



September 1995

Acorn Computers Limited
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Dear Colleague,

Restructuring of the Acorn Computer Group

I am writing to inform you of our new plans for the restructuring and re-focus of the Acorn Computer Group (ACG). These plans confirm our commitment to the education market, allow us to continue the development of our RISC platforms and provide new markets for our technologies.

A key focus for the change has been a desire to provide appropriate products and services for education. In August we announced changes to the way we sell to education to provide the best possible service for our major customer base. These changes have been reinforced today with the announcement of two new operating divisions, Acorn Education and Applied Risc Technologies (ART). Sadly we have also announced that a number of positions have been made redundant, to make sure that we have an organisation more able to respond to changing markets.

Acorn Education, headed by Mike O'Riordan, will build progressively on our market leadership and strong brand reputation and reduce our dependence on hardware sales. It will provide schools with an increasing range of value added services including networking, systems integration and software, covering both industry standard and proprietary hardware platforms. This specialist educational support coupled with approximately 75 local sales agents will allow us to get closer to the needs of education. Acorn Education is continuing to focus on the sale of RISC OS based computers as the best products for curriculum use. In addition, we will continue to expand our range and add more specialist products based on other leading technologies. This is a continuation of our commitment to supply the most appropriate products, such as the Pocket Book and SchoolServer, to meet the needs of education.

ART, headed by myself, will seek opportunities with OEMs outside the educational market to exploit our expertise in silicon integration, software and hardware design based predominantly around the ARM microprocessor, while continuing to support our existing and future educational product range.

Each of these divisions is a profit centre in its own right, finding customers for its products and services. They are also linked to each other via a committed developer plan by ART for Acorn Education. Opportunities for your future products may well rest in one or both these divisions and we welcome the chance to discuss this further.

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With immediate effect your day to day support and liaison requirements will be managed by Alastair McGregor (01223 254491).

We believe that these changes will provide us all with new opportunities and challenges and I anticipate being in contact with you to give an update on our plans and invite you all to a meeting where we can discuss these changes in more detail.

Assuring you of our best efforts.

Yours sincerley

A handwritten signature in black ink, appearing to read "P. Bondar". The signature is written in a cursive style with a large initial "P" and a long horizontal stroke extending to the right.

Peter Bondar
Director
Applied Risc Technologies