

SuccessFactors to Acquire Enterprise Learning Leader; Solidifies Position as the HCM cloud-based SaaS Market Leader

Acquisition fills an urgent need requested by SuccessFactors customers

April 26, 2011

SAN MATEO, Calif.—SuccessFactors, Inc. (NASDAQ: SFSF), the global leader in business execution cloud-based SaaS software, has entered into a definitive agreement to acquire Plateau, the leading learning management system (LMS), a Next Generation Portal technology, and CaaS - Content as a Service. This acquisition forms a symbiotic combination with SuccessFactors' acquisition of social video mobile learning provider Jambok.

Customers will now have the ability to further increase employee development and business execution by implementing a comprehensive social and traditional learning strategy that includes evangelizing internal experts, utilizing easy-to-use video creation and sharing tools, as well as managing, developing, and deploying online, instructor-led and self-study training.

“I first met Paul Sparta, CEO of Plateau, 8 years ago, and what struck me, and has stayed with me, more so than any founder or CEO whom I have met in our industry, was how seriously and incredibly committed he was to two key drivers: 1) his customers' success through superior product and domain expertise; and 2) building a financially strong and profitable business,” said Lars Dalgaard, founder and CEO of SuccessFactors. “With more than 15 million combined users, and the biggest R&D budget and largest domain expertise, in the HCM cloud-based SaaS industry, we can compete more effectively with some of the incumbent HCM vendors' total suite, and continue to surprise and excite customers with the next decade of innovations.”

“Plateau will accelerate SuccessFactors' strategy markedly. SuccessFactors' game-plan's four key drivers will all be strengthened substantially: 1) customers achieving better results through the SuccessFactors suite, expertise and commitment; 2) building for great cash profitability; 3) continuing to build towards one of the SaaS cloud-based HCM industry's strongest global customer and sales field force; and 4) offering a leading comprehensive suite of relevant and proven Business Execution applications. Like SuccessFactors, Plateau has had success with the biggest and most complex customers, including Plateau's long time customer General Electric, and this makes Plateau the best choice for SuccessFactors, and we believe an excellent choice for customers, and prospects,” Dalgaard continued.

“SuccessFactors approaches integrated talent management in an innovative way that really impacts our business,” said Carol Anderson Chief Learning Officer at Marriott International, Inc. “With the additions of Plateau's LMS and Jambok's social learning technology, SuccessFactors is clearly changing the market and offering a unique advantage to its customers.”

“Plateau has a long history of delivering innovation and has consistently been recognized in the top 1 or 2 position as a leader in LMS from analysts during the last couple of years, including Forrester, Gartner, IDC and Bersin & Associates. Plateau is also recognized for its industry-leading levels of customer

satisfaction, and what made an acquisition of this size possible is that Plateau's renewal rates are at approximately 99 percent. We have been overwhelmed by the number of customers globally who have requested LMS, specifically on SuccessFactors' enterprise platform. We estimate 80 percent of our sales force has active opportunities, and customers have specifically identified having Plateau's industry-leading LMS on SuccessFactors' platform as particularly desirable, which has helped to reduce the financial risk," Dalgaard continued.

"Plateau has been recognized for its traction in SaaS, and technologically. SuccessFactors and Plateau are more alike than any other platforms. We think the fact that Plateau, like SuccessFactors, is built using Enterprise Java, JEE, also reduces the execution risk and thus, helped make the case for this acquisition a lot more compelling. Since JEE is delivered with a focus on interoperability, portability and true enterprise class scalability, both teams anticipate a cleaner and smoother code assimilation. SuccessFactors has set achievable, yet aggressive, timeframes to fully integrate Plateau's LMS solution," said Aaron Au, co-founder and CTO of SuccessFactors.

"Plateau has many great team-members who are excited to join forces with us to deliver a robust HCM SaaS offering to companies everywhere," Dalgaard continued. "Their track record, customers, team members, recognition, recurring revenue stream, existing demand and real pipeline, and extraordinary smorgasbord of innovation were enough to do the acquisition. Add Plateau's strong presence in the Federal business, and the pharmaceutical industry, the excitement and strength of the Plateau team and its new "Flex" UI that both companies see as innovative to the industry, and the acquisition became a lot more valuable."

"Plateau's solutions are designed to help companies improve organizations' operations across the board by providing employees, executives, and the extended enterprise clear visibility and access to the information and learning needed to perform effectively. In practice this includes managing learning, compliance, goals, positions, compensation and many other aspects of an organization," said Paul Sparta, chairman and CEO, Plateau. "Plateau's strategy fits hand-in-glove with the broad strategy of SuccessFactors' Business Execution. Where SuccessFactors and Plateau have common approaches to many parts of the HCM lifecycle historically, we are now positioned exceptionally well to quickly unify what is common and more heavily invest in the kinds of innovation the market has yet to see in HCM."

"In short, I am personally relishing the opportunity to work with some of the great minds that SuccessFactors has now assembled. I very much look forward to sharing it with the world in the coming months," Sparta continued.

