

From The Top

As your business partner, I am sure you are interested in the state of the company that supplies you with the language products you use for your applications. Well, I am happy to report that 1998 was a banner year for BASIS. On the financial front, both gross revenue and net income before tax hit record levels for 1998. Our 1998 revenue increased 36% over 1997, while net income increased 40 fold. At the same time, BASIS invested heavily in new talent: our personnel count in January 1998 was 38 compared to 57 in January 1999. All departments in the company have benefited from an influx of new, highly skilled and motivated personnel. Engineering, Quality Assurance and Sales, in particular, have seen dramatic improvements in performance. In 1998, we also invested over \$300,000 in new equipment and computer software. At the end of 1998, BASIS had no debt and over \$1 million in cash reserves.

The major engineering achievements of 1998 were a string of new product releases. The BASIS ODBC Driver® Rev 2.0 was rewritten to support a number of Windows-based ODBC applications. Visual PRO/5® Rev 2.0 featured a rewrite of Resbuilder™ and introduced GUIBuilder™, DDbuilder®, the Configurator and numerous other enhancements to the visual language. The PRO/5 Data Server® 2.04 for Windows NT was released with advisory locking and certified for use with Citrix products and Microsoft Windows NT Terminal Server. A new release of the Novell NLM provided improved performance and stability for Novell users. And PRO/5® for UNIX was enhanced in a number of subtle ways including support for larger files and Linux ports.

Also in 1998, BASIS purchased the Basic Web Utility software and began shipping it free with our products. This set of utilities assists in enabling exciting applications for the Internet. We also purchased the FLEXIm licensing system and began to replace our archaic activation key-based licensing with a modern industry-standard system. This move will allow us to offer you more flexible licensing of future BASIS products and help your customers simplify their software administration.

In addition, last year BASIS formed a subsidiary in Germany to sell and provide support of BASIS products to our German-speaking customers. BASIS International Software GmbH has been very successful thanks to the talented sales and support staff.

All of us at BASIS are looking forward to an even better 1999. Our goals for 1999 are simple: increase revenue by 20%, develop fabulous products, excite our customers and have fun doing it.

Thanks to you, our business partners, for supporting BASIS in 1998 and look for excitement in 1999 as we bring you even better tools to enhance your business.



George Hight,
President