

INFORMATICA REPORTS FOURTH QUARTER REVENUES OF \$56.7 MILLION

Focus on infrastructure drives fourth-quarter license revenue growth

REDWOOD CITY, Calif., January 22, 2004—Informatica Corporation (NASDAQ: INFA), a leading provider of data integration and business intelligence software, today announced financial results for the fourth quarter ended December 31, 2003.

Revenues for the fourth quarter of 2003 were \$56.7 million, up significantly from the \$50.1 million recorded in the fourth quarter of 2002. Net income for the fourth quarter, calculated in accordance with U.S. generally accepted accounting principles (GAAP), was \$4.0 million or \$0.04 per diluted share, compared with net income of \$1.5 million or \$0.02 per diluted share in the fourth quarter of 2002. Pro forma net income for the fourth quarter of 2003 was \$5.4 million or \$0.06 per diluted share, up from \$1.8 million or \$0.02 per diluted share in the fourth quarter of 2002. Pro forma operating results discussed in this press release exclude charges related to the amortization of acquired technology, intangible assets and stock-based compensation, purchased in-process research and development and restructuring charges. A reconciliation of pro forma operating results and GAAP results is included in the financial statements attached below.

For the year ended December 31, 2003, revenues were \$206.4 million, an increase from the \$195.4 million recorded in 2002. GAAP net income in 2003 was \$8.2 million or \$0.10 per diluted share, as compared to a net loss of \$15.6 million or \$0.20 per share in 2002. Pro forma net income for 2003 was \$14.7 million or \$0.17 per diluted share, an increase from \$2.8 million or \$0.03 per diluted share in 2002.

"This was an eventful year for Informatica, as we realigned the company to grow with a sharp focus on infrastructure solutions, offering the premiere data integration platform," said Gaurav Dhillion, president and CEO of Informatica. "Several key achievements in the fourth quarter demonstrated our commitment and progress towards this vision. We launched a significant release of our flagship PowerCenter platform, one that differentiates us from all other data integration vendors and will help us maintain our considerable market-share lead. And consistent with our strategy of expanding the Informatica footprint with our marquee customers, we signed the highest-ever number of repeat deals in our history. Finally, we completed the integration of Striva, which is a significant and valuable addition to our product portfolio."

Significant milestones achieved in the fourth quarter of 2003 included:

Signed repeat business with 169 customers. Customers continued to derive value from their investment in Informatica solutions. Repeat customers included British Airways, Boeing, Cendant, Cisco Systems, CSFB, the Federal Bureau of Investigation, France Telecom, HP, Internal Revenue Service, Lockheed Martin, Pfizer, Sun Microsystems, U.S. Customs, and Waste Management.

Signed 75 new customers. Informatica increased its customer base this quarter to 1,935 companies. New customers included Amerigroup, China Unicom, CSAA Inter-Insurance Bureau, Compass Bank, the L.A. Police Department, Ricoh Electronics, Sun Life of Canada, and the U.S. Department of Homeland Security.

Launched significant release of PowerCenter. Informatica delivered a significant advance in enterprise data integration with the latest release of its PowerCenter data integration platform. PowerCenter 7 is the first data integration platform to provide adaptive capabilities in the face of today's increasing information complexity, pressure to maximally leverage current IT investments, increased demand for real-time decision making, and need for unified business views.

Expanded relationship with IBM. The existing relationship with IBM has been expanded, with the IBM Data Management group using Informatica on an OEM basis for DB2 migrations. IBM and Informatica have also created an "On-Demand Performance Management" solution that leverages PowerCenter, PowerAnalyzer, and IBM WebSphere Business Integration.

Completed integration of Striva, a provider of mainframe integration solutions. The acquisition of Striva was announced and completed in the third quarter of 2003, with the former Striva team now fully integrated as Informatica employees. Striva's technology extends Informatica's leadership in comprehensive enterprise data integration and business intelligence with its innovative mainframe technology for high-speed bulk data movement and patented solution for real-time change data capture in legacy and non-legacy environments.

Informatica Developer Network hit 10,000 members in over 80 countries. Aimed at accelerating the creation of effective customer-developed and third-party add-on solutions, the two-year-old

collaborative online community is unique in the industry. The Informatica Developer Network enables customers and their in-house developers to interact, share knowledge, and extend the business value of their Informatica integration and business intelligence implementations.

Acknowledged as industry's leading data integration vendor. IDC ranked Informatica the leading vendor in the global data integration market for the fourth year in a row. The October report, "Worldwide Data Integration Software Forecast and Analysis, 2002-2007," ranked Informatica as the leading vendor in the data integration space, as measured by revenue. IDC also selected Informatica as a founding member of IDC's Software Leadership Council. The council is a unique, collaborative forum bringing together the viewpoints of senior executives from more than 30 of the most accomplished software vendors in the world.

