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## NEWS RELEASE

### **Timeline Completes Asset Sale To Global Software Following Shareholders' Approval**

BELLEVUE, WA – September 1, 2005 -- Timeline, Inc. (OTCBB: TMLN) today announced it has completed the sale of its software licensing operations and operating assets to Global Software, effective August 31, 2005, including a majority of Timeline's employees. As part of the transaction, Global also acquired a source code and object code license to Timeline's Analyst product suite and now has responsibility to maintain these products under agreements with Timeline's licensees worldwide. Finally, Global has a patent license agreement with Timeline that provides appropriate coverage for Global and patent recognition for Timeline. The transaction was approved by more than 78% of Timeline's shareholders at its annual meeting held on August 30.

In consideration for the asset sale, Global paid \$370,000 in cash, \$520,000 in interest bearing deferred payments, and assumed Timeline liabilities of approximately \$154,000. Timeline will remain responsible for collection of its outstanding receivables and payment of its remaining obligations, which consist solely of normal accrued payables and expenses. Global previously purchased 100% of the outstanding stock of Timeline's then wholly-owned United Kingdom subsidiary, Analyst Financials Limited, for total consideration of \$1,236,000 effective July 20, 2005.

"Timeline will now focus on licensing its patented technology. We will operate with a greatly reduced staff reflective of licensing others to provide the manufacture and maintenance necessary for making the Timeline technology available to end users," said Charles Osenbaugh, President and Chief Executive Officer. "The transaction proceeds will provide capital and allow us to focus on negotiation and, where necessary, litigation to protect our property rights. While we will continue to be a public company, the board is continuing to explore alternatives to maximize value to our shareholders and reduce the cost of operating as a public company. In addition, we anticipate that in March 2006 our board of directors will consider whether to pay a dividend to shareholders from the proceeds of the sale."

#### **About Timeline**

Timeline owns six patents issued by the U.S. Patent and Trademark Office with a total of 136 issued claims. Additionally Timeline has been granted patents in Australia, Canada, China, Hong Kong, Israel, Singapore and Mexico, and has numerous pending patent applications internationally. These patents cover certain processes or series of processes involved in accessing data and establishing database structures or formats automatically. The company protects these patent rights through licensing the right to use them, or prohibiting the use of the patented processes. To date Timeline has licensed its patents to Microsoft Corporation, Oracle Corporation, Cognos, Inc. and Hyperion Solutions, among others. Timeline, Inc. can be contacted at 800-342-3365.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: Statements in this news release looking forward in time involve risks and uncertainties, including corporate spending patterns, the company's ability to realize value from patented technology, and other risk factors detailed in the Company's Securities and Exchange Commission filings, especially the Notice and Proxy Statement filed August 3, 2005. Use of the words "anticipate," and "will" in this news release is intended to identify these forward-looking statements, although it is not the exclusive means of doing so.

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