INFORMATICA CORP
Form DEF 14A
April 10, 2008

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant þ
Filed by a Party other than the Registrant o
Check the appropriate box:

o Preliminary Proxy Statement
o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
þ Definitive Proxy Statement
o Definitive Additional Materials
o Soliciting Material Pursuant to § 240.14a-12

Informatica Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement if Other Than the Registrant)

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þ No fee required.
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1) Amount Previously Paid:

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
To be held May 22, 2008

To the Stockholders:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders (the Annual Meeting) of Informatica Corporation, a Delaware corporation (Informatica), will be held on Thursday, May 22, 2008 at 2:00 p.m., Pacific Time, at Informatica s corporate headquarters, 100 Cardinal Way, Redwood City, CA 94063, for the following purposes:

1. To elect three Class II directors for a term of three years or until their respective successors have been duly elected and qualified.

2. To approve the adoption of a new Employee Stock Purchase Plan, reserving 8,850,000 shares of common stock for issuance thereunder.

3. To ratify the appointment of Ernst & Young LLP as Informatica s independent registered public accounting firm for the fiscal year ending December 31, 2008.

4. To transact such other business as may properly come before the Annual Meeting or any adjournment or postponement of the Annual Meeting.

These items of business are more fully described in the Proxy Statement accompanying this Notice of Annual Meeting.

Only holders of record of Informatica s common stock at the close of business on March 31, 2008, the record date, are entitled to vote on the matters listed in this Notice of Annual Meeting.

All stockholders are cordially invited to attend the Annual Meeting in person. However, to ensure your representation at the Annual Meeting, please vote as soon as possible using one of the following methods: (1) by using the Internet as instructed on the enclosed proxy card, (2) by telephone by calling the toll-free number as instructed on the enclosed proxy card or (3) by mail by completing, signing, dating and returning the enclosed proxy card in the postage-prepaid envelope enclosed for such purpose. For further details, please see the section entitled Voting on page two of the accompanying Proxy Statement. Any stockholder attending the Annual Meeting may vote in person even if he or she has voted using the Internet, telephone or proxy card.

By Order of the Board of Directors
of Informatica Corporation

Sohaib Abbasi
Chairman & Chief Executive Officer

Redwood City, California

April 10, 2008

WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE VOTE BY (1) USING THE INTERNET, (2) TELEPHONE OR (3) COMPLETING AND RETURNING THE ENCLOSED PROXY CARD AS PROMPTLY AS POSSIBLE IN THE ENCLOSED ENVELOPE.

INFORMATICA CORPORATION

PROXY STATEMENT
FOR
2008 ANNUAL MEETING OF STOCKHOLDERS

PROCEDURAL MATTERS

General

This Proxy Statement is being furnished to holders of common stock, par value $0.001 per share (the Common Stock), of Informatica Corporation, a Delaware corporation (Informatica or the Company), in connection with the solicitation of proxies by the Board of Directors of Informatica for use at the Annual Meeting of Stockholders (the Annual Meeting) to be held on Thursday, May 22, 2008 at 2:00 p.m., Pacific Time, and at any adjournment or postponement thereof for the purpose of considering and acting upon the matters set forth herein. The Annual Meeting will be held at Informatica s corporate offices, located at 100 Cardinal Way, Redwood City, CA 94063. The telephone number at that location is (650) 385-5000.

This Proxy Statement, the accompanying form of proxy card and the Company s 2007 Annual Report to Stockholders are first being mailed on or about April 10, 2008 to all stockholders entitled to vote at the Annual Meeting.

Stockholders Entitled to Vote; Record Date

Only holders of record of Informatica s Common Stock at the close of business on March 31, 2008 (the Record Date) are entitled to notice of and to vote at the Annual Meeting. Such stockholders are entitled to cast one vote for each share of Common Stock held as of the Record Date on all matters properly submitted for the vote of stockholders at the Annual Meeting. As of the Record Date, there were 88,628,386 shares of Common Stock outstanding and entitled to vote at the Annual Meeting. No shares of preferred stock were outstanding. For information regarding security ownership by management and by the beneficial owners of more than 5% of Informatica s Common Stock, see the section of this Proxy Statement entitled Security Ownership by Principal Stockholders and Management.

Quorum; Required Vote

The presence of the holders of a majority of the shares of Common Stock entitled to vote generally at the Annual Meeting is necessary to constitute a quorum at the Annual Meeting. Stockholders are counted as present at the meeting if they are present in person or have properly submitted a proxy card or voted by telephone or by using the Internet.

A plurality of the votes duly cast is required for the election of directors. The affirmative vote of a majority of the votes duly cast is required to approve the adoption of the Company s new Employee Stock Purchase Plan. The affirmative vote of a majority of the votes duly cast is required to ratify the appointment of Ernst & Young LLP as the independent registered public accounting firm of the Company.

Under the General Corporation Law of the State of Delaware, an abstaining vote and a broker non-vote are counted as present and entitled to vote and are, therefore, included for purposes of determining whether a quorum is present at the Annual Meeting. An abstaining vote is deemed to be a vote cast and has the same effect as a vote cast against approval of a proposal requiring approval by a majority of the votes cast. However, broker non-votes are not deemed to be votes cast. As a result, broker non-votes are not included in the tabulation of the voting results on the election of directors or issues requiring approval of a majority of the votes cast and, therefore, do not have the effect of votes in opposition in such tabulations. A broker non-vote occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that item and has not received instructions from the beneficial owner.

Board of Directors Recommendation

The Board of Directors recommends that you vote your shares:

FOR the nominees for election as Class II directors;

FOR the adoption of a new Employee Stock Purchase Plan and the reservation of 8,850,000 shares of common stock for issuance thereunder; and

FOR the ratification of the appointment of Ernst & Young LLP as the Company s independent registered public accounting firm for the fiscal year ending December 31, 2008.

Voting

Voting by telephone or the Internet. A stockholder may vote his or her shares by calling the toll-free number indicated on the enclosed proxy card and following the recorded instructions or by accessing the website indicated on the enclosed proxy card and following the instructions provided. When a stockholder votes by telephone or via the Internet, his or her vote is recorded immediately. Informatica encourages its stockholders to vote using these methods whenever possible.

Voting by proxy card. All shares entitled to vote and represented by properly executed proxy cards received prior to the Annual Meeting, and not revoked, will be voted at the Annual Meeting in accordance with the instructions indicated on those proxy cards. If no instructions are indicated on a properly executed proxy card, the shares represented by that proxy card will be voted as recommended by the Board of Directors. If any other matters are properly presented for consideration at the Annual Meeting, including, among other things, consideration of a motion to adjourn the Annual Meeting to another time or place (including, without limitation, for the purpose of soliciting additional proxies), the persons named as proxies in the enclosed proxy card and acting thereunder will have discretion to vote on those matters in accordance with their best judgment. The Company does not currently anticipate that any other matters will be raised at the Annual Meeting.

Voting by attending the meeting. A stockholder may also vote his or her shares in person at the Annual Meeting. A stockholder planning to attend the Annual Meeting should bring proof of identification for entrance to the Annual Meeting. If a stockholder attends the Annual Meeting, he or she may also submit his or her vote in person, and any previous votes that were submitted by the stockholder, whether by Internet, telephone or mail, will be superseded by the vote that such stockholder casts at the Annual Meeting. A stockholder may obtain directions to the Company s corporate headquarters in order to attend the Annual Meeting in the Contact Us section of the Company s website at http://www.informatica.com, or by calling 1-650-385-5000.

Changing vote; revocability of proxy. If a stockholder has voted by telephone or the Internet or by sending a proxy card, such stockholder may change his or her vote before the Annual Meeting.

A stockholder that has voted by telephone or the Internet may change his or her vote by making a timely and valid later telephone or Internet vote, as the case may be.

Any proxy card given pursuant to this solicitation may be revoked by the person giving it at any time before it is voted. A proxy card may be revoked by (1) filing with the Secretary of the Company, at or before the taking of the vote at the Annual Meeting, a written notice of revocation or a duly executed proxy card, in either case dated later than the prior proxy card relating to the same shares, or (2) attending the Annual Meeting and voting in person (although attendance at the Annual Meeting will not of itself revoke a proxy). Any written notice of revocation or subsequent proxy card must be received by the Secretary of the Company prior to the taking of the vote at the Annual Meeting. Such written notice of revocation or subsequent proxy card should be hand delivered to the Secretary of the Company or should be sent so as to be delivered to Informatica Corporation, 100 Cardinal Way, Redwood City, CA 94063, Attention: Corporate Secretary.