Voted third-most influential IT solutions provider by Intelligent Enterprise magazine. According to the magazine, Informatica was selected for the list based on its strengthened focus on data integration, particularly with the acquisition of Striva for mainframe data integration and its launch of the SuperGlue metadata management solution, "one of the most interesting software releases of the year."

Received "Reader's Choice Award" from Intelligent Enterprise magazine. The readers of CMP Media's Intelligent Enterprise magazine voted for Informatica PowerCenter as their data integration software of choice. Named as part of the Intelligent Enterprise 2003 Reader's Choice Awards, Informatica PowerCenter received the most votes in the category of Data Movement and Transformation Tools.

To supplement the company's condensed consolidated financial statements presented on a GAAP basis, Informatica uses pro forma measures of net income and net income per share, which are adjusted to exclude certain charges and expenses discussed above and in the attached supplemental consolidated statements of operations which the company believes are appropriate to enhance an overall understanding of its historical financial performance. These adjustments to the company's current period GAAP results are made with the intent of providing both management and investors a more complete understanding of the company's underlying operational results and trends and our marketplace performance. Informatica believes that the inclusion of these pro forma financial measures provides consistency and comparability with its historical reports of financial results, as well as comparability to similar companies in the company's industry, many of which present the same pro forma financial measures to investors. In addition, these pro forma results are among the primary indicators management uses as a basis for its planning and forecasting of future periods. The presentation of this additional information is not meant to be considered in isolation or as a substitute for net income or net income per share prepared in accordance with generally accepted accounting principles in the United States.

Informatica will be discussing its fourth quarter 2003 results on a conference call today beginning at 2:00 p.m. PST. A live Webcast of the conference call will be available at <http://www.informatica.com/investor>. A replay of the call will also be available by dialing (888) 286-8010, reservation number 27729835.

About Informatica

Informatica Corporation (NASDAQ: INFA) is a leading provider of data integration and business intelligence software. Using Informatica products, companies can leverage their existing information assets for enterprise insight that helps them improve business performance, increase customer profitability, streamline supply chain operations and proactively manage regulatory compliance. More than 1,800 companies worldwide rely on Informatica to meet their end-to-end needs for enterprise data integration and business intelligence. For more information, call 1.650.385.5000 (1.800.970.1179 in the U.S.), or visit the Informatica Web site at <http://www.informatica.com/>.

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INFORMATICA CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)
(unaudited)

Three Months Ended

Three Months Ended

Net income, GAAP:	\$4,017	\$1,486
Amortization of acquired technology	574	260
Amortization of intangible assets	80	25
Amortization of stock-based compensation	752	31
Net income, pro forma:	\$5,423	\$1,802

INFORMATICA CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)
(unaudited)

	Year Ended		
	December 31, 2003		
	GAAP	Adjustments(*)	Pro Forma
Revenues:			
License	\$97,993	\$--	\$97,993
Service	108,449	--	108,449
Total revenues	206,442		206,442
Cost of revenues:			
License	3,139	--	3,139
Service	38,844	--	38,844
Amortization of acquired technology	1,031	(1,031)	--
Total cost of revenues	43,014	(1,031)	41,983
Gross profit	163,428	1,031	164,459
Operating expenses:			
Research and development	47,262	--	47,262
Sales and marketing	86,558	--	86,558
General and administrative	20,836	--	20,836
Amortization of intangible assets	147	(147)	--
Amortization of stock-based compensation	817	(817)	--
Purchased in-process research and development	4,524	(4,524)	--
Restructuring charges	--	--	--
Total operating expenses	160,144	(5,488)	154,656
Income (loss) from operations	3,284	6,519	9,803
Interest income and other, net	7,059	--	7,059
Income (loss) before income taxes	10,343	6,519	16,862
Income tax provision	2,124	--	2,124
Net income (loss)	\$8,219	\$6,519	\$14,738
Net income (loss) per share:			
Basic	\$0.10	\$0.08	\$0.18
Diluted	\$0.10	\$0.07	\$0.17
Weighted shares used to compute net income (loss) per share:			
Basic	82,049		82,049
Diluted	85,200		85,200

