INFORMATICA SOFTWARE LIMITED

Report and Accounts

31 December 2001

Registered Number: 3352679

ERNST & YOUNG



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COMPANIES HOUSE 29/11/02

DIRECTORS
D H Nesamoney
G S Dhillan
E Fry

SECRETARY
E Fry

AUDITORS
Ernst & Young LLP
Apex Plaza
Reading
Berkshire
RG1 1YE

ERNST & YOUNG

REGISTERED OFFICE
Apex Plaza
Reading
Berkshire
RG1 1YE

BANKERS
Lloyds TSB
Maidenhead
Berkshire

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 December 2001.

RESULTS AND DIVIDENDS
The profit for the year, after taxation, amounted to £925,743 (2000: £303,086). The directors do not recommend the payment of a dividend (2000: £Nil).

PRINCIPAL ACTIVITY
The company's principal activity during the current and previous year was the facilitation of the sale, distribution and maintenance of computer software products.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENT
The directors are satisfied with the results achieved and are confident of the company's future prospects.

DIRECTORS AND THEIR INTERESTS
The directors of the company who served during the year and to the date of this report, are as follows:

D H Nesamoney
G S Dhillan
E Fry

There are no directors' interests requiring disclosure under the Companies Act 1985.

AUDITORS
Ernst & Young LLP will be re-appointed as the company's auditors in accordance with the elective resolution passed by the company under Section 386 Companies Act 1985.

On behalf of the Board

Director

ERNST & YOUNG

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INFORMATICA SOFTWARE LIMITED

We have audited the company's financial statements for the year ended 31 December 2001 which comprise the Profit and Loss Account, Statement of Recognised Gains and Losses, Balance Sheet and the related notes 1 to 14. These financial statements have been prepared on the basis of the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP

Registered Auditor
Reading

1 November 2002

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2001

	Notes	2001 £	2000 £
TURNOVER	2	11,829,022	7,221,983
Cost of sales		(2,593,121)	(1,770,103)
Gross profit		9,235,901	5,451,880
Administration costs		(7,864,582)	(5,002,169)
OPERATING PROFIT	3	1,371,319	449,711
Bank interest receivable		3,856	3,567
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,375,175	453,278
Tax on profit on ordinary activities	6	(449,432)	(150,192)
RETAINED PROFIT	11	925,743	303,086

STATEMENT OF RECOGNISED GAINS AND LOSSES
There were no recognised gains or losses other than the profit of £925,743 for the year ended 31 December 2001 (2000: £303,086).

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BALANCE SHEET
At 31 December 2001

	Notes	2001 £	2000 £
FIXED ASSETS	7	491,645	437,459
CURRENT ASSETS			
Debtors	8	1,184,997	2,767,527
Cash at bank and in hand		2,361,145	1,369,197
		3,546,142	4,136,724
CREDITORS: amounts falling due within one year	9	(2,808,862)	(4,271,001)
NET CURRENT ASSETS/(LIABILITIES)		737,280	(134,277)
TOTAL ASSETS LESS CURRENT LIABILITIES		1,228,925	303,182
CAPITAL AND RESERVES			
Called up share capital	10	50,000	50,000
Profit and loss account	11	1,178,925	253,182
EQUITY SHAREHOLDERS' FUNDS	11	1,228,925	303,182

Approved by the Board on 1 November 2002

Director

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NOTES TO THE ACCOUNTS
At 31 December 2001

1 ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention and are prepared in accordance with applicable accounting standards.

Cash flow statement

The company has taken advantage of the exemption of FRS1 (revised 1996) from preparing a cash flow statement being a wholly owned subsidiary undertaking of a company preparing consolidated accounts which are publicly available.

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Computer equipment	over 3 years
Leasehold improvements	over the length of the remaining lease term

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing difference will reverse.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

Lease commitments

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Related party transactions

The company has taken advantage of the exemption applicable to wholly owned subsidiaries under Financial Reporting Standard No.8 (Related Party Transactions) and has not disclosed transactions with group companies as the consolidated financial statements for the group are publicly available.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

The assets of the scheme are held separately from those of the company in an independently administered fund. There were no unpaid contributions outstanding at the year end, other than those arising from ordinary timing differences.

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NOTES TO THE ACCOUNTS
At 31 December 2001

2 TURNOVER

Turnover represents the commissions received, net of value added tax, from the holding company for the sale, distribution and maintenance of their computer software products and for software consulting and training services related to their software products.

Turnover is attributable to the one continuing principal activity of the company.

An analysis of turnover by geographical market is given below:

	2001 £	*2000* £
United States of America	8,118,008	4,936,396
United Kingdom	3,711,014	2,285,587
	11,829,022	7,221,983

3 OPERATING PROFIT

This is stated after charging/(crediting):

		2001 £	*2000* £
Depreciation of owned fixed assets		155,373	102,034
Auditors' remuneration	- audit	9,250	8,000
	- other services	26,272	24,023
Operating lease rentals - land and buildings		266,228	180,293
	- others	8,916	8,916
Foreign exchange gains		(11,894)	(8,241)

4 DIRECTORS' EMOLUMENTS

No directors received any emoluments from the company during the current and previous periods.

5 *STAFF COSTS*

	2001 £	*2000* £
Wages and salaries	6,013,684	3,217,529
Social security costs	721,750	599,692
Other pension costs	233,058	111,943
	6,968,492	3,929,164

The monthly average number of employees during the year was 87 (2000: 51).

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6 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2001 £	*2000* £
Based on profit for the period:		
Corporation tax for the current year	449,432	149,857
Under provision in prior years	-	335
	449,432	150,192

7 TANGIBLE FIXED ASSETS

	Leasehold improvements	*Computer equipment* £	*Total* £
Cost:			
At 1 January 2001	321,025	285,708	606,733
Additions	67,621	141,938	209,559
At 31 December 2001	388,646	427,646	816,292
Depreciation:			
At 1 January 2001	29,464	139,810	169,274
Provided during the year	72,448	82,925	155,373
At 31 December 2001	101,912	222,735	324,647
Net book value:			
At 31 December 2001	286,734	204,911	491,645
At 1 January 2001	291,561	145,898	437,459

8 DEBTORS

	2001 £	*2000* £
Trade debtors	726,206	705,099
Prepayments	413,377	350,146
Amounts due from group undertakings	45,414	1,712,282
	1,184,997	2,767,527

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NOTES TO THE ACCOUNTS
At 31 December 2001

9 CREDITORS: amounts falling due within one year

	2001 £	2000 £
Trade creditors	396,973	557,274
Taxation and social security	783,039	765,055
Amounts due to group undertakings	400,594	2,494,384
Corporation tax	272,205	101,590
Accruals and deferred income	956,051	352,698
	2,808,862	4,271,001

10 SHARE CAPITAL

	Authorised		Allotted, called up and fully paid	
	2001 No.	2000 No.	2001 £	2000 £
Ordinary shares of £1 each	100,000	100,000	50,000	50,000

11 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	Share capital £	Profit and loss account £	Total share-holders' fund s £
At 1 January 2000	50,000	(49,904)	96
Profit for the year	-	303,086	303,086
At 31 December 2000	50,000	253,182	303,182
Profit for the year	-	925,743	925,743
At 31 December 2001	50,000	1,178,925	1,228,925

12 PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation liabilities/(assets) provided in the accounts and the amounts not provided are as follows:

	Provided		Not provided	
	2001 £	2000 £	2001 £	2000 £
Capital allowances in advance of depreciation	-	-	-	(14,255)
Other timing differences	-	-	-	-
	-	-	-	(14,255)

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13 OTHER FINANCIAL COMMITMENTS

At 31 December 2001 the company had annual commitments under non-cancellable operating leases as set out below:

	Other		*Land and buildings*	
	2001	*2000*	*2001*	*2000*
	£	£	£	£
Operating leases which expire:				
Within one year	-	-	-	-
Within one to five years	8,916	-	-	-
Within two to five years	-	8,916	280,500	280,500
	8,916	8,916	280,500	280,500

14 ULTIMATE CONTROLLING PARTY

The company's ultimate parent undertaking, controlling party and parent undertaking of the only group of undertakings for which group financial statements are drawn up and of which the company is a member, is Informatica Corporation which is incorporated in Delaware, United States of America.

Copies of the consolidated financial statements of Informatica Corporation may be obtained from Informatica Corporation, 2100 Seaport Blvd, Redwood City, CA 94063, USA.

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