REGISTERED NUMBER 03352679 (England and Wales)

Report of the Directors and Financial Statements for the Year Ended 31 December 2010 for INFORMATICA SOFTWARE LIMITED

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INFORMATICA SOFTWARE LIMITED (REGISTERED NUMBER 03352679)

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for the Year Ended 31 December 2010

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INFORMATICA SOFTWARE LIMITED

Company Information
for the Year Ended 31 December 2010

DIRECTORS	S Abassi E Fry M A Pellowski
SECRETARY	E Fry
REGISTERED OFFICE	Grenville Court Britwell Road Burnham Buckinghamshire SL1 8DF
REGISTERED NUMBER	03352679 (England and Wales)
AUDITORS	The Norton Practice Registered Auditors Highlands House Basingstoke Road Spencers Wood Reading Berkshire RG7 1NT
BANKERS	Lloyds TSB Bank Plc 45 High Street Maidenhead Berkshire SL6 1JS
SOLICITORS	Morrison and Foerster 21 Garlick Hill London EC4 2AU

Report of the Directors for the Year Ended 31 December 2010

The directors present their report with the financial statements of the company for the year ended 31 December 2010

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the facilitation of the sale, distribution and maintenance of computer software products

REVIEW OF BUSINESS

The directors are satisfied with the results achieved and are confident of the company's future prospects The company will continue to deploy the existing strategy

The company achieved its bookings targets set for the year showing 40% year on year growth

Employee numbers in the year remained static and the company successfully achieved its staff retention targets There were no work stoppages during the year and the directors consider employee relations to be good

The company results and performance should be read in conjunction with those of the larger group's results key performance indicators included in the group financial statements of the parent company Informatica Corporation

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2010

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2010 to the date of this report

S Abassi
E Fry
M A Pellowski

PRINCIPAL RISKS AND UNCERTAINTIES

The company's operations expose it to a variety of financial risks that include liquidity risk, interest rate risk, currency risk and credit risk Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board The policies set by the board of directors are implemented by the company's finance department

Competitive risk
Through continual product improvement and development of new products, primarily undertaken by the ultimate parent company, the company provides products that are competitive in the market

Liquidity risk
The company retains sufficient cash to ensure it has sufficient funds available for operations

Interest rate risk
The company has cash balances which earn interest at a variable rate The directors consider the interest rate risk in respect of these cash balances to be minimal, and this can be seen by the fact that there has only been a small reduction in the amount of interest received considering the big decrease in interest rates towards the end of the financial year

Currency risk
The company has transactional currency exposures which arise from sales and purchases in currencies other than its functional currency Potential exposures to foreign currency exchange rate movements are monitored by management and appropriate actions taken to manage net open foreign currency positions

Credit risk
There is a risk of financial loss to the company arising from the failure of the company's customers to meet their financial obligations for the services provided by the company

The company manages this situation through credit control procedures and management are of the view that the risk is at an acceptable level

Report of the Directors
for the Year Ended 31 December 2010

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS
The auditors, The Norton Practice, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD·

M A Pellowski - Director

Date 28 September 2011

Report of the Independent Auditors to the Shareholders of Informatica Software Limited

We have audited the financial statements of Informatica Software Limited for the year ended 31 December 2010 on pages five to seventeen The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

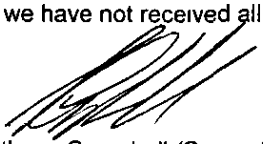
Respective responsibilities of directors and auditors
As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements

Opinion on financial statements
In our opinion the financial statements
- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Anthony Campbell (Senior Statutory Auditor)
for and on behalf of The Norton Practice
Registered Auditors
Highlands House
Basingstoke Road
Spencers Wood
Reading
Berkshire
RG7 1NT

Date 4 October 2011

INFORMATICA SOFTWARE LIMITED (REGISTERED NUMBER 03352679)

Profit and Loss Account
for the Year Ended 31 December 2010

	Notes	2010 £	2009 £
TURNOVER	2	13,228,818	13,304,118
Cost of sales		(2,516,597)	(3,064,631)
GROSS PROFIT		10,712,221	10,239,487
Administrative expenses		(9,701,232)	(9,694,880)
OPERATING PROFIT	4	1,010,989	544,607
Interest receivable and similar income	6	10,632	18,206
		1,021,621	562,813
Interest payable and similar charges	7	(20)	(4,124)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,021,601	558,689
Tax on profit on ordinary activities	8	121,629	(70,739)
PROFIT FOR THE FINANCIAL YEAR		1,143,230	487,950

