

Salesforce.com Acquires Dimdim

Acquisition will extend salesforce.com's Chatter collaboration platform with critical real-time communication technologies

Follows the proven Facebook model of combining real-time collaboration and communication into a single integrated service

Enables salesforce.com to build on momentum of 60,000 Chatter customers, accelerating the industry shift to Cloud 2

SAN FRANCISCO, Jan. 6, 2011 – Salesforce.com [NYSE: CRM], the enterprise cloud computing (<http://www.salesforce.com/cloudcomputing/>) company, today announced it has completed its acquisition of Dimdim for approximately \$31 million in cash, net of cash acquired.

Founded in 2007, Dimdim has created critical real-time communication technologies such as presence, messaging and screen sharing. With the acquisition, salesforce.com gains Dimdim's real-time communication technologies, along with a team of world-class developers experienced in building cloud-based collaboration services. Salesforce.com will use the acquisition to bring new real-time communication capabilities to the Chatter collaboration platform, mirroring the proven Facebook model of combining collaboration and communication into an integrated service.

Comments on the News

"Facebook has fundamentally changed the way we communicate in our personal lives," said Marc Benioff, chairman and CEO, salesforce.com. "The acquisition of Dimdim will help salesforce.com deliver to the enterprise the same integrated collaboration and communication experience that made Facebook the world's most popular Internet site."

"From our start, Dimdim has focused on enabling real-time communication in the cloud, with no software," said DD Ganguly, CEO, Dimdim. "Salesforce.com gives us the opportunity to apply our expertise and align our vision of real-time, social enterprise software in the cloud – at a scale that wouldn't have been otherwise possible."

Bringing the Proven Facebook Model to the Enterprise

Salesforce.com recognizes that a massive shift is under way in the industry, the shift to Cloud 2. The first phase of cloud computing was about leveraging technologies that were low cost, fast and easy to use. Cloud 2 represents the new generation of cloud computing -- one that is inherently social, mobile and real-time.

Facebook initiated this transition by training more than half a billion users worldwide on real time collaboration, including feeds and status updates. Today, Facebook has proven the value of integrated collaboration and communication, with services like presence and messaging, which helped fuel user adoption, making it the world's most popular Internet site.

Salesforce.com followed a similar path when it introduced the Salesforce Chatter collaboration platform. Today, more than 60,000 customers have deployed Chatter since its release in June -- making it the company's most-popular product. Now with Dimdim, salesforce.com is following Facebook's lead once again. By offering an integrated collaboration and communication platform, the company believes it will drive greater Chatter adoption, increase customer loyalty and differentiate its entire product portfolio.

Financial Impact of the Dimdim Acquisition

* Q4 FY11: The acquisition is expected to have no material impact to salesforce.com's fiscal fourth quarter revenue. However, the company expects the acquisition to reduce non-GAAP EPS by approximately \$0.01 in the quarter ending Jan. 31, 2011.

* FY12: The company currently expects no material revenue contribution from the acquisition during its fiscal 2012. The company currently projects the acquisition to reduce non-GAAP EPS by approximately \$0.04 to \$0.05 in the year ending Jan. 31, 2012.

Non-GAAP EPS estimates exclude the impact of the following non-cash items: stock-based compensation, amortization of purchased intangibles, and the tax consequences associated with these items. The financial impact of the acquisition on a GAAP-basis cannot be estimated until the allocation of the purchase price is made following the closing of the acquisition. Salesforce.com currently expects that the reduction of EPS in the quarter ending Jan. 31, 2011 and the year ending Jan. 31, 2012 will be significantly greater on a GAAP basis than a non-GAAP basis.

About Dimdim:

Dimdim was founded in 2007 by DD Ganguly and Prakash Khot, with a focus on developing enterprise applications

on a cloud-based communications platform. Its current offerings allow users to host or attend live online meetings, demos and webinars using just a web browser. Dimdim's investors include Draper Richards and Index Ventures. Dimdim has offices in Lowell, Mass., and Hyderabad, India.

About salesforce.com

Salesforce.com is the trusted enterprise cloud computing company. Based on salesforce.com's real-time, multitenant architecture, the company's Force.com platform and apps (<http://www.salesforce.com/crm>) have revolutionized the way companies collaborate and communicate. Salesforce.com's cloud offerings include:

- The Sales Cloud, for sales force automation and contact management
- The Service Cloud, for customer service and support
- The Jigsaw Data Cloud, for ensuring data integrity and quality
- Salesforce Chatter, for social collaboration
- The Force.com platform, for custom application development
- Database.com, the world's first enterprise cloud database
- The AppExchange, the world's leading marketplace for enterprise cloud computing

apps

Salesforce.com offers the fastest path to customer success with cloud computing. As of October 31, 2010, salesforce.com manages customer information for approximately 87,200 customers including Allianz Commercial, Dell, Japan Post, Kaiser Permanente, KONE, and SunTrust Banks.

