ASHTON TATE



INFORMATION

Contact: Gail Pomerantz

Ashton-Tate (213) 204-5570

Dave Burwick, Tricia Blank

Miller Communications

(617) 536-0470

Steve Cooper

(Miller Communications)

Multimate (203) 522-2116

## FOR IMMEDIATE RELEASE

ASHTON-TATE TO PURCHASE MULTIMATE;

ACQUISITION IS LARGEST IN MICRO SOFTWARE HISTORY

CULVER CITY, CALIF., JULY 30, 1985 -- Ashton-Tate today announced it has signed a letter of intent to acquire Multimate International Corp. of East Hartford, Conn., producer of the best-selling word processing software package, MultiMate Professional Word Processor.

Terms of the agreement are approximately 1,000,000 shares of Ashton-Tate common stock, and an undisclosed amount of cash based on current market values, up to a total consideration of approximately \$19 million.

The Ashton-Tate/Multimate acquisition will be the largest ever in the microcomputer software industry. Ashton-Tate reported sales of \$82.3 million for its fiscal year ended January 31, 1985. Multimate, a profitable, privately held company,

reported audited sales of \$21 million in its last fiscal year, ended March 31, 1985. A definitive agreement is expected in a few weeks, with completion of the acquisition, subject to approval of both boards and Multimate's shareholders, anticipated by year-end.

"This will be the most significant acquisition in the history of the microcomputer software industry," said Edward M. Esber, Jr., Ashton-Tate's president and chief executive officer.

"Now we'll be marketing, on a world-wide basis, best-selling products in three major categories: word processing, database management systems, and integrated software. The acquisition of Multimate places Ashton-Tate indisputably in the best market position."

The acquisition will give Ashton-Tate four of the best-selling products in the microcomputer software industry. Two of the products are in the top five: the MultiMate Professional Word Processor, and dBASE III, the industry-standard database management system for 16-bit microcomputers. Ashton-Tate also offers Framework, a critically acclaimed integrated package, and dBASE II, the industry-standard for 8-bit microcomputers.

Upon completion of the Multimate acquisition, Ashton-Tate will become the second-largest independent microcomputer applications software company in the world. Its revenues will exceed \$100 million -- solely from applications software sales and support.

"The decision to pursue Multimate is a key component of our five-year strategic plan to provide the broadest product line in the industry," Esber said. "And we wanted something more -- the vision of Will Jones (Multimate President and CEO Wilton H. Jones), one of the industry's earliest software entrepreneurs and builder of the company that markets the leading microcomputer word processing software."

Esber also noted that the addition of Will Jones will give Ashton-Tate three of the industry's most talented software developers -- Jones, creator of MultiMate, Robert Carr, award-winning author of Framework, and Wayne Ratliff, Ashton-Tate's chief scientist and principal architect of dBASE II and dBASE III products.

According to Multimate President Jones, the acquisition will represent a "perfect match between two profitable companies offering technically superior, high-end products, similar market approaches and complementary management styles. The synergy between our companies is ideal. Together with Ashton-Tate's sales and marketing team, we can compete with any software company."

When completed, the Multimate agreement will be
Ashton-Tate's second major acquisition this year. The company
recently completed the purchase of Forefront Corp., of Sunnyvale,
Calif., developer of Framework. Esber noted that Ashton-Tate has
considered and rejected numerous other acquisition possibilities in
the past year.

"We picked Multimate for four strategic reasons," Esber said. "First, stand-alone word processing is the largest category in the micro software industry and Multimate has established clear leadership in that category; second, word processing is the second most strategic product for corporate computing systems, behind only database management systems; third, the acquisition gives our worldwide marketing force the leading independent word processing product to sell through existing channels, increasing our profit-potential significantly; and finally, we also expect Multimate to be a source of major new products in the future."

The MultiMate Professional Word Processor is the best-selling word processing package for the corporate market, according to a recent Software Access survey. Both Future Computing and DataQuest estimate that word processing remains the largest market category.

In addition to the MultiMate Professional Word Processor, the East Hartford-based company markets MultiMate Advantage, MultiMate 3.3 Series, MultiMate Executive, MultiMate On-File and Just Write. The company markets the Multimate Business Advantage Keyboard and the Multimate Business Advantage Communications Board. Multimate also offers MultiMate 3.3 Series and MultiMate Advantage for local area network versions of 3Com Ethernet, IBM PC Network, and Novell Netware/86 as well as a universal version.

For the quarter ended April 30, 1985, Ashton-Tate's net revenues were \$24 million, up 114 percent from the same quarter of the previous year. Net income was \$2.35 million, up 1,473 percent over the same quarter a year ago. Multimate recently reported a record quarter ending June 30, 1985, with unaudited sales of about \$7.4 million and pretax profits of apporixmately \$2.0 million.

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