	Year Ended December 31, 2002		
	GAAP	Adjustments(*)	Pro Forma
Revenues:			
License	\$99,943	\$--	\$99,943
Service	95,498	--	95,498
Total revenues	195,441		195,441
Cost of revenues:			
License	6,185	--	6,185
Service	39,246	--	39,246
Amortization of acquired technology	1,040	(1,040)	--
Total cost of revenues	46,471	(1,040)	45,431
Gross profit	148,970	1,040	150,010
Operating expenses:			
Research and development	45,631	--	45,631
Sales and marketing	86,760	--	86,760
General and administrative	20,284	--	20,284
Amortization of intangible assets	100	(100)	--
Amortization of stock-based compensation	221	(221)	--
Purchased in-process research and development	--	--	--
Restructuring charges	17,030	(17,030)	--
Total operating expenses	170,026	(17,351)	152,675
Income (loss) from operations	(21,056)	18,391	(2,665)
Interest income and other, net	6,363	--	6,363
Income (loss) before income taxes	(14,693)	18,391	3,698
Income tax provision	921	--	921
Net income (loss)	\$(15,614)	\$18,391	\$2,777
Net income (loss) per share:			
Basic	\$(0.20)	\$0.23	\$0.03
Diluted	\$(0.20)	\$0.23	\$0.03
Weighted shares used to compute net income (loss) per share:			
Basic	79,753		79,753
Diluted	79,753		79,753

(*) The following table summarizes the pro forma adjustments for the respective periods presented:

	Year Ended December 31,	
	2003	2002
Net income (loss), GAAP:	\$8,219	\$(15,614)
Amortization of acquired technology	1,031	1,040
Amortization of intangible assets	147	100
Amortization of stock-based compensation	817	221
Purchased in-process research and development	4,524	--

Restructuring charges	--	17,030
Net income, pro forma:	\$14,738	\$2,777

INFORMATICA CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)
(unaudited)

	December 31, 2003	September 30, 2003	December 31, 2002
ASSETS			
Current assets:			
Cash and cash equivalents	\$82,903	\$80,714	\$105,590
Short-term investments	140,890	137,575	130,285
Accounts receivable, net	34,375	27,093	29,982
Prepaid expenses and other current assets	5,124	4,683	8,680
Total current assets	263,292	250,065	274,537
Property and equipment, net	38,734	40,862	47,370
Restricted cash	12,166	12,166	12,166
Goodwill and intangible assets, net	87,511	87,694	30,791
Other assets	1,105	355	330
Total assets	\$402,808	\$391,142	\$365,194
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Accounts payable and other current liabilities	\$45,828	\$44,368	\$41,383
Deferred revenue	50,373	48,020	51,702
Accrued restructuring charges	4,624	4,857	4,812
Accrued merger costs	543	1,431	--
Total current liabilities	101,368	98,676	97,897
Accrued restructuring charges, less current portion	10,543	11,435	14,894
Accrued merger costs, less current portion	389	603	--
Stockholders' equity	290,508	280,428	252,403
Total liabilities and stockholders' equity	\$402,808	\$391,142	\$365,194

INFORMATICA CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2003	2002	2003	2002
Operating activities				
Net income (loss)	\$4,017	\$1,486	\$8,219	\$(15,614)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Depreciation and amortization	2,775	3,212	11,181	10,477
Provision for doubtful accounts and other receivable allowances	(44)	173	133	1,606
Amortization of stock-based compensation	752	31	817	221
Amortization of intangible assets	654	285	1,178	1,140
Purchased in-process research and development	--	--	4,524	--
Non-cash restructuring charges	--	--	--	1,887
Gain on the sale of investments	--	--	(121)	(154)
Loss on disposal of property and equipment	39	--	43	357
Other	47	9	123	190
Adjustment to acquisition allocation	--	(710)	--	(710)
Changes in operating assets and liabilities:				
Accounts receivable	(7,205)	18	(3,096)	(2,457)
Prepaid expenses and other current assets	(441)	(2,338)	4,068	(1,619)
Other assets	(750)	49	(768)	595
Accounts payable and other current liabilities	889	3,946	1,950	4,774
Accrued restructuring charges	(1,125)	(1,378)	(4,539)	10,374
Accrued merger costs	(955)	--	(955)	--
Deferred revenue	2,353	7,911	(2,258)	15,148
Net cash provided by operating activities	1,006	12,694	20,499	26,215
Investing activities				
Purchases of property and equipment, net	(811)	(1,546)	(2,569)	(6,911)
Purchases of investments	(37,399)	(19,834)	(193,019)	(240,184)
Sales and maturities of investments	34,075	42,100	181,964	199,913
Acquisitions, net of cash acquired	0	--	(30,279)	--
Net cash provided by (used in) investing activities	(4,135)	20,720	(43,903)	(47,182)
Financing activities				
Proceeds from issuance of common				

stock, net of payments for repurchases	5,093	329	11,625	7,860
Repurchases and retirements of common stock	--	(1,750)	(11,448)	(1,750)
Net cash provided by (used in) financing activities	5,093	(1,421)	177	6,110
Effect of foreign currency translation	225	395	540	783
Increase (decrease) in cash and cash equivalents	2,189	32,388	(22,687)	(14,074)
Cash and cash equivalents at beginning of period	80,714	73,202	105,590	119,664
Cash and cash equivalents at end of period	\$82,903	\$105,590	\$82,903	\$105,590