Any unreleased services or features referenced in this or other press releases or public statements may not be currently available and may not be delivered on time or at all. Customers who purchase salesforce.com applications should make their purchase decisions based upon features that are currently available. Salesforce.com has headquarters in San Francisco, with offices in Europe and Asia, and trades on the New York Stock Exchange under the ticker symbol "CRM." For more information please visit <http://www.salesforce.com>, or call 1-800-NO-SOFTWARE.

Cautionary Statement Regarding Forward-Looking Statements

This press release contains certain forward-looking statements about salesforce.com and Dimdim, including statements that involve risks and uncertainties concerning salesforce.com's acquisition of Dimdim, anticipated product information and strategy, benefits of the acquisition to customers and others in the industry, transitions and shifts in cloud computing, the use of online collaboration in cloud applications, the expanding capabilities and increasing customer adoption of the Chatter collaboration platform, the financial impact of the acquisition, the effect of the acquisition on customer loyalty and general business outlook. When used in this press release, the words "can", "will", "intends", "expects", "is expected", similar expressions and any other statements that are not historical facts are intended to identify those assertions as forward-looking statements. Any such statement may be influenced by a variety of factors, many of which are beyond the control of salesforce.com or Dimdim, that could cause actual outcomes and results to be materially different from those projected, described, expressed or implied in this press release due to a number of risks and uncertainties. Potential risks and uncertainties include, among others, the anticipated synergies and benefits of the combined companies may not be achieved, the combined companies may experience delays, unexpected costs or be unable to complete integration activities in a timely manner, if at all, responses from competitors, customers and developers, general economic conditions in the markets in which either company does business, and the possibility that salesforce.com or Dimdim may be adversely affected by other economic, business, and/or competitive factors. Accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what impact they will have on the results of operations or financial condition of salesforce.com or Dimdim.

In addition, please refer to the documents that salesforce.com files with the Securities and Exchange Commission on Forms 10-K, 10-Q and 8-K. These filings identify and address other important factors that could cause salesforce.com's financial and operational results to differ materially from those contained in the forward-looking statements set forth in this press release. You are cautioned to not place undue reliance on forward-looking statements, which speak only as of the date of this press release. Neither salesforce.com nor Dimdim is under any duty to update any of the information in this press release.

Salesforce.com will host a conference call with investors at 5:00 PM (ET) / 2:00 PM (PT), Jan. 6, 2011, to discuss this transaction. A live dial-in is available domestically at +1-866-901-7332/passcode # 35301503. International callers may dial +1-706-902-1764/passcode # 35301503. A live web webcast of the event will be available on the salesforce.com Investor Relations website at <http://phx.corporate-ir.net/phoenix.zhtml?p=irol-eventDetails&c=141811&eventID=3646626>. A replay will be available at +1-800-642-1687 or +1-706-645-9291/passcode #35301503 until Jan. 20, 2011.

About Salesforce.com

Founded in 1999, salesforce.com is the enterprise [cloud computing](#) leader. Using salesforce.com's social and mobile cloud technologies, companies can connect with customers, partners and employees in entirely new ways. Based on salesforce.com's

real-time, multitenant architecture, the company's platform and apps give customers the tools to create a social front office and revolutionize the way they sell, service, market, collaborate, work, and innovate.

- Grow your business with the world's #1 sales app, [Salesforce Sales Cloud](#).
- Deliver amazing customer service with the award-winning [Salesforce Service Cloud](#).
- Listen, engage, advertise, and measure social media marketing with the [Salesforce Marketing Cloud](#).
- Achieve breakthrough collaboration and productivity with [Salesforce Chatter](#).
- Align, motivate and drive performance with [Salesforce Work.com](#).
- Build social and mobile cloud apps on the [Salesforce Platform](#) and extend success with the world's leading enterprise app marketplace, the [AppExchange](#).

Any unreleased services or features referenced in this or other press releases or public statements are not currently available and may not be delivered on time or at all. Customers who purchase salesforce.com applications should make their purchase decisions based upon features that are currently available. Salesforce.com has headquarters in San Francisco, with offices in Europe and Asia, and trades on the New York Stock Exchange under the ticker symbol "CRM." For more information please visit <http://salesforce.com>, or call 1-800-NO-SOFTWARE.

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