CONTINUING OPERATIONS
None of the company's activities were acquired or discontinued during the current year or previous year

The notes form part of these financial statements

INFORMATICA SOFTWARE LIMITED (REGISTERED NUMBER 03352679)

Statement of Total Recognised Gains and Losses
for the Year Ended 31 December 2010

	2010 £	2009 £
PROFIT FOR THE FINANCIAL YEAR	1,143,230	487,950
Share based payments credit	166,453	183,779
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	1,309,683	671,729

The notes form part of these financial statements

INFORMATICA SOFTWARE LIMITED (REGISTERED NUMBER 03352679)

Balance Sheet
31 December 2010

	Notes	2010 £	2009 £
FIXED ASSETS			
Intangible assets	10	84,902	114,318
Tangible assets	11	515,645	107,152
Investments	12	62	62
		600,609	221,532
CURRENT ASSETS			
Debtors	13	11,597,325	10,330,960
Cash at bank		3,280,607	1,898,733
		14,877,932	12,229,693
CREDITORS			
Amounts falling due within one year	14	(6,943,834)	(5,226,201)
NET CURRENT ASSETS		7,934,098	7,003,492
TOTAL ASSETS LESS CURRENT LIABILITIES		8,534,707	7,225,024
CAPITAL AND RESERVES			
Called up share capital	16	550,001	550,001
Share premium	17	3,644,029	3,644,029
Capital redemption reserve	17	1,578,032	1,578,032
Profit and loss account	17	2,762,645	1,452,962
SHAREHOLDERS' FUNDS	20	8,534,707	7,225,024

The financial statements were approved by the Board of Directors on 28 September 2011 and were signed on its behalf by

M A Pellowski - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 December 2010

1 ACCOUNTING POLICIES

Basis of preparing the financial statements
The principal accounting policies are summarised below All accounting policies have been applied consistently throughout the year

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

Preparation of consolidated financial statements
The financial statements contain information about Informatica Software Limited as an individual company and do not contain consolidated financial information as the parent of a group The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Informatica Corporation, a company registered in Delaware, United States of America

Cash flow statement
The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes consolidated financial statements

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

Goodwill
Goodwill, being the amount paid in connection with the acquisition of a business in 2008, is amortised on a straight line basis over the useful life of the developed technology over 5 5 years, subject to annual reviews for impairment

Intangible assets
Intangible assets acquired separately from a business are capitalised at cost Intangible assets acquired as part of an acquisition of a business are capitalised separately from goodwill if the fair value can be measured reliably on initial recognition, subject to the constraint that, unless the asset has a readily ascertainable market value, the fair value is limited to an amount that does not create or increase any negative goodwill arising on acquisition Intangible assets, excluding development costs, created within the business are not capitalised and expenditure is charged against profits in the year in which it is incurred

Patents and licences are amortised on a straight line basis over their estimated useful lives up to a maximum of 5 years The customer relationship asset is amortised on an accelerated amortisation basis over 5 years

The carrying value of intangible assets is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate the carrying value may not be recoverable

Goodwill is amortised on a straight line basis over the useful life of the developed technology over 5 5 years

Tangible fixed assets
Tangible fixed assets are recorded at historical cost less accumulated depreciation Cost comprises the purchase price and any costs directly attributable to bringing the asset to its working condition and location for its intended use Depreciation is provided at the following annual rates in order to write down the cost of each asset to its estimated residual value over its estimated useful life

Leasehold improvements	- the lesser of 3 years straight line or over the remaining lease term
Office equipment	- 3 years straight line
Fixtures and fittings	- 5 years straight line
Computer equipment	- 3 years straight line

The carrying value of the tangible fixed assets is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable

continued

1 ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted at the balance sheet date

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 retranslated at the rate of exchange ruling at the balance sheet date

All differences are taken to the profit and loss account

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme The assets of the scheme are held separately from those of the company in an independently administered fund

Investments

Investments are stated at historical cost less any provision for impairment in the value of the investment

Share-based transactions

Equity settled transactions

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award Fair value is determined by an external valuer using an appropriate pricing model In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the company (market)

conditions

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions and of the number of equity instruments that will ultimately vest or in the case of an instrument subject to a market condition, be treated as vesting as described above The movement in cumulative expense since the previous balance sheet date is recognised in the profit and loss account, with a corresponding entry in equity