Expenses of Solicitation

Informatica will bear all expenses of this solicitation, including the cost of preparing and mailing this solicitation material. The Company may reimburse brokerage firms, custodians, nominees, fiduciaries and other persons representing beneficial owners of Common Stock for their reasonable expenses in forwarding solicitation materials to such beneficial owners. Directors, officers and employees of the Company may also solicit proxies in person or by telephone, letter, e-mail, telegram, facsimile or other means of communication. Such directors, officers and employees will not be additionally compensated, but they may be reimbursed for reasonable out-of-pocket expenses in connection with such solicitation. The Company may engage the services of a professional proxy solicitation firm to aid in the solicitation of proxies from certain brokers, bank nominees and other institutional owners. The Company s costs for such services, if retained, will not be significant.

Procedure for Submitting Stockholder Proposals

Requirements for stockholder proposals to be considered for inclusion in the Company s proxy materials. Stockholders may present proper proposals for inclusion in the Company s proxy statement and for consideration at the next annual meeting of its stockholders by submitting their proposals in writing to the Secretary of the Company in a timely manner. In order to be included in the Company s proxy materials for the 2009 annual meeting of stockholders, stockholder proposals must be received by the Secretary of the Company no later than December 11, 2008 and must otherwise comply with the requirements of Rule 14a-8 of the Securities Exchange Act of 1934, as amended (the Exchange Act).

Requirements for stockholder proposals to be brought before an annual meeting. In addition, the Company s Bylaws establish an advance notice procedure for stockholders who wish to present certain matters before an annual meeting of stockholders. In general, nominations for the election of directors may be made by (1) the Board of Directors, (2) the Corporate Governance and Nominating Committee or (3) any stockholder entitled to vote who has delivered written notice to the Secretary of the Company within the Notice Period (as defined below), which notice must contain specified information concerning the nominees and concerning the stockholder proposing such nominations. However, if a stockholder wishes only to recommend a candidate for consideration by the Corporate Governance and Nominating Committee as a potential nominee for the Company s Board of Directors, see the procedures discussed in Proposal One Election of Directors Corporate Governance Matters.

The Company s Bylaws also provide that the only business that may be conducted at an annual meeting is business that is (1) specified in the notice of meeting given by or at the direction of the Board of Directors, (2) properly brought before the meeting by or at the direction of the Board of Directors, or (3) properly brought before the meeting by any stockholder entitled to vote who has delivered written notice to the Secretary of the Company within the Notice Period (as defined below), which notice must contain specified information concerning the matters to be brought before such meeting and concerning the stockholder proposing such matters.

The Notice Period is defined as that period not less than 45 days nor more than 75 days prior to the anniversary of the date on which the Company first mailed its proxy materials for the previous year s annual meeting of stockholders. As a result, the Notice Period for the 2009 annual stockholder meeting will start on January 25, 2009 and end on February 24, 2009.

If a stockholder who has notified the Company of his or her intention to present a proposal at an annual meeting does not appear to present his or her proposal at such meeting, the Company need not present the proposal for vote at such meeting.

A copy of the full text of the Bylaw provisions discussed above may be obtained by writing to the Secretary of the Company. All notices of proposals by stockholders, whether or not included in the Company s proxy materials, should be sent to Informatica Corporation, 100 Cardinal Way, Redwood City, CA 94063, Attention: Corporate Secretary.

Delivery of Proxy Materials to Stockholders

If you share an address with another stockholder, each stockholder may not receive a separate copy of the proxy materials and 2007 Annual Report. Stockholders who do not receive a separate copy of the proxy materials and 2007 Annual Report may request to receive a separate copy of the proxy materials and 2007 Annual Report by calling 1-650-385-5289, by sending an email to ir@informatica.com or by writing to Informatica Corporation, 100 Cardinal Way, Redwood City, CA 94063, Attention: Corporate Secretary. Alternatively, stockholders who share an address and receive multiple copies of the Company s proxy materials and 2007 Annual Report can request to receive a single copy by following the same instructions.

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to Be Held on May 22, 2008.

The proxy statement and annual report to stockholders are available at www.proxyvote.com.

PROPOSAL ONE

ELECTION OF DIRECTORS

General

The Company s Board of Directors is currently comprised of nine members who are divided into three classes with overlapping three-year terms. A director serves in office until his or her respective successor is duly elected and qualified or until his or her earlier death or resignation. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of an equal number of directors. Three directors shall be elected at the Annual Meeting.

Nominees for Class II Directors

Three Class II directors are to be elected at the Annual Meeting for a three-year term ending in 2011. Upon the recommendation of the Corporate Governance and Nominating Committee, the Board of Directors has nominated **A. Brooke Seawell, Mark A. Bertelsen and Godfrey R. Sullivan** for re-election as Class II directors. Messrs. Seawell and Bertelsen were elected by the stockholders at the 2005 annual meeting, and Mr. Sullivan was appointed to the Board in January 2008. The Board of Directors Corporate Governance and Nominating Committee in consultation with Mr. Abbasi identified director candidates and evaluated such candidates including conducting interviews. After completing the evaluation process, the Corporate Governance and Nominating Committee recommended to the Board of Directors that Mr. Sullivan be appointed as a director and in January 2008, the Board of Directors appointed Mr. Sullivan as a director. Unless otherwise instructed, the proxy holders will vote the proxies received by them for the re-election of Mr. Seawell, Mr. Bertelsen and Mr. Sullivan. The Company expects that Mr. Seawell, Mr. Bertelsen and Mr. Sullivan will accept such nomination; however, in the event that any nominee is unable or declines to serve as a director at the time of the meeting, the proxies will be voted for any nominee who shall be designated by the Board of Directors to fill the vacancy. The term of office of each person elected as a director will continue until such director s term expires in 2011 or until such director s successor has been elected and qualified.

The Board of Directors recommends a vote FOR the nominees listed above.

Information Regarding Nominees and Other Directors

Nominees for Class II Directors for a Term Expiring in 2011

Name	Age	Principal Occupation and Business Experience
A. Brooke Seawell	60	*Venture Partner, New Enterprise Associates.* Mr. Seawell has been a Director of the Company since December 1997. Mr. Seawell has been a Venture Partner with New Enterprise Associates, a venture capital firm, since January 2005. From February 2000 to December 2004, Mr. Seawell was a Partner with Technology Crossover Ventures, a venture capital firm. From January 1997 to August 1998, Mr. Seawell was Executive Vice President of NetDynamics, an applications server software company, which was acquired by Sun Microsystems. From March 1991 to January 1997, Mr. Seawell was Senior Vice President and Chief Financial Officer of Synopsys, an electronic design automation software company. Mr. Seawell holds a B.A. degree in economics and an M.B.A. degree in finance from Stanford University. Mr. Seawell serves on the Board of Directors of NVIDIA Corporation, Glu Mobile and a number of privately-held companies.
Mark A. Bertelsen	63	*Senior Partner, Wilson Sonsini Goodrich & Rosati.* Mr. Bertelsen has been a Director of the Company since September 2002. Mr. Bertelsen joined Wilson Sonsini Goodrich & Rosati in 1972, was the firm s Managing Partner from 1990 to 1996 and has advised senior management of technology companies for over 30 years. He received his law degree (J.D.) from Boalt Hall School of Law, University of California, Berkeley, in 1969, and a B.A. in political science from the University of California, Santa Barbara, in 1966. Mr. Bertelsen also serves on the Board of Directors of Autodesk, Inc. Mr. Bertelsen is a Trustee of the U.C. Santa Barbara Foundation and served as its Chair from 2001 2003.
Godfrey R. Sullivan	54	*Former President and CEO, Hyperion Solutions, Inc.* Mr. Sullivan joined the Company s Board in January 2008. Mr. Sullivan joined Hyperion Solutions in 2001 as president and chief operating officer and served as president and chief executive officer from July 2004 until its acquisition by Oracle in 2007. From 2000 to 2001, Mr. Sullivan served as chief executive officer of Promptu Corporation, an enterprise marketing automation software company. From 1992 to 2000, Mr. Sullivan served in senior management positions at Autodesk, Inc., a design software and digital media company, including as president, Discreet Division and executive vice president, leading the Personal Solutions Group. From 1981

to 1992, Mr. Sullivan served in various executive positions at Apple Computer, Inc. Mr. Sullivan earned his BBA from Baylor University, and has completed executive programs at Stanford and Wharton. Mr. Sullivan also serves on the Board of Directors of Citrix Systems.

