

Equity Research

747 Third Avenue New York, NY 10017 212 702 8800

December 23, 1997

Wessels, Arnold publishes erroneous report.

Wessels, Arnold & Henderson, L.L.C ("Wessels") issued a report dated December 22, 1997 stating as fact that U.S Judge Ronald M. Whyte "denied Cadence's (NYSE Symbol: CDN) motion to grant an injunction against Aquarius without any additional discovery". This claim that Judge Whyte has "sought additional discovery on Aquarius" before it can be enjoined is reiterated five times in the brief report. These statements are false. On the contrary, Judge Whyte specifically stated that he needed no additional discovery to rule on an Aquarius injunction.

There has been no delay or setback in the process to enjoin Aquarius. Judge Whyte denied Avant! Corporation, Inc.'s (OTC Symbol: AVNT) (Price: \$17.6875) request to submit further briefs on Aquarius and took Aquarius under submission without further discovery. In other words, Judge Whyte has had the Aquarius injunction under consideration since Friday's hearing and can decide at any moment to enjoin Aquarius. If the terms of the injunction are similar to those of the existing ArcCell injunction, Avant! will have to stop directly or indirectly marketing, selling, leasing, licensing, copying or transferring its Aquarius product.

In addition to misstating facts, the Wessels report erroneously comments on "substantial similarity" issues related to the Aquarius injunction. Substantial similarity analysis has not even been performed because it has not been necessary. Aquarius is subject to an injunction based on direct proof of copying. The case against Avant! is based on literal copying and intermediate or derived copying that is alleged to constitute copyright infringement.

Asensio & Company, Inc. issued two separate reports on Avant! Corporation on December 22, 1997. The first report titled "Court rules against Avant! on Aquarius and Apollo" describes in detail Judge Whyte's December 19, 1997 rulings and the terms of the initial preliminary injunction. The second titled "Aquarius injunction is imminent" sets forth in detail the appeal decision and factual findings that Judge Whyte is considering in his current deliberation on the Aquarius injunction.

Short selling involves a risk not associated with the purchase of stock including, but not only limited to, unlimited loss and stock borrowing risks. Additional information is available upon request.