Where the terms of an equity-settled award are modified or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification, based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification No reduction is recognised if this difference is negative

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any cost not yet recognised in the profit and loss account for the award is expensed immediately Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity, with any excess over fair value being treated as an expense in the profit and loss account

The company has taken advantage of the transitional provisions of FRS20 in respect of equity-settled awards so as to apply FRS20 only to those equity-settled awards granted after 7 November 2002 that had not vested before 1 January 2006

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company

An analysis of turnover by geographical market is given below

	2010 £	2009 £
United Kingdom	2,769,218	30,046
Holland	6,332,314	9,351,156
USA	4,094,526	3,922,916
France	17,550	-
Germany	15,210	-
	13,228,818	13,304,118

3 STAFF COSTS

	2010 £	2009 £
Wages and salaries	7,307,025	7,418,673
Social security costs	957,800	942,479
Other pension costs	260,142	231,186
	8,524,967	8,592,338

The average monthly number of employees during the year was as follows

	2010	2009
Sales	29	31
Support	10	39
Educational services	1	1
Professional services	13	14
Finance and administration	3	3
Marketing	4	3
Research and development	30	-
	90	91

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2010 £	2009 £
Hire of plant and machinery	90	8,144
Other operating leases	379,699	324,712
Depreciation - owned assets	162,628	119,480
Profit on disposal of fixed assets	(167)	-
Goodwill amortisation	21,894	21,894
Patents and licences amortisation	-	815,753
Customer relationship amortisation	7,522	9,929
Auditors' remuneration	12,150	11,800
Auditors' remuneration for non audit work	5,150	4,405
Foreign exchange differences	9,061	121,580
Directors' remuneration	-	-

5 DIRECTORS' REMUNERATION

Directors' emoluments have been borne by the parent company, Informatica Corporation The directors of the company are also directors or officers of a number of companies within the Informatica group The directors services to the company do not occupy a significant amount of their time As such the directors do not consider that they have received any remuneration for their incidental services to the company for the years ending 31 December 2010 and 31 December 2009

continued

6 INTEREST RECEIVABLE AND SIMILAR INCOME

	2010 £	2009 £
Interest receivable	10,632	18,206

7 INTEREST PAYABLE AND SIMILAR CHARGES

	2010 £	2009 £
Bank interest	20	-
HMRC interest payable	-	4,124
	20	4,124

8 TAXATION

Analysis of the tax (credit)/charge
The tax (credit)/charge on the profit on ordinary activities for the year was as follows

	2010 £	2009 £
Current tax		
UK corporation tax	-	192,292
Adjustment in respect of earlier years	1,036	-
Total current tax	1,036	192,292
Deferred tax		
Deferred tax	(141,866)	(121,553)
Prior year over/(under) provision of deferred tax	19,201	-
Total deferred tax	(122,665)	(121,553)
Tax on profit on ordinary activities	(121,629)	70,739

Factors affecting the tax (credit)/charge
The tax assessed for the year is lower than the standard rate of corporation tax in the UK The difference is explained below

	2010 £	2009 £
Profit on ordinary activities before tax	1,021,601	558,689
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009 - 28%)	286,048	156,433
Effects of		
Deductible as paid	2,286	202
Capital allowances in excess of depreciation	(41,391)	(17,317)
Permanent timing differences	15,158	247,040
Effects of share based payments	(263,176)	(116,659)
Utilisation of losses	1,075	(77,407)
Prior year under/(over) provision	1,036	-
Current tax (credit)/charge	1,036	192,292

continued

8 **TAXATION - continued**

Factors that may affect future tax charges

Deferred tax

Deferred taxation recognised in the financial statements and the amounts not recognised are as follows

	Recognised		Not recognised	
	2010 £	2009 £	2010 £	2009 £
Depreciation in advance of capital allowances	96,156	13776	-	-
Share-based payments	534,266	369,784	-	-
Losses	10,661	8,867	1,504,977	1,553,708
	641,084	518,417	1,504,977	1,553,708

The deferred tax asset is recognised to the extent that sufficient future taxable profits against which the asset can be recovered

	£
At 1 January 2010 deferred tax asset recognised	518,417
Profit and loss account movement during the year	122,665
At 31 December 2010 deferred tax asset recognised	641,082