Incumbent Class III Directors Whose Term Expires in 2009

Name	**Age**	**Principal Occupation and Business Experience**
David W. Pidwell	60	*Venture Partner, Alloy Ventures.* Mr. Pidwell has been a Director of the Company since February 1996 and Lead Independent Director since March 2005. Mr. Pidwell has been a Venture Partner with Alloy Ventures, an early-stage venture capital firm, since 1996. From January 1988 to January 1996, Mr. Pidwell was President and Chief Executive Officer of Rasna Corporation, a software company. Mr. Pidwell holds a B.S. degree in electrical engineering and an M.S.I.S.E. degree in computer systems engineering from Ohio University and has completed three years of work at Stanford University on a Ph.D. in engineering economic systems. Mr. Pidwell also serves on the Board of Directors of a number of privately-held companies.
Sohaib Abbasi	51	*Chairman and Chief Executive Officer of the Company.* Mr. Abbasi has served as the Chief Executive Officer and President of the Company since July 2004, and Chairman of the Board since March 2005. Mr. Abbasi has been a Director of the Company since February 2004. From 2001 to 2003, Mr. Abbasi was Senior Vice President, Oracle Tools Division and Oracle Education at Oracle Corporation, which he joined in 1982. From 1994 to 2000, he was Senior Vice President, Oracle Tools Product Division at Oracle Corporation. Mr. Abbasi graduated with honors from the University of Illinois at Urbana-Champaign in 1980, where he earned both a B.S. and an M.S. degree in computer science.
Geoffrey W. Squire,OBE	60	*Chairman, The Innovation Group plc and Kognitio Ltd.* Mr. Squire has been a Director of the Company since October 2005. Mr. Squire is presently the Chairman of Kognitio, a provider of business intelligence services, and of UK-based public company, The Innovation Group, a provider of business services to the global insurance community. From April 1997 to June 2005, Mr. Squire was Vice Chairman of VERITAS, a storage solutions software company. From June 1995 to April 1997, Mr. Squire was CEO of OpenVision, a systems management software company. Prior to OpenVision, Mr. Squire was responsible for the launch of Oracle UK, and served as the CEO of Oracle Europe and President of Oracle Worldwide Operations. A former president of the UK Computing Services & Software Association and the European Information Services Association, Mr. Squire holds an honorary doctorate from Oxford Brookes University and was awarded an Officer of the Order of the British Empire for his contributions to the

information industry. Mr. Squire also serves on the Board of Directors of a number of privately-held companies.

Incumbent Class I Directors Whose Term Expires in 2010

Name	**Age**	**Principal Occupation and Business Experience**
Janice D. Chaffin	53	*Group President, Consumer Business Unit, Symantec Corp*. Ms. Chaffin has been a Director of the Company since December 2001. From April 2007 to the present, Ms. Chaffin has served as Group President of the Consumer Business Unit at Symantec Corporation, an internet security and storage company. From May 2003 to March 2007, Ms. Chaffin has served as Chief Marketing Officer at Symantec Corporation. From July 1981 to May 2003, Ms. Chaffin was employed at Hewlett-Packard Company, a technology solutions company, where her last position was Vice President. Ms. Chaffin holds a B.A. from the University of California, San Diego, and an M.B.A. from the University of California, Los Angeles.
Carl J. Yankowski	59	*Chief Executive Officer, Ambient Devices, Inc*. Mr. Yankowski has been a Director of the Company since July 2003. From August 2007 to the present, Mr. Yankowski has served as the Chief Executive Officer of Ambient Devices, Inc. From November 2001 to the present, Mr. Yankowski has served as a principal at Westerham Group, a management and consulting company. From March 2002 to June 2006, Mr. Yankowski served as Executive Chairman of CRF, Inc., a leading electronic patient diaries company. From August 2004 to July 2005, Mr. Yankowski served as Chairman and Chief Executive Officer of Majesco Entertainment, a provider of diversified applications and content for digital entertainment platforms. From November 1999 to November 2001, he served as Chief Executive Officer of Palm, Inc., a handheld devices and solutions company. Prior to that, he was Chief Executive Officer of Reebok Brand at Reebok International, a sports footwear and apparel company, and President and COO of Sony Electronics. Mr. Yankowski holds two B.S. degrees in electrical engineering and management from Massachusetts Institute of Technology. Mr. Yankowski also served on the Board of Directors of Novell from June 2001 to February 2003, and currently serves on the Board of Directors of UniPixel and several privately-held companies.
Charles J. Robel	58	*Retired Partner, PricewaterhouseCoopers.* Mr. Robel has been a Director of the Company since November 2005. From June 2000 to December 2005, Mr. Robel was a general partner and Chief of Operations for Hummer Winblad Venture Partners. From January 1974 to May 2000, Mr. Robel was a Partner with PricewaterhouseCoopers, LLP. From mid 1995 to May 2000, Mr. Robel led

PricewaterhouseCoopers High Technology Transaction Services Group in Silicon Valley where he advised on strategy, valuation and structuring for mergers and acquisitions. From May 1985 to mid 1995, Mr. Robel was the Partner in charge of the Software Industry Group at PricewaterhouseCoopers, LLP in Silicon Valley, and prior to that, Mr. Robel was with PricewaterhouseCoopers, LLP in Los Angeles and Phoenix. Mr. Robel holds a B.S. degree in accounting from Arizona State University. Mr. Robel serves on the Board of Directors of Autodesk, Inc., DemandTec, Inc. and McAfee, Inc. He serves as the Chairman of the Board of McAfee and Chairman of the Audit Committee of DemandTec, as well as serving as a member of the Audit Committee at both McAfee and Autodesk. He also serves on the Board of one privately held company.

Board Meetings and Committees

During 2007, the Board of Directors held five meetings (including regularly scheduled and special meetings), and no directors attended fewer than 75% of the total number of meetings of the Board of Directors and the committees of which he or she was a member.

The Board of Directors currently has four standing committees: an Audit Committee, a Compensation Committee, a Corporate Governance and Nominating Committee and a Strategy Committee.

Audit Committee. The Audit Committee, which has been established in accordance with Section 3(a)(58)(A) of the Exchange Act, currently consists of Messrs. Seawell, Yankowski and Robel, each of whom is independent, as such term is defined for audit committee members by the listing standards of The NASDAQ Stock Market. The Board of Directors has determined that each of Messrs. Seawell, Yankowski and Robel is an audit committee financial expert as defined under the rules of the Securities Exchange Commission (the SEC). Mr. Seawell is the Chairman of the Audit Committee. The Audit Committee met nine times in 2007. The Audit Committee (1) provides oversight of the Company s accounting and financial reporting processes and the audit of the Company s financial statements, (2) assists the Board of Directors in oversight of the integrity of the Company s financial statements, the Company s compliance with legal and regulatory requirements, the independent registered public accounting firm s qualifications, independence and performance, and the Company s internal accounting and financial controls, and (3) provides to the Board of Directors such information and materials as it may deem necessary to make the Board of Directors aware of significant financial matters that require the attention of the Board of Directors. The Audit Committee acts pursuant to a written charter adopted by the Board of Directors, which is available in the Investor Relations section of the Company s website at http://www.informatica.com.

Compensation Committee. The Compensation Committee currently consists of Ms. Chaffin and Messrs. Pidwell and Sullivan, each of whom is independent as defined in the listing standards of The NASDAQ Stock Market. Mr. Pidwell is the chairman of the Compensation Committee. During 2007, Mr. Yankowski was a Committee member but in January 2008, Mr. Sullivan succeeded Mr. Yankowski as a Committee member when Mr. Sullivan became a director. The Compensation Committee met nine times in 2007. In addition to holding regular meetings, the Compensation Committee took action by written consent at various times during the course of 2007. The Compensation Committee reviews and approves the compensation and benefits for the Company s executive officers, administers the Company s stock plans and performs such other duties as may from time to time be determined by the Board of Directors. The Compensation Committee acts pursuant to a written charter adopted by the Board of Directors, which is available in the Investor Relations section of the Company s website at http://www.informatica.com.

Corporate Governance and Nominating Committee. The Corporate Governance and Nominating Committee currently consists of Messrs. Robel, Pidwell and Seawell, each of whom is independent as defined in the listing standards of The NASDAQ Stock Market. Mr. Robel is currently the chairman of the Corporate Governance and Nominating Committee. During 2007, Mr. Bertelsen was the chairman but in January 2008, Mr. Robel succeeded Mr. Bertelsen as chairman of the Committee. In February 2008, the Committee recommended that Mr. Sullivan succeed Mr. Seawell on the Committee, subject to the approval of the full Board. The Corporate Governance and Nominating Committee acted by unanimous written consent in March 2007 and met in October 2007 and February 2008. This committee is responsible for making recommendations to the Board on matters concerning corporate governance, evaluating and recommending candidates for election to the Board of Directors, reviewing and making recommendations regarding the composition and mandate of Board committees, developing overall governance guidelines, and overseeing the performance and compensation of the Board of Directors. It is the policy of the Corporate Governance and Nominating Committee to consider recommendations of candidates for the Board of Directors submitted by the stockholders of the Company; for more information see the discussion in Corporate Governance Matters. The Corporate Governance and Nominating Committee acts pursuant to a written charter adopted by the Board of

Directors, which is available in the Investor Relations section of the Company s website at http://www.informatica.com.

Strategy Committee. The Strategy Committee was established in January 2006 and currently consists of Ms. Chaffin and Messrs. Robel and Squire, each of whom is independent as defined in the listing standards of The NASDAQ Stock Market. Mr. Squire is the Chairman of the Strategy Committee. This committee is responsible for assisting the Company s Board of Directors and management to oversee the Company s strategic plans. It is the committee s practice to meet quarterly in tandem with the Board s regularly scheduled quarterly meetings.

