SVB Financial Group

Raining Data Corporation Announces Fiscal 2004 Third Quarter Results

IRVINE, CA.- February 12, 2004 –

- Increased Third Quarter Year over Year Revenues by 9%
- Improved Year over Year Operating Cash Flow by $2.1 million
- Increased Year over Year Cash Balance by 107%
- Established Credit Facility with Silicon Valley Bank

Raining Data Corporation (Nasdaq: RDTA) today announced financial results for the third quarter of fiscal year 2004. Revenues for the quarter ended December 31, 2003 were $5.8 million, resulting in a year-over-year increase of 9%. Year to date revenues were $16.6 million, representing an increase of 11% over the same nine-month period in the prior year.

For the nine-months ended December 31, 2003, the Company improved its cash flow from operations by $2.1 million recording net cash provided by operating activities of $0.4 million compared to negative $1.6 million for the same period in the prior year. Cash balances increased by $3.0 million, or 107%, to $5.7 million at December 31, 2003 from $2.8 million at December 31, 2002.

Earnings before interest, taxes, depreciation, and amortization ("EBITDA") for the three and nine-month periods ended December 31, 2003 was 15% and 12% of revenues, or $0.9 and $2.0 million respectively. The Company computes EBITDA, as reflected in the table appearing at the end of this release, by adding depreciation, intangible and non-goodwill amortization, non-cash stock-based compensation expense, interest expense and other expense to its GAAP reported net loss.

"This quarter continued the trend of consistent operating results for the Company. Our focus on cost control and strategic investment has allowed us to maintain our product development activities while further strengthening the balance sheet," stated Carlton H. Baab, President and CEO of Raining Data Corporation.

The Company also announced that it has secured a $1.5 million credit facility with Silicon Valley Bank, the primary banking subsidiary of Silicon Valley Bancshares (Nasdaq: SIVB). "We are pleased to have reached a point in the financial turn around of the Company that has allowed us to establish the credit facility and to do so with a leading technology focused partner like Silicon Valley Bank," stated Brian C. Bezdek, Chief Financial Officer of Raining Data Corporation. "The facility will allow for additional flexibility and liquidity as we move forward with our product development and marketing efforts," added Bezdek.

About Raining Data

Raining Data Corporation (Nasdaq: RDTA), headquartered in Irvine, California, has been providing reliable data management and rapid application deployment solutions for developers of database applications for more than two decades. Raining Data's flagship products include: 1) high-performance TigerLogic™ XML Data Management Server (XDMS), providing flexible, scalable and extensible storage and retrieval of critical business data across a variety of structured and unstructured information sources, delivering mid-tier scalability and transactional integrity of enterprise databases as well as dynamic extensibility and ease of use, mostly found in repositories and file systems; 2) D^3®, mvEnterprise® and mvBase® family of powerful Pick® based hierarchical multi-dimensional database management systems that are the choice of more than a thousand application developers worldwide; 3) the Pick Data Provider for .NET™ allowing D^3, UniData® and UniVerse® database platform users to take advantage of the .NET Framework by utilizing Microsoft Visual Studio® .NET by serving as a bridge between an application and the data source; and 4) Omnis Studio®, a powerful, cross-platform, object-oriented RAD tool for developing sophisticated thick-client, Web-client or ultra thin-client database applications.

The Raining Data customer installed base includes more than 500,000 active users, representing over 20,000 customer sites worldwide with a significant base of diverse vertical applications. With approximately 150 employees in four countries, the company has an extensive distribution channel, 24x7 customer support and a strong international presence. More information about Raining Data Corporation and its products can be found at www.rainingdata.com .

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Except for the historical statements contained herein, the foregoing release contains forward-looking statements, including statements regarding the Company's future financial performance and expectations about the Silicon Valley Bank credit facility. These forward-looking statements are subject to risks and uncertainties, and actual results could differ materially due to several factors, including but not limited to the success of the Company's research and development efforts to develop new products and to penetrate new markets, the market acceptance of the Company's new products and updates, technical risks related to such products and updates, the Company's ability to

maintain market share for its existing products, the availability of adequate liquidity and other risks and uncertainties. Please consult the various reports and documents filed by Raining Data Corporation with the U.S. Securities and Exchange Commission, including but not limited to the Company's most recent reports on Form 10-KSB and Form 10-QSB for factors potentially affecting the Company's future financial results. All forward-looking statements are made as of the date hereof, and the Company disclaims any responsibility to update or revise any forward-looking statement provided in this news release. The Company's results for the quarter ended December 31, 2003 are not necessarily indicative of the Company's operating results for any future periods.

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