Factors that may affect future tax charges

The Finance Act 2010 has reduced the rate of UK corporation tax from 28% to 26% from 1 April 2011 This rate change will affect the amount of the future cash tax payments to be made by the company and will also reduce the size of the company's deferred tax balances Changes to the UK capital allowance regime were also announced, the most significant of these changes for the company is the reduction in the rate of capital allowances applicable to plant and machinery expenditure from 20% to 18% per annum on a reducing balance basis from 1 April 2011

9 **DIVIDENDS**

	2010 £	2009 £
Ordinary shares of £1 each		
Interim	-	4,300,000

10 **INTANGIBLE FIXED ASSETS**

	Goodwill £	*Patents and licences* £	Customer relationship £	Totals £
COST				
At 1 January 2010 and 31 December 2010	120,417	3,127,050	33,254	3,280,721
AMORTISATION				
At 1 January 2010	21,894	3,127,050	17,459	3,166,403
Amortisation for year	21,894	-	7,522	29,416
At 31 December 2010	43,788	3,127,050	24,981	3,195,819
NET BOOK VALUE				
At 31 December 2010	76,629	-	8,273	84,902
At 31 December 2009	98,523	-	15,795	114,318

continued

11 TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 January 2010	888,633	12,639	174,078	1,233,205	2,308,555
Additions	103,735	-	-	467,389	571,124
Disposals	-	-	-	(252,293)	(252,293)
At 31 December 2010	992,368	12,639	174,078	1,448,301	2,627,386
DEPRECIATION					
At 1 January 2010	871,927	12,639	174,078	1,142,762	2,201,406
Charge for year	23,173	-	-	139,455	162,628
Eliminated on disposal	-	-	-	(252,293)	(252,293)
At 31 December 2010	895,100	12,639	174,078	1,029,924	2,111,741
NET BOOK VALUE					
At 31 December 2010	97,268	-	-	418,377	515,645
At 31 December 2009	16,706	-	-	90,443	107,149

12 FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2010 and 31 December 2010	62
NET BOOK VALUE	
At 31 December 2010	62
At 31 December 2009	62

The company owned 100% of the share capital of Striva Technology Limited, which was liquidated during 2008 The company also owned 100% of the share capital of Striva Technology Inc, which is a dormant company
The results of the subsidiaries (Striva Technology Limited up to date of liquidation), are included in the consolidated financial statements of Informatica Corporation

13 DEBTORS

	2010 £	2009 £
Amounts falling due within one year		
Trade debtors	9,130,547	8,456,695
Amounts owed by group undertakings	577,959	539,937
Other debtors	387,702	379,965
Corporation tax	33,349	-
Deferred tax asset	641,082	518,417
Prepayments	446,721	53,401
	11,217,360	9,948,415
Amounts falling due after more than one year		
Prepayments and accrued income	379,965	382,545
Aggregate amounts	11,597,325	10,330,960

continued

14 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £	2009 £
Trade creditors	194,176	481,077
Amounts owed to group undertakings	2,203,142	1,287,599
Corporation tax	-	192,292
Social security and other taxes	1,749,503	1,496,210
Deferred income	1,207,724	113,274
Accrued expenses	1,548,285	1,622,909
Accrued Pension	41,004	32,840
	6,943,834	5,226,201

15 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	Land and buildings		Other operating leases	
	2010 £	2009 £	2010 £	2009 £
Expiring				
Within one year	-	-	15,600	-
Between one and five years	490,000	490,000	8,982	24,588
	490,000	490,000	24,582	24,588

16 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value	2010 £	2009 £
550,001	Ordinary	£1	550,001	550,001

17 RESERVES

	Profit and loss account £	Share premium £	Capital redemption reserve £	Totals £
At 1 January 2010	1,452,962	3,644,029	1,578,032	6,675,023
Profit for the year	1,143,230			1,143,230
Share option movement	166,453	-	-	166,453
At 31 December 2010	2,762,645	3,644,029	1,578,032	7,984,706

18 ULTIMATE PARENT COMPANY

The company's immediate parent undertaking is Informatica Nederland B V In the opinion of the directors, the company's ultimate parent undertaking and controlling party is Informatica Corporation, which is incorporated in Delaware, United States of America

