


ASHTON-TATE MEMORANDUM

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EDWARD M. ESBER, JR.

TO: All Employees
FROM: Luther J. Nussbaum 
SUBJECT: Development Facilities Consolidation
DATE: November 18, 1988

In an employee meeting held today in Connecticut, we have announced the consolidation of our two Connecticut development facilities into the Northern California Product Center located in Los Gatos, California. The transition will begin January 1, 1989; we plan to complete the consolidation by May 31, 1989.

This move is a key step in Ashton-Tate's long term growth strategy. The new consolidated Northern California Product Center will enable developers to improve communications between projects and across product lines. Housing both the PC Applications and Mac divisions, it will foster a sharing of technology, talent and strategic code bases as well as expedite the work involved in moving products from one software platform to many others. This will provide our customers with superior products and better solutions, and enable us to compete even more effectively in fast-paced markets.

A number of East Coast Ashton-Tate employees will relocate to Los Gatos, while others will be offered a severance package, including job placement assistance. The nucleus of employees that move to California will continue the tradition of high quality products and growth that has enabled Ashton-Tate to be what it is today. Bill Lyons, who joined us recently, will relocate to Los Gatos to oversee the PC Applications division.

Customer service and technical support will continue in Connecticut into April, 1989, to assure continuity of quality service to our customers. Thereafter, these services will be provided from the Los Gatos and Torrance facilities.

The MultiMate, MASTER GRAPHICS and DRAW APPLAUSE product lines are important investments for Ashton-Tate and we believe this move will ensure their long-term contribution to our product strategy. I thank you for your support during this transition.

IMMEDIATE

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ASHTON-TATE CONSOLIDATES
CONNECTICUT SOFTWARE DEVELOPMENT FACILITIES

The Northern California Product Center
in Los Gatos will house the Macintosh
and PC Applications divisions

TORRANCE, Calif., November 18, 1988 -- Ashton-Tate

Corporation (NASDAQ: TATE) today announced a consolidation of its Connecticut facilities to the company's Northern California Product Center, located in Los Gatos, California. Product development, testing, documentation, product management, and technical support for the PC Applications division (comprised of word processing, graphics and decision support) will be centralized in the Los Gatos facility.

Ashton-Tate's word processing and graphics products centers, now located in East Hartford and Shelton, Connecticut, respectively, will transition to the Northern California Product Center beginning in January, 1989. Customer service and technical support will remain operational through April, 1989 at both Connecticut offices.

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A number of Ashton-Tate employees will move to California. The remaining employees will be offered severance packages along with job placement assistance.

"This is a key step in Ashton-Tate's long term growth strategy. The new consolidated Northern California Product Center will enable developers to improve communications between projects and across product lines. It will promote a sharing of technology, talent and strategic code bases as well as expedite the work involved in moving products from one software platform to many others. The result will be superior products and better solutions for our customers," said Luther J. Nussbaum, Ashton-Tate's president and chief operating officer. "While the consolidation has been under consideration for some time, the combination of our long term strategy and new senior management in Bill Lyons allowed us to make the final decision," he added.

Bill Lyons, vice president of the PC Applications division, will oversee the transition and head his division from Los Gatos. "The transition is being carefully orchestrated to ensure that certain key ongoing development projects will continue with minimal interruption during the transition," said Lyons.

The Ashton-Tate-owned Northern California Product Center, scheduled to open by year-end, is large, with over 126,000 square feet on 16 acres. Ashton-Tate's three other development facilities are located in Torrance, Glendale and Walnut Creek, California.

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The two Connecticut facilities became part of Ashton-Tate Corporation as a result of acquisitions of MultiMate International Corporation and Decision Resources, Inc. Ashton-Tate acquired MultiMate in December 1985. In April 1987, Ashton-Tate introduced MultiMate Advantage II, which has become the company's number two product category revenue contributor, showing revenue and profit growth in each year since the acquisition.

The Decision Resources acquisition in September 1986 provided the MASTER GRAPHICS series, which is a graphics standard in many Fortune 1000 companies. DRAW APPLAUSE, a state-of-the art presentation graphics package, has been widely acclaimed since its introduction in January 1988.

Ashton-Tate Corporation markets best-selling business application software for DOS, Macintosh and OS/2 environments. Products are available in five major categories: database management systems, word processing, graphics, decision support integrated software and spreadsheets. The Tate Publishing division offers third-party software applications as well as books and periodicals. The company also markets a comprehensive line of service and support programs for individuals, corporations, and government agencies.

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