

December 22, 1997

*Court rules against Avant! on Aquarius and Apollo.*

Avant! Corporation (OTC Symbol: AVNT) (Price: \$17.9375) issued a press release on December 19, 1997 announcing that it is the subject of a United States District Court preliminary injunction order ("Order"). Avant!'s release states that the "Court's action has no impact on Avant! customers and current products." The release also states that the Order "does not prevent Avant! customers from continuing to use ArcCell if they so desire." These statements are completely absurd and they are false and untrue. The Court took far more action than expected and all of its actions went completely against Avant!. Each of the rulings, separate and together, are unequivocally and seriously damaging.

The Order makes it illegal for Avant! to market, sell, lease, license, copy or transfer any of its software products or work that infringe, either through literal or intermediate copying, on Cadence Design Systems, Inc.'s (NYSE Symbol: CDN) copyright. The Order also specifically includes ArcCell, ArcCellBV and ArcCellXO. Avant! admitted that certain of its customers are still using ArcCell products. In addition to announcing the Order, the Court also dismissed of all of Avant!'s counterclaims, and allowed discovery on Apollo.

In addition, U.S. Judge Ronald M. Whyte took under submission a specific separate injunction against Aquarius. In so doing, Judge Whyte ended Avant!'s hopes of delaying specific proceedings against Aquarius with further briefs or discovery. Avant! may elect to continue marketing Aquarius until Judge Whyte issues a new order, or amends the existing Order, to specifically enjoin Aquarius. However, all legal briefs, discovery, and findings necessary for Judge Whyte to explicitly enjoin Aquarius are in the record.

Judge Ronald M. Whyte entered the courtroom and read his own version of an injunction that was broader and farther reaching than any previously proposed order. The Order obligates Avant! to notify all current and former licensees of Avant! products that are based directly or indirectly on Cadence's software code, instructing them to return or destroy the products. Avant! was also ordered to provide Cadence with a list of the names and addresses of all such customers. Upon hearing the terms of the injunction, Avant! attorneys asked Judge Whyte if the Order as written could in fact include Aquarius. Judge Whyte acknowledged that the Order could be applicable to Aquarius and that Avant! and its customers' continued use of Aquarius was subject to the Order. This could immediately expose Avant! to Contempt of Court charges.

Judge Whyte also ordered a partial lifting of his Stay and ordered Avant! to release to Cadence by January 15, 1998 certain Aquarius and Apollo software code that had not previously been examined. Judge Whyte granted the discovery independently of his Aquarius injunction deliberations. Cadence is free to avail itself of the additional discovery. However, any additional discovery will not cause a delay for the Aquarius injunction. Judge Whyte also announced that he may remove his Stay entirely as early as March 20, 1998 if Avant!'s officers and directors continued to delay their criminal trial.

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