Lead Independent Director. Mr. Pidwell was appointed Lead Independent Director in March 2005, whereby he serves as a liaison between management and the other non-employee directors. As Lead Independent Director, Mr. Pidwell will, among other things, schedule and chair meetings of the independent directors, communicate with the Chairman and Chief Executive Officer and raise issues with management on behalf of the independent directors when appropriate. In addition, the independent directors may hold a closed session at regularly scheduled Board meetings.

Director Compensation

Cash Compensation. In 2007, non-employee members of the Board of Directors received (1) an annual retainer of $35,000, paid quarterly at the rate of $8,750 per quarter; (2) $15,000 paid quarterly at the rate of $3,750 per quarter for the Lead Independent Director (for 2007, Mr. Pidwell); (3) $15,000 per year for each member of the Audit Committee (or $20,000 if such member is the chairperson); (4) $10,000 per year for each member of the Compensation Committee (or $15,000 if such member is the chairperson); (5) $5,000 per year for each member of the Corporate Governance and Nominating Committee ($10,000 if such member is the chairperson) and (6) $5,000 per year for each member of the Strategy Committee ($10,000 if such member is the chairperson).

Non-Employee Director Option Grants. Non-employee directors are eligible to receive options to purchase the Company s Common Stock pursuant to the Company s 1999 Non-Employee Director Stock Incentive Plan (the 1999 Director Plan), which provides for annual automatic grants of non-statutory stock options to continuing non-employee directors. Under the 1999 Director Plan, each non-employee director is automatically granted a non-statutory stock option grant of 60,000 shares of the Company s Common Stock upon his or her initial election to the Board of Directors (Initial Grant). Immediately following each annual stockholders meeting, each non-employee director who continues to serve as a non-employee director following such annual meeting is automatically granted a non-statutory stock option to purchase 25,000 shares of the Company s Common Stock (Subsequent Grant), as long as the director had been a non-employee director for at least six months prior to such annual meeting of stockholders. All options automatically granted to non-employee directors have an exercise price equal to 100% of the fair market value on the date of grant. One third of the shares subject to the Initial Grant vests and becomes exercisable one year after the grant date and the remaining shares subject to the Initial Grant vest in equal monthly installments over the following 24-month period, such that the option is fully exercisable three years after its date of grant. Each Subsequent Grant vests and becomes 100% exercisable one year after the date such option is granted. In 2007, each of Ms. Chaffin and Messrs. Bertelsen, Pidwell, Seawell, Yankowski, Robel and Squire received Subsequent Grants. In 2007, the options in the 1999 Director Plan were exhausted and thus the options for the directors are now granted from the Company s 1999 Stock Incentive Plan under the same terms and conditions as those in the 1999 Director Plan.

The following director compensation table includes the compensation elements that were earned by the Company s directors for the 2007 Fiscal Year.

DIRECTOR COMPENSATION   FISCAL YEAR 2007 (1)

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)	Options Awards ($)(9)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Non-Qualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Mark Bertelsen	45,000(2)		131,086				176,086
Janice Chaffin	50,000(3)		131,086				181,086
David Pidwell	70,000(4)		131,086				201,086
Charles Robel	55,000(5)		219,297				274,297
Brooke Seawell	60,000(6)		131,086				191,086
Geoff Squire	45,000(7)		215,334				260,334
Carl Yankowski	60,000(8)		131,086				191,086

(1) Mr. Sohaib Abbasi is a director on the Company s Board of Directors but he does not receive any compensation for such service beyond his compensation as an officer of the Company. Mr. Abbasi s compensation as an officer is listed in the Summary Compensation Table. Mr. Sullivan joined the Board of Directors in January 2008 and as such did not receive any compensation in the 2007 Fiscal Year.

(2) Mr. Bertelsen was the chair of the Corporate Governance and Nominating Committee during 2007.

(3) Ms. Chaffin is a member of the Compensation Committee and the Strategy Committee.

(4) Mr. Pidwell is the chair of the Compensation Committee and a member of the Corporate Governance and Nominating Committee. Mr. Pidwell is also the Lead Independent Director.

(5) Mr. Robel is a member of the Audit Committee and the Strategy Committee. In 2008, Mr. Robel is the chair of the Corporate Governance and Nominating Committee.

(6) Mr. Seawell is the chair of the Audit Committee and in 2007 was a member of the Corporate Governance and Nominating Committee.

(7) Mr. Squire is the chair of the Strategy Committee.

(8) Mr. Yankowski is a member of the Audit Committee and in 2007 was a member of the Compensation Committee.

(9) These amounts reflect the 2007 SFAS No. 123(R) Share-Based Payment (FAS 123(R)) compensation cost incurred by the Company for all stock options granted prior to and including 2007 to the particular director and do not correspond to the actual value that could or will be recognized by the particular individual. Please refer to Note 2 in the Company s report on Form 10-K for the year ended December 31, 2007 for the Company s assumptions related to the FAS 123(R) share-based payment cost calculations. The calculations reflected in this table do not include any forfeiture rate estimates. The grant date fair value of each of the grants to the directors in 2007 (each received an option for 25,000 shares on May 17, 2007) was $120,818. As of December 31, 2007, the aggregate number of shares under options held by each director were: (1) Mark Bertelsen 120,000 shares; (2) Janice Chaffin 100,000 shares; (3) David Pidwell 120,000 shares; (4) Chuck Robel 110,000 shares; (5) Brooke Seawell -180,000 shares; (6) Geoff Squire 110,000 shares; and (7) Carl Yankowski 100,000 shares.

Corporate Governance Matters

Code of Business Conduct. The Company has adopted a Code of Business Conduct that applies to all of the Company s directors, officers (including the Company s principal executive officer and senior financial and accounting officers), and employees. You can find the Code of Business Conduct in the Investor Relations section of the Company s website at http://www.informatica.com. The Company posts any amendments to the Code of Business Conduct, as well as any waivers, that are required to be disclosed by the rules of either the SEC or The

NASDAQ Stock Market on the website. In addition, in late 2007 the Company introduced company-wide ethics training and achieved completion of initial training by February 2008.

Independence of the Board of Directors. The Board of Directors has determined that, with the exception of Sohaib Abbasi, who is the Chief Executive Officer and President of Informatica, all of its members are independent directors as defined in the listing standards of The NASDAQ Stock Market. In making this determination, the Board considered that Mark A. Bertelsen is a member of the law firm of Wilson Sonsini Goodrich & Rosati, Professional Corporation (WSGR). During fiscal 2007, WSGR provided legal services to the Company of approximately $0.8 million which represented less than one percent of WSGR s revenues. The Company believes the services performed by WSGR were provided in the ordinary course of business on terms no more or less favorable than those available from unrelated parties.

Contacting the Board of Directors. Stockholders and other individuals may communicate with the Board of Directors by submitting either an e-mail to board@informatica.com or a written communication addressed to the Board of Directors (or specific board member), Informatica Corporation, 100 Cardinal Way, Redwood City, California 94063. E-mail communications that are intended for a specific director should be sent to the e-mail address above to the attention of the applicable director.

Attendance at annual stockholder meetings by the Board of Directors. Although the Company does not have a formal policy regarding attendance by members of the Board of Directors at the Company s annual meeting of stockholders, the Company encourages, but does not require, directors to attend. Three directors attended the Company s 2007 annual meeting of stockholders.

Process for recommending candidates for election to the Board of Directors. The Corporate Governance and Nominating Committee is responsible for, among other things, determining the criteria for membership to the Board of Directors and recommending candidates for election to the Board of Directors. It is the policy of the Committee to consider recommendations for candidates to the Board of Directors from stockholders. Stockholder recommendations for candidates to the Board of Directors must be directed in writing to Informatica Corporation, Corporate Secretary, 100 Cardinal Way, Redwood City, CA 94063 and must include the candidate s name, home and business contact information, detailed biographical data and qualifications, information regarding any relationships between the candidate and the Company within the last three years, and evidence of the nominating person s ownership of the Company s Common Stock.

The Committee s general criteria and process for evaluating and identifying the candidates that it recommends to the full Board of Directors for selection as director nominees, are as follows:

- The Committee regularly reviews the current composition and size of the Board of Directors.

- In its evaluation of director candidates, including the members of the Board of Directors eligible for re-election, the Committee seeks to achieve a balance of knowledge, experience and capability on the Board of Directors and considers (1) the current size and composition of the Board of Directors and the needs of the Board of Directors and the respective committees of the Board of Directors, (2) such factors as personal character, judgment, expertise, business experience, length of service, independence and other commitments, and (3) such other factors as the Committee may consider appropriate.

- While the Committee has not established specific minimum qualifications for director candidates, the Committee believes that candidates and nominees must reflect a Board that is comprised of directors who (1) are predominantly independent, (2) are of high integrity, (3) have broad, business-related knowledge and experience at the policy-making level in business, government or academia, (4) possesses strong aptitude for technology, including their understanding of the enterprise software industry and Informatica s business in particular, (5) have qualifications that will increase overall Board effectiveness and (6) meet other requirements as may be required by applicable rules, such as financial literacy or financial expertise with respect to audit committee members.