Through its acquisitions over the past year, SuccessFactors has continued to build on its core BizX solution and revolutionize the market. This acquisition extends the company's leadership by enhancing its current career and development planning offerings, integrating the entire employee lifecycle experience, as well as positioning the company as the leader in the HCM cloud-based SaaS market. Based on initial estimates, the combined companies will have more than 15 million users.

"Learning and development is an integral part of the entire employee lifecycle starting with the onboarding process and how quickly new employees can be productive," said Karie Willyerd, vice president of learning and social adoption, SuccessFactors, and founder and CEO of Jambok. "Historically the primary role of a learning management system was to reduce the cost of training and training

administration, improve compliance, provide a platform to improve employee skills and time to competency, and to standardize processes and content. At SuccessFactors, we are moving beyond these 'core' drivers of learning to now address business performance and aligning business goals and skill requirements with learning and development, using cutting-edge SaaS technologies."

Plateau brings more than 350 customers to SuccessFactors. After the deal closes, Plateau's SaaS based LMS will be integrated directly into SuccessFactors' BizX suite providing deeper opportunities for companies to bridge the execution gap by more effectively on-boarding, training, certifying, and linking learning to overall performance, goals, and employee engagement.

"This is, in my opinion, a merger of true leaders. SuccessFactors and Plateau are both thought leaders, product leaders and service leaders," says Lisa Rowan, program director, HR, Talent, and Learning Strategies for IDC. "Plateau emerged as a leader this year in IDC's annual MarketScape on Integrated Talent Management joining SuccessFactors there. A big part of Plateau's ascension is the satisfaction of the Plateau client base. "

"In today's fast-paced business environment, organizations need to rapidly integrate their systems for employee hiring, management, and development into a strategic process," said Josh Bersin, President and CEO of Bersin & Associates, a leading analyst firm in corporate learning and human resources. "SuccessFactors' acquisition of Plateau brings together the market share leader in talent management with one of the market leaders in learning management to create a global powerhouse in end-to-end talent management software."

"SuccessFactors just acquired another big piece of the periodic table of elements. With Plateau, they now have the opportunity to mix things together that haven't been mixed together before said Jason Averbok, CEO of Knowledge Infusion. Through the work we do daily driving transformation in the world's largest enterprises and our recent KI HR executive survey, more companies than ever desire a single, unified suite that includes recruitment, talent and learning that they can tie to their overall business strategy."

Under the terms of the acquisition agreement, SuccessFactors will pay \$145 million in cash plus \$145 million in stock, approximately \$15 million is for employee stock options and RSUs, for Plateau. The acquisition is subject to various closing conditions, including filings under the Hart-Scott-Rodino Antitrust Improvements Act and the issuance of a permit from the California Department of Corporations, and is currently expected to close during summer 2011.

For more information read the Q&A at <http://www.successfactors.com/plateau>.

About SuccessFactors, Inc.

SuccessFactors is the leading provider of cloud-based Business Execution (BizX) software solutions to organizations of all sizes, with more than 8 million users across multiple industries and geographies. We strive to delight our customers by delivering innovative solutions, a broad range of content, process expertise and best practices knowledge gained from serving our large and varied customer base. Today, we have more than 3,200 customers in more than 168 countries using our application suite in 34 languages.

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About Plateau

Plateau Systems is the industry's premier provider of enterprise-class SaaS talent management suites. Major global corporations and government agencies, including General Electric, the U.S. Air Force, The E.W. Scripps Company and Thomson Reuters are using Plateau's integrated talent management solutions to improve productivity and facilitate strategic workforce initiatives around learning, performance, compensation and career and succession management. Plateau is widely recognized throughout the industry for its commitment to customer satisfaction, forward-thinking vision and for consistently delivering best-in-class functionality. Founded in 1996, Plateau is headquartered in Arlington, Va. and has offices across the United States, Europe and Asia Pacific. For more information about Plateau, please visit www.plateau.com or follow Plateau on Twitter @PlateauSystems.

"Safe harbor" statement under the Private Securities Litigation Reform Act of 1995:

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements are SuccessFactors' current expectations and beliefs.

These forward-looking statements include statements about future growth prospects and the benefits of the proposed acquisition. Factors that could cause actual results to differ materially from those contemplated by these forward-looking statements include: our ability to retain customers and to experience high customer renewal rates; integration risks, including risks related to integration of the Plateau's products, technologies and personnel and managing geographically-dispersed operations; assumption of liabilities; whether customers of Plateau will desire to continue as customers or whether they will be willing to migrate their products to the SuccessFactors platform; whether customers of SuccessFactors will seek competitive learning management products; pricing pressures; the uncertain impact of the overall global economic conditions, including on customers, prospective customers and partners, renewal rates and length of sales cycles; the fact that the business execution market is at an early stage of development, and may not develop as rapidly as we anticipate; competitive factors; outages or security breaches; our ability to develop, and market acceptance of, new services; the impact of any discovered product defects or outages; our ability to continue