Copies of the consolidated financial statements of Informatica Corporation, which is the largest group of companies that consolidates the company's financial statements, may be obtained from Informatica Corporation, 2100 Seaport Blvd, Redwood City, CA 94063, USA

19 RELATED PARTY DISCLOSURES

Under Financial Reporting Standard (FRS) 8, the company is exempt from the requirement to disclose related party transactions on the grounds that it is a wholly owned subsidiary undertaking and that the consolidated financial statements in which the company's undertaking is included are publicly available

continued

Notes to the Financial Statements - continued
for the Year Ended 31 December 2010

20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2010	2009
	£	£
Profit for the financial year	1,143,230	487,950
Dividends	-	(4,300,000)
	1,143,230	(3,812,050)
Other recognised gains and losses relating to the year (net)	166,453	183,779
Net addition/(reduction) to shareholders' funds	1,309,683	(3,628,271)
Opening shareholders' funds	7,225,024	10,853,295
Closing shareholders' funds	8,534,707	7,225,024

continued

21 SHARE-BASED TRANSACTIONS

The Informatica Corporation group provides benefits to employees (including directors) of the group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions) Informatica Corporation has adopted the following employee and director incentive plans -

- 1999 stock incentive plan
- 1999 non-employee director stock incentive plan
- 2000 employee stock incentive plan
- 2009 employee stock incentive plan
- Assumed option plans
- Employee stock purchase plan

The expense recognised for share-based payments in respect of employee services received during the year to 31 December 2010 is £166,453 (2009 £183,779) The portion of that expense arising form the equity settled share-based transactions is £166,453 (2009 £183,779)

A summary of option activity through 31 December 2008 is presented below

	Number of shares	Weighted-average exercise price per share $	Weighted-average remaining contractual term Years
Outstanding at 31 December 2008 (restated)	314,908	12 03	4 10
Transfered to group companies	(4,263)	14 50	
Transfered from group companies	12,300	16 22	
Granted	3,400	13 37	
Exercised	(104,536)	11 25	
Forfeited or expired	(11,574)	14 75	
Outstanding at 31 December 2009	210,235	12 28	3 62
Transfered to group companies	(3,200)	15 46	
Transfered from group companies	2,542	15 50	
Granted	12,258	26 62	
Exercised	(80,577)	11 61	
Forfeited or expired	(3,767)	14 38	
Outstanding at 31 December 2010	137,491	13 94	3 15
Exercisable at 31 December 2010	98,435	11 79	2 58
Exercisable at 31 December 2009	138,799	10 49	3 06

The weighted average contractual life for the share options outstanding as at 31 December 2010 is between 1 26 and 6 84 years (2009 0 32 and 6 34 years)

The weighted average fair value of options granted during the year was $44 03 (2009 $13 37) The range of the exercise prices for options outstanding at the end of the year was $0 72 - $40 45 (2009 $0 72 - $23 00)

continued

Notes to the Financial Statements - continued
for the Year Ended 31 December 2010

Restricted Stock Unit Disclosure

	Number of shares
Outstanding at 31 December 2008	-
Awarded	10,100
Released	-
Forfeited	-
Outstanding at 31 December 2009	10,100
Awarded	9,511
Released	(2,525)
Forfeited	(1,234)
Outstanding at 31 December 2010	15,852

Each of these plans have been approved by the remuneration committee

Under the Employee Share Plan rules the board may offer shares to any full time or part time employee Shares issued under the plan will be fully paid and will have the same entitlements as other ordinary shares in Informatica Corporation

The rules of the Informatica Plan provide that the Board may at its discretion and subject to such vesting hurdles as it deems appropriate grant options to selected executives and other employees

The fair value of each option was estimated on the date of the grant using a modified Black-Scholes option pricing model The assumptions used at each relevant valuation date assuming no expected dividends, were as follows

	2010 %	2009 %
Option grants		
Expected volatility	34-39	37-48
Weighted-average volatility	36	40
Expected life (in years)	3 7	3 6
Expected dividends	-	-
Risk-free interest rate	1 8	1 7
ESPP		
Expected volatility	33-36	34-51
Weighted-average volatility	34	44
Expected dividends	-	-
Expected term of ESPP (in years)	0 5	0 5
Risk-free interest rate - ESPP	0 2	0 3

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur The expected volatility is a blend of average historical and market-based implied volatilities, which may not be the actual outcome

No other features of option grants were incorporated into the measurement of fair value