In evaluating and identifying candidates, the Committee has the authority to retain third-party search firms with regard to candidates who are properly recommended by stockholders or by other means. The Committee will review the qualifications of any such candidate. This review may, in the Committee s discretion, include interviewing references for the candidate, direct interviews with the candidate, or other actions that the Committee deems necessary or proper.

The Committee will apply these same principles when evaluating Board candidates who may be elected initially by the full Board of Directors to fill vacancies or add additional directors prior to the annual meeting of stockholders at which directors are elected.

After completing its review and evaluation of director candidates, the Committee recommends to the full Board of Directors the director nominees for selection.

PROPOSAL TWO

APPROVAL OF ADOPTION OF COMPANY EMPLOYEE STOCK PURCHASE PLAN

The Company has adopted a new Employee Stock Purchase Plan (the Plan) effective May 22, 2008, subject to the approval by the stockholders. The following paragraphs provide a summary of the principal features of the Plan and its operation. The Plan is set forth in its entirety as Appendix A to this Proxy Statement. The following summary is qualified in its entirety by reference to Appendix A.

The Board of Directors recommends a vote FOR this proposal.

Purpose

The purpose of the Plan is to provide eligible employees of the Company and its participating subsidiaries with the opportunity to purchase shares of Common Stock of the Company through payroll deductions. The Plan is intended to qualify as an employee stock purchase plan under Section 423 of the Internal Revenue Code of 1986, as amended. The Company previously adopted an Employee Stock Purchase Plan and eligible Company employees have participated in that plan since April 1999. However, that plan is scheduled to expire in March 2009. Accordingly, the Company is asking stockholders to approve the Plan so that the Company can continue to have an Employee Stock Purchase Plan to help the Company attract, retain and motivate employees through stock ownership.

Overview

The number of shares in the Plan would be less than ten percent of the Company s shares currently outstanding and the term of the Plan shall be ten years. In keeping with the terms of the current Plan, the enrollment periods of the new Plan initially shall be set at six months by the Compensation Committee (though the Plan allows for up to 27 month duration for such periods). The purchase price shall be 85% of the lower of (1) the stock s market value on the first day of the enrollment period, or (2) the stock s market value on the purchase date at the end of the enrollment period. The Plan initially will operate with the following limits: (a) a limit on payroll deductions for participation of ten percent per year per participant; (b) a monetary per person limit on annual contributions (purchases cannot exceed $25,000 of Common Stock (based on market value on the applicable enrollment date(s)); and (c) a per person limit on total shares purchased during any enrollment period of 5,000 shares.

Eligibility to Participate

Most employees of the Company and its participating subsidiaries are eligible to participate in the Plan. However, an employee is not eligible if he or she has the right to acquire five percent or more of the voting stock of the Company or of any subsidiary of the Company. Also, the Compensation Committee has discretion to exclude any employee who normally is scheduled to work less than or equal to twenty hours per week or five months per calendar year, who have worked for the Company for less than two years, or who is an officer or other highly compensated employee. Approximately all full-time employees currently in locations where such participation is not limited by local rules are expected to be eligible to participate in the Plan.

Administration, Amendment and Termination

The Compensation Committee administers the Plan. The members of the Compensation Committee serve at the pleasure of the Board. Subject to the terms of the Plan, the Compensation Committee has all discretion and authority necessary or appropriate to control and manage the operation and administration of the Plan. The Compensation Committee also may establish a waiting period (not to exceed two years) before new employees may become eligible for the Plan. The Compensation Committee may make whatever rules, interpretations, and computations, and take any other actions to administer the Plan that it considers appropriate to promote the Company s best interests, and to ensure that the Plan remains qualified under Section 423 of the Internal Revenue Code. The Compensation Committee may delegate one or more of its duties in the administration of the Plan. The Compensation Committee or the Company s Board of Directors may amend or terminate the Plan at any time and for any reason. However, as required by Section 423 of the Internal Revenue Code, certain material amendments must be approved by the Company s shareholders. Unless terminated sooner by the Compensation Committee or the Board, the Plan will expire May 21, 2018.

Number of Shares of Common Stock Available under the Plan

A maximum of eight million eight hundred fifty thousand (8,850,000) shares of Common Stock will be available for issuance pursuant to the Plan. Shares sold under the Plan may be newly issued shares or treasury shares. In the event of any stock split, dividend, distribution or other change in the capital structure of the Company, appropriate adjustments will be made in the number, kind and purchase price of the shares available for purchase under the Plan.

Enrollment and Contributions

Eligible employees voluntarily elect whether or not to enroll in the Plan. It is expected that employees initially will join for an enrollment period of six months. Employees who previously joined the Plan automatically are re-enrolled for additional rolling six month periods; provided, however, that an employee may cancel his or her enrollment at any time (subject to Plan rules). Employees contribute to the Plan through payroll deductions. Participating employees generally may contribute up to 10% of their eligible compensation through after-tax payroll deductions. From time to time, the Compensation Committee may establish a different maximum permitted contribution percentage, change the definition of eligible compensation, or change the length of the enrollment periods (but in no event may any enrollment period exceed 27 months). After an enrollment period has begun, an employee may decrease his or her contribution percentage (subject to Plan rules).

Purchase of Shares

On the last business day of each enrollment period, the Company uses each participating employee s payroll deductions to purchase shares of Common Stock for the employee. The price of the shares purchased will be determined under a formula established in advance by the Compensation Committee. However, in no event may the purchase price be less than 85% of the lower of (1) the stock s market value on the first day of the enrollment period, or (2) the stock s market value on the purchase date. Market value under the Plan means the closing price of the Common Stock on NASDAQ for the day in question. On any purchase date, no participant may purchase more than 5,000 shares. In any single year, no employee may purchase more than $25,000 of Common Stock (based on market value on the applicable enrollment date(s)). The Compensation Committee also has discretion to set a different limit on the number of shares that may be purchased on any purchase date, to set a lower (but not higher) limit on the dollar value of shares that may be purchased, and to change the dates on which shares are purchased.

Termination of Participation

Participation in the Plan terminates when a participating employee s employment with the Company ceases for any reason, the employee withdraws from the Plan, or the Company terminates or amends the Plan such that the employee no longer is eligible to participate.

Number of Shares Purchased by Certain Individuals and Groups

Given that the number of shares that may be purchased under the Plan is determined, in part, on the stock s market value on the first and last day of the enrollment period and given that participation in the Plan is voluntary on the part of employees, the actual number of shares that may be purchased by any individual is not determinable. For illustrative purposes, the following table sets forth (a) the number of shares of the Company s Common Stock that were purchased during 2007 under the Company s existing Employee Stock Purchase Plan, and the (b) average price per share purchase price paid for such shares.

Name of Individual or Group	Number of Shares Purchased	Average per Share Purchase Price(2)
Sohaib Abbasi Chairman & Chief Executive Officer	1,789	$ 10.80
Earl Fry Chief Financial Officer, Executive Vice President and Secretary	1,802	$ 10.79
Girish Pancha Executive Vice President and General Manager, Data Integration		
Paul Hoffman Executive Vice President, Worldwide Field Operations	3,230	$ 6.58
Brian Gentile Former Executive Vice President, Chief Marketing Officer		
All NEOs, as a group	6,821	$ 8.80
All directors who are not NEOs, as a group(1)		
All employees who are not NEOs, as a group	727,340	$ 10.17

(1) Directors who are not employees of the Company are not eligible to participate in the existing Employee Stock Purchase Plan.

(2) The average per share purchase prices vary according to the particular enrollment period the participant participated in based upon the date of his or her initial participation in the ESPP. Prior to 2006, the existing ESPP had 24 month enrollment periods and as such, the pricing could differ from period to period as the pricing would be reset upon the commencement of a new 24 month period after the completion of a particular 24 month period.

Tax Aspects

Based on management s understanding of current federal income tax laws, the United States federal tax consequences of the purchase of shares of common stock under the Plan are generally as follows. An employee will not have taxable income when the shares of common stock are purchased for him or her, but the employee generally will have taxable income when the employee sells or otherwise disposes of stock purchased through the Plan. For shares that the employee does not dispose of until more than 24 months after the applicable enrollment date and more than 12 months after the purchase date (the holding period), gain up to the amount of the discount (if any) from the market price of the stock on the enrollment date (or re-enrollment date) is taxed as ordinary income. Any additional gain above that amount is taxed at long-term capital gain rates. If, after the holding period, the employee sells the stock for less than the purchase price, the difference is a long-term capital loss. Shares sold within the holding period are taxed at ordinary income rates on the amount of discount received from the stock s market price on the purchase date. Any additional gain (or loss) is taxed to the stockholder as long-term or short-term capital gain (or loss). The purchase date begins the period for determining whether the gain (or loss) is short-term or long-term. The Company may deduct for federal income tax purposes an amount equal to the ordinary income an employee must recognize when he or she disposes of stock purchased under the Plan within the holding period (subject to the deduction limitations of Code Section 162(m), which may affect certain officers). The Company may not deduct any amount for shares disposed of after the holding period. Other tax consequences will be governed by the applicable local rules in the particular office location.

PROPOSAL THREE

RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee has appointed Ernst & Young LLP (E&Y) as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2008. Although ratification by stockholders is not required by law, the Board has determined that it is desirable to request ratification of this selection by the stockholders. Notwithstanding its selection, the Audit Committee, in its discretion, may appoint a new independent registered public accounting firm at any time during the year if the Audit Committee believes that such a change would be in the best interest of the Company and its stockholders. If the stockholders do not ratify the appointment of E&Y, the Audit Committee may reconsider its selection.

E&Y has audited the Company s financial statements since the Company s inception. A representative of E&Y is expected to be present at the Annual Meeting with the opportunity to make a statement if he or she desires to do so, and is expected to be available to respond to appropriate questions.

The Board of Directors recommends a vote FOR this proposal.

Accounting Fees

The following table shows the fees paid or accrued by the Company for the audit and other services provided by E&Y for fiscal years 2006 and 2007.

	Fiscal Year	
	2006	**2007**
Audit Fees(1)	$ 1,796,000	$ 1,769,000
Audit-Related Fees(2)	499,000	224,000
Tax Fees(3)	1,609,000	1,621,000
All Other Fees		
Total	$ 3,904,000	$ 3,614,000

(1) Audit fees are for professional services rendered for the audit of the Company s annual financial statements and reviews of its quarterly financial statements. This category also includes fees for international statutory audits, consents, assistance with and review of documents filed with the SEC, attest services, work done by tax professionals in connection with the audit or quarterly reviews and attestation-related services in connection with Section 404 of the Sarbanes-Oxley Act of 2002 (Section 404).

(2) These are fees for assurance and related services performed by E&Y that are reasonably related to the performance of the audit or review of Informatica s financial statements, which include fees for accounting consultations, internal control reviews and attest services not required by statute or regulation. The decrease in fees from $499,000 in 2006 to $224,000 in 2007 was primarily due to consulting services related to the issuance of Convertible Senior Notes in 2006.

(3) These are fees for professional services performed by E&Y with respect to tax compliance and tax planning and advice. Tax compliance includes preparation of original and amended tax returns for the Company, refund claims, tax payment planning and tax audit assistance. Tax compliance fees totaled $660,000 and $1,156,000 for fiscal years 2006 and 2007, respectively. The increase in compliance fees in 2007 compared to 2006 was due to an increase in the size and complexity of the Company as well as its profitability. Tax planning and advice includes tax strategy planning and modeling, merger and acquisition related projects, intellectual property tax issues, intercompany and transfer pricing design and foreign employee tax matters. Tax planning and advice totaled $949,000 and $465,000 for fiscal years 2006 and 2007, respectively. The decrease in tax planning and advice fees in 2007 compared to 2006 was primarily due to the 2006 acquisitions and another significant project that was completed in 2006.

Pre-Approval of Audit and Non-Audit Services

All audit and non-audit services provided by E&Y to the Company must be pre-approved by the Audit Committee. The Audit Committee utilizes the following procedures in pre-approving all audit and non-audit services provided by E&Y. At or before the second meeting of the Audit Committee each year, the Audit Committee is presented with a detailed listing of the individual audit and non-audit services and fees (separately describing audit-related services, tax services and other services) expected to be provided by E&Y during the year. On an as-needed basis, during subsequent Audit Committee meetings throughout the year, the Audit Committee is presented with an updated listing of approved services highlighting any new audit and non-audit services to be provided by E&Y. The Audit Committee reviews these listings and approves the services outlined therein if such services are acceptable to the Audit Committee.

To ensure prompt handling of unexpected matters, the Audit Committee delegates to the Chairman of the Audit Committee the authority to amend or modify the list of audit and non-audit services and fees; provided, however, that such additional or amended services may not affect E&Y s independence under applicable SEC rules. The Chairman reports any such action taken to the Audit Committee at the subsequent Audit Committee meeting.

All E&Y services and fees in 2006 and 2007 were pre-approved by the Audit Committee.

REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

With respect to the Company s financial reporting process, the management of the Company is responsible for (1) establishing and maintaining internal controls and (2) preparing the Company s consolidated financial statements. The independent registered public accounting firm, E&Y, is responsible for auditing these financial statements and performing an attestation of the Company s internal controls. It is the responsibility of the Audit Committee to oversee these activities. It is not the responsibility of the Audit Committee to prepare or certify the Company s financial statements or guarantee the audits or reports of the independent auditors. These are the fundamental responsibilities of Company management and the independent auditors. In the performance of its oversight function, the Audit Committee has:

- reviewed and discussed the audited financial statements with the independent registered public accounting firm and management;

- discussed with Company s management and the independent registered public accounting firm the evaluation of the Company s internal controls and the audit of management s assessment of the effectiveness of the Company s internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act of 2002;

- discussed with the independent registered public accounting firm the matters required to be discussed by the Statement on Auditing Standards No. 61, Communication with Audit Committees, as currently in effect; and

- received the written disclosures and the letter from the independent registered public accounting firm required by Independence Standards Board Standard No. 1, *Independence Discussions with Audit Committees*, as currently in effect, and has discussed with the independent registered public accounting firm their independence.

Based upon the reviews and discussions described in this Report, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Company s Annual Report on Form 10-K for the year ended December 31, 2007 for filing with the Securities and Exchange Commission.

AUDIT COMMITTEE OF
THE BOARD OF DIRECTORS

A. Brooke Seawell
Carl J. Yankowski
Charles J. Robel

SECURITY OWNERSHIP BY PRINCIPAL STOCKHOLDERS AND MANAGEMENT

The following table sets forth certain information concerning the beneficial ownership of Informatica s Common Stock as of March 1, 2008 for the following: (1) each person or entity who is known by the Company to own beneficially more than 5% of the outstanding shares of the Company s Common Stock; (2) each of the Company s directors; (3) each of the executive officers named in the Summary Compensation Table; and (4) all directors and current executive officers of the Company as a group.

Name	Common Stock Beneficially Owned(1)	Percentage Beneficially Owned(1)(2)
Columbia Wanger Asset Management(3) 227 West Monroe Street, Suite 3000 Chicago, Illinois 60606	5,524,100	6.3%
Barclays Global Investors(3) 45 Fremont Street, 17th Floor San Francisco, California 94105	4,882,682	5.6%
Sohaib Abbasi(4)	3,055,101	3.5%
David W. Pidwell(5)	358,880	*
A. Brooke Seawell(6)	85,000	*
Janice D. Chaffin(7)	73,750	*
Mark A. Bertelsen(8)	105,000	*
Carl J. Yankowski(9)	70,834	*
Geoffrey W. Squire(10)	174,950	*
Charles J. Robel(11)	33,275	*
Godfrey R. Sullivan(12)	5,500	*
Earl E. Fry(13)	1,351,217	1.5%
Girish Pancha(14)	590,224	*
Paul Hoffman(15)	241,558	*
Brian Gentile(16)	51,250	*
All directors and current executive officers as a group (12 persons)(17)	6,145,289	6.9%

* Less than one percent.

(1) The number and percentage of shares beneficially owned is determined in accordance with Rule 13d-3 of the Exchange Act, and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rule, beneficial ownership includes any shares over which the individual or entity has voting power or investment power and any shares of Common Stock that the individual has the right to acquire within 60 days of March 1, 2008 through the exercise of any stock option or other right. Unless otherwise indicated in the footnotes, each person or entity has sole voting and investment power (or shares such powers with his or her spouse) with respect to the shares shown as beneficially owned.

(2) The total number of shares of Common Stock outstanding as of March 1, 2008 was 88,500,388.

(3) This information was obtained from filings made with the SEC pursuant to Section 13(g) of the Exchange Act reflecting share ownership and percentage ownership as of December 31, 2007.

(4) Includes 2,899,164 shares subject to options exercisable within 60 days of March 1, 2008.

(5) Includes 95,000 shares subject to options exercisable within 60 days of March 1, 2008. Also includes 263,880 shares held of record by the Pidwell Family Living Trust dated June 25, 1987, of which Mr. Pidwell is trustee.

(6) Includes 75,000 shares subject to options exercisable within 60 days of March 1, 2008.

(7) Includes 68,750 shares subject to options exercisable within 60 days of March 1, 2008.

(8) Includes 95,000 shares subject to options exercisable within 60 days of March 1, 2008.

(9) Consists solely of shares subject to options exercisable within 60 days of March 1, 2008.

(10) Includes 74,950 shares subject to options exercisable within 60 days of March 1, 2008.

(11) Consists solely of shares subject to options exercisable within 60 days of March 1, 2008.

(12) Does not include any options exercisable within 60 days of March 1, 2008.

(13) Includes 1,327,041 shares subject to options exercisable within 60 days of March 1, 2008.

(14) Consists solely of shares subject to options exercisable within 60 days of March 1, 2008.

(15) Includes 230,206 shares subject to options exercisable within 60 days of March 1, 2008.

(16) Consists solely of shares subject to options exercisable within 60 days of March 1, 2008. Mr. Gentile resigned from the Company in December 2007.

(17) Includes 5,559,444 shares subject to options exercisable within 60 days of March 1, 2008.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act (Section 16(a)) requires the Company s executive officers and directors, and certain persons who own more than 10% of a registered class of the Company s equity securities (10% Stockholders), to file reports of ownership on Form 3 and changes in ownership on Forms 4 or 5 with the SEC. Such executive officers, directors and 10% Stockholders are also required by SEC rules to furnish the Company with copies of all Section 16(a) forms they file.

Based solely on its review of the copies of such reports furnished to the Company and written representations that no other reports were required to be filed during 2007, the Company believes that its executive officers, directors and 10% Stockholders have complied with all Section 16(a) filing requirements applicable to them except that one Form 4 filing covering two transactions (an option exercise and stock sale) by Carl J. Yankowski was inadvertently filed late.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The Company s Compensation Committee is currently composed of Ms. Chaffin and Messrs. Pidwell and Sullivan. No interlocking relationship exists between any member of the Company s Compensation Committee and any member of the compensation committee of any other company, nor has any such interlocking relationship existed in the past. No member of the Compensation Committee is or was formerly an officer or an employee of the Company.

TRANSACTIONS WITH MANAGEMENT

Policies and Procedures for the Review and Approval of Related Person Transactions

Pursuant to the charter of the Company s Audit Committee, the Audit Committee reviews and approves in advance any proposed related person transactions. In addition, in accordance with the Company s Code of Business Conduct, directors, officers and employees should generally avoid conducting Informatica business in which a family member is associated in any significant role, or with other related parties. Related person transactions will be disclosed in the applicable SEC filing as required by the rules of the SEC. For purposes of these procedures, related person and transaction have the meanings contained in Item 404 of Regulation S-K promulgated by the SEC. The individuals and entities that are considered related persons include:

- Directors, nominees for director and executive officers of the Company;
- Any person known to be the beneficial owner of five percent or more of the Company s common stock (a 5% Stockholder); and
- Any immediate family member, as defined in Item 404(a) of Regulation S-K, of a director, nominee for director, executive officer and 5% Stockholder.

EQUITY COMPENSATION PLAN INFORMATION

The following table provides information as of December 31, 2007 with respect to the shares of the Company s Common Stock that may be issued under the Company s existing equity compensation plans.

Plan Category(1)	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights(a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column(a))
Equity compensation plans approved by stockholders	17,004,318	$ 10.13	21,717,288(2)
Equity compensation plans not approved by stockholders	330,927(3)	$ 5.86	780,551(4)
Total	17,335,245	$ 10.05	22,497,839

(1) See Note 2 to Notes to Consolidated Financial Statements, contained in the Company s Annual Report on Form 10-K for the year ended December 31, 2007, for a description of the terms of the Company s equity compensation plans.

(2) Includes 13,439,938 shares of Common Stock reserved for issuance under the Company s 1999 Stock Incentive Plan and 1999 Non-Employee Director Stock Incentive Plan and 8,277,350 shares of Common Stock reserved for issuance under the Company s 1999 Employee Stock Purchase Plan. The Company s 1999 Stock Incentive Plan incorporates an evergreen formula pursuant to which on January 1 of each year, the aggregate number of shares of Common Stock reserved for issuance under the 1999 Stock Incentive Plan will increase by a number of shares equal to the lesser of (i) 5% of the total amount of fully diluted Common Stock shares outstanding as of that date, (ii) 16,000,000 shares or (iii) a lesser number of shares determined by the administrator of the 1999 Stock Incentive Plan. The Company s 1999 Employee Stock Purchase Plan additionally incorporates an evergreen formula pursuant to which on January 1 of each year, the aggregate number of shares of Common Stock reserved for issuance will increase by a number of shares equal to the lesser of (i) 2% of the total amount of fully diluted Common Stock shares outstanding as of that date or (ii) 6,400,000 shares. For purposes of determining the number of shares outstanding as of January 1, all outstanding classes of securities of the Company, convertible notes, warrants, options and any other awards granted under the 1999 Stock Incentive Plan that are convertible or exercisable presently or in the future by the holder into shares of Common Stock shall be deemed to be outstanding. This number does not include 5,162,619 and 2,065,048 shares which were added, pursuant to the evergreen formula, to the shares reserved for issuance under the 1999 Stock Incentive Plan and the 1999 Employee Stock Purchase Plan, respectively, on January 1, 2008.

(3) Includes outstanding options to purchase (i) 52,795 shares of Common Stock at a weighted-average exercise price of $2.74 granted under Itemfield, Inc. s stock option plan, which Informatica assumed in connection with the acquisition of Itemfield in December 2006, (ii) 43,653 shares of Common Stock at a weighted-average exercise price of $1.08 granted under Similarity s Vector Technologies (SivTech) Limited s stock option scheme, which Informatica assumed in connection with the acquisition of Similarity Systems Limited in January 2006, (iii) 38,496 shares of Common Stock at a weighted-average exercise price of $0.78 granted under Striva Corporation s stock option plan, which Informatica assumed in connection with the acquisition of Striva in September 2003, and (iv) 9,546 shares of Common Stock at a weighted-average exercise price of $8.38 granted under Zimba Corporation s stock option plan, which Informatica assumed in connection with the acquisition of Zimba in August 2000. The Company did not reserve the right to make subsequent grants or awards under any of the aforementioned plans. In addition, this number includes options to purchase 186,437 shares of Common Stock at a weighted-average exercise price of $8.78 granted by Informatica under the 2000 Employee Stock Incentive Plan described below.

(4) Represents shares of Common Stock available for future issuance under the 2000 Employee Stock Incentive Plan.

2000 Employee Stock Incentive Plan

In January 2000, the Board of Directors adopted the 2000 Employee Stock Incentive Plan (the 2000 Incentive Plan), under which 1,600,000 shares were reserved for issuance. The 2000 Incentive Plan was not subject to stockholder approval. Under the 2000 Incentive Plan, eligible employees and consultants may be awarded stock options, stock appreciation rights, restricted shares and stock units. No stock options, stock appreciation rights, restricted shares or stock units from the 2000 Incentive Plan may be granted to directors or executive officers of the Company. The 2000 Incentive Plan was intended to help the Company attract and retain outstanding individuals in order to promote the Company s success. The 2000 Incentive Plan does not provide for the grant of incentive stock options. The exercise price for non-qualified options may not be less than 85% of the fair value of the Common Stock at the option grant date. Even so, the Company has not granted and has no intention of granting any discounted options under this Plan. The 2000 Incentive Plan is administered by the Compensation Committee of the Board of Directors. Options granted are exercisable over a maximum term of ten years from the date of grant and generally vest over a period of four years from the date of grant.

EXECUTIVE OFFICER COMPENSATION

Compensation Discussion and Analysis

This section discusses the principles underlying the Company s executive compensation programs, policies and decisions and important factors relevant to an analysis of these programs, policies and decisions. It provides qualitative information regarding the manner and context in which compensation is awarded to and earned by the Company s Chief Executive Officer, Chief Financial Officer and three other named executive officers (collectively referred to as NEOs) listed in the Summary Compensation Tables and the related tables below.

Philosophy of Compensation Programs

The principal objective of the Company s compensation programs is to attract and retain top-tier talent and to motivate and reward employees who continually drive strong results for the Company and its stockholders. The Company s compensation philosophy, and the programs adopted in accordance with that philosophy, is driven by the belief that employee performance and success will result in economic growth for the Company, which will have the effect of increasing stockholder value.

The Company s executives are compensated under the same programs as employees at other levels within the organization, although certain executive compensation elements are more heavily weighted towards overall Company performance as compared to achievement of individual objectives. Rewarding strong performance and contribution, regardless of seniority within the Company, is an important part of the Company s culture and core values.

A significant portion of the executive officers compensation is directly tied to Company performance, ensuring that executive compensation, the Company s financial results and stockholder value are properly aligned. The Company maintains a balance between short-term and long-term performance by rewarding executive officers both on the achievement of the Company s current business plan objectives, as well as on the achievement of long-term growth and profitability and improvement in stockholder value.

The elements of the Company s compensation programs which are described below are designed to work together to:

- attract, retain, and motivate highly qualified executives and individual employees to help the Company achieve its strategic objectives;

ensure alignment of individual performance with the Company s short-term and long-term goals; and

reward individuals for strong performance.

The compensation package the Company offers to its employees directly reflects the Company s culture and core values including the importance the Company places on its employees. The Company considers its employees as a primary asset and structures its compensation programs to reward and retain that talent, to emphasize organizational and personal development and to instill a sense of ownership and commitment to results.

The Company considers each of the following components as an integral part of the overall total compensation package:

base salary;

non-equity cash incentives;

equity-based long-term incentives, and

benefits.

The Compensation Committee considers each of the above items in determining the compensation package for each executive officer. Further detail on each component is provided in the section Components of Compensation Package and 2007 Evaluation below.

Compensation Committee

The Company s Compensation Committee, which serves at the discretion of the Company s Board of Directors, is empowered to review and approve, or in certain circumstances recommend for the approval of the Board, the annual compensation for and compensation policies applicable to the Company s executive officers, including the Company s Chief Executive Officer.

The Compensation Committee:

provides oversight of the Company s compensation policies, plans and benefits programs;

assists the Board in discharging its responsibilities relating to (i) oversight of the compensation of the Company s Chief Executive Officer and other executive officers (including officers reporting under Section 16 of the Securities Exchange Act of 1934), and (ii) approving and evaluating the executive officer compensation plans, policies and programs of the Company; and

assists the Board in administering the Company s equity compensation plans for its employees.

The Compensation Committee s charter, which is approved by the Board, is available in the Investor Relations section of the Company s website at http://www.informatica.com.

The Compensation Committee meets at least quarterly. Members of the Compensation Committee also meet with Company personnel as a part of the compensation planning and administration process throughout the year. In January, the Compensation Committee reviews and approves for all employees the compensation philosophy, option ranges for hiring and retention, bonus metrics and benefits, and also finalizes executive compensation plans for the upcoming year.

The Compensation Committee currently consists of Ms. Chaffin, Mr. Sullivan and Mr. Pidwell with Mr. Pidwell acting as the Committee Chairman. Each member is independent as that term is defined pursuant to the Compensation Committee s charter in terms of the independence requirements of The NASDAQ Stock Market, the non-employee director definition under Section 16 of the Securities Exchange Act of 1934 and the outside director definition in

Section 162(m) of the Internal Revenue Code of 1986. No Compensation Committee members are former or current officers or employees of Informatica or any of its subsidiaries.

The Compensation Committee consults with the Company s human resources personnel, and when appropriate, with outside executive and employee compensation and benefits consultants, to assist in the evaluation of and recommendations related to the Company s executive compensation program. In 2004, in connection with the recruitment and hiring of the Company s current Chief Executive Officer, the Compensation Committee engaged Compensia, Inc. as an independent outside compensation consultant to advise the Compensation Committee on Chief Executive Officer compensation practices and policies. Since then, the Company and the Compensation Committee have retained Compensia in connection with reviews of the Company compensation programs and policies for the Company executives, the Board of Directors and the broader employee base. Compensia receives compensation from the Company on a fee-per-project basis. The Company also uses Radford Data to benchmark employee and executive compensation and reviews summaries of this data with the Compensation Committee.

Role of the Independent Compensation Consultant (Compensia)

Compensia is retained each year to analyze and benchmark the Company s executives compensation package, including base salary, variable pay and equity awards. Additionally, they may be asked to review and benchmark the competitive structure of equity programs and benefits or severance provisions on an as needed basis.

The Compensation Committee and the Company s human resources personnel meet annually to evaluate a group of software companies with Compensia and to select a sub-group of companies for further peer analysis. This peer group includes a blend of mid-size companies and larger companies serving the data integration market or adjacent markets, as well as comparably sized software companies. The list is reviewed each year and new companies are added as necessary to ensure a significant sample size of companies. Compensia is also asked to provide growth rates and financial data on each company to assist in benchmarking executive compensation.

Companies in the 2007 peer group included Ariba, Borland Software, Business Objects, Cognos, i2 Technologies, Sybase and Tibco. While the Compensation Committee may, from time to time, consult with the Company s Chief Executive Officer or Chief Financial Officer in connection with the planning or evaluation of compensation program-related matters, the Compensation Committee is responsible for oversight and approval of the overall program and the individual elements of that program.

Components of the Compensation Package and 2007 Evaluation

Base Salary

Annual base salaries for the Company s executive officers are determined primarily on the basis of the executive officer s level of responsibility, general salary practices of a benchmark group of comparable companies and the individual officer s specific qualifications and experience. Base salaries are reviewed annually by the Compensation Committee and any variances between the salary levels of each executive officer and those of the companies included in the selected benchmarks are reviewed. Salaries may be adjusted based on certain criteria including the Company s recent financial performance, the executive s individual performance, the functions performed by the executive officer, the scope of the executive officer s on-going duties and any general changes in the compensation data from the benchmark companies. In determining any merit salary increase, the relative importance of each factor may vary from individual to individual.

Base Salary: 2007 Evaluation

In the fourth quarter of 2006, the Compensation Committee reviewed the data provided by Compensia including the analysis of each NEO s base salary against the benchmark companies. They also considered organizational changes and any planned changes in each executive s responsibility. An adjustment was made to the Chief Executive Officer s salary based on a market data comparison and his individual performance, with effect from January 1st, 2007, and for the Executive Vice President (EVP) of Products who was selected to undertake a business unit General Manager role at the end of the first quarter of 2007. This adjustment was made as of April 1, 2007. Both NEOs salaries were below market levels based on the data provided by Compensia. No adjustments were made to the other NEOs base salaries, which were at or slightly above the market data provided.

2007 Base Salary Information

Chairman & Chief Executive Officer	$	485,000
EVP, Worldwide Field Operations	$	320,000
Chief Financial Officer, EVP and Secretary	$	320,000
EVP and Chief Marketing Officer	$	300,000
EVP and General Manager, Data Integration	$	300,000*

* effective April 1, 2007

Non-Equity Incentive Plan (Cash Incentives)

The Company s non-equity incentive plan focuses on driving results for the fiscal year ahead and is tied to the achievement of annual performance goals around growth and profitability. All of the Company s executive officers participate in this bonus plan, which directly rewards the executives for achievement against semi-annual Company performance goals. The performance goals and the bonus targets are determined by the Compensation Committee in consultation with the Board of Directors and the Company s Chief Executive Officer and Chief Financial Officer. The bonus target for each executive position is determined using competitive market data provided by external consultants, and evaluated against a number of criteria including job function, market competitive data and the scope of the executive officer s position and on-going duties.

Cash Incentive (Bonus) Compensation Targets for Named Executive Officers

	Target Variable (as% of Base Salary)
Chief Executive Officer	100%
EVP, Worldwide Field Operations	85%
Named Executive Officers (other than the EVP, Worldwide Field Operations)	55 - 70%

The bonus plan is designed to closely link reward with achievement against Company performance goals with bonuses paid out after the second calendar quarter for performance achieved in the first half of the year, and after the fourth calendar quarter for performance achieved in the second half of the year. These performance goals are directly linked to growth and profitability and are specifically tied to two internal key performance indicators, net license orders and operating income adjusted for certain items, such as charges related to restructuring and acquisitions, stock-based compensation and other non-recurring, non-cash charges, if any.

Structure of 2007 Cash Incentive (Bonus Plan) Compensation for Named Executive Officers

	Corporate/Performance Goals	100%	Individual Goals 0%
EVP, Worldwide Field Operations	Operating Income 20%	Net License Orders 80%	0%
	Corporate/Performance Goals	80%	Individual Goals 20%
EVP and General Manager, Data Integration	Operating Income 40%	Net License Orders 40%	Product Deliverables Analyst & Customer Proof Points (beginning in July 2007)
	Corporate/Performance Goals	100%	Individual Goals 0%
Each Named Executive Officer (other than the EVP, Worldwide	Operating Income	Net License Orders	0%

Field Operations and EVP and General Manager, Data Integration)	50%	50%

The performance goals are set each year, measured on a semi-annual basis and require aggressive levels of growth and significant improvement from the prior fiscal year s performance. The bonus plan has a minimum payout threshold with zero payout for achievement at 80% or less of the performance goal. Because the Company s philosophy is to set performance goals aggressively, achievement of 95% of these aggressive stretch goals is designed to equate to a 100% bonus payment. The plan also provides for above 100% payout when more than 95% of the stretch performance goal is achieved. In order to achieve a maximum payout, which is capped at 200%, the Company would need to achieve 120% performance against both the growth and profitability goals. The Company has never attained the maximum payout level.

Individual allocations for the NEOs are determined by the Compensation Committee upon discussion with the Chief Executive Officer and Company human resources personnel. An individual executive may occasionally earn more or less than his or her calculated bonus based on factors including individual performance and any other exceptional contributions to the Company s success during the measurement period.

The Compensation Committee makes an assessment and determines the bonus payout for the Chief Executive Officer. The payout is computed based on achievement of the corporate performance goals; however, the Compensation Committee has discretion to allocate more or less than the computed allocation, based on the individual performance and contribution of the Chief Executive Officer during the measurement period.