. Mr. Callegari, a co-founder of Innovative Software, was with Informix for more than 10 years and was a key force in the launch of our SmartWare and Wingz products. We are grateful to both for their significant contributions to the Company.

Informix Corporate Headquarters
Menlo Park, California



We are pleased to welcome two new members to the board: William V. Campbell, president and chief executive officer of GO Corporation, who joins us in April 1991; and Cyril J. Yansouni, chief executive officer and chairman of Read-Rite Corporation, who has been nominated for election at the 1991 annual meeting. These additions bring to our board a wealth of experience and insight into the computer industry.

In 1990 we took a long, hard look at the worldwide business environment in which we must operate. In response to indications of a slowing world economy, we wanted to focus on the core pieces of our business—that is, on what we do best.

We created a mission statement to reflect that focus and to lead us into 1991 and beyond. And though it's difficult to forecast success, with the people and products you'll see on the following pages, we believe we are positioned as well as—if not better than—anyone else in the industry.

Roger J. Sippl
Chairman

Phillip E. White
President and
Chief Executive Officer

April 1, 1991

The mission of Informix...

Informix Corporation, based in Menlo Park, Calif., has long been a leading supplier of DBMS software for the UNIX operating environment. Since its founding in 1980, Informix has maintained the largest installed base of UNIX DBMS software.

In recent years, the UNIX operating system has become the key component of a new approach to computing called open systems—an approach that meets the growing demand for increased interoperability, flexibility, and price/performance within commercial computing environments.

It's not surprising that Informix has led the way as an open systems supplier, developing UNIX-based software and helping forge standards for open systems information management.

With its broad scope of software—including products that accelerate transaction processing, empower application developers, enhance end-user productivity, and connect an organization from one end to the other—



Margaret Reilly
Finance
Menlo Park

Informix is able to provide enterprise-wide data management solutions across a wide range of open computing platforms.

In short, Informix's goal is to meet the evolving needs of our customers. Through partnerships. Through leading-edge technology. Through quality products and services. Through industry standards. And most of all, through the people who make the Company's mission statement a day-to-day business reality.

"Confidence in a company increases with consistent access to senior executives. As a spokesperson to the investor community, I have the opportunity to make Informix's goals clearly known—and to make a positive impact on the company's behalf."



"The company's success begins with finding the right person to do each job. With programs for building sound employee partnerships, we provide the foundation for fulfilling Informix's mission."

Tony Newborne
Human Resources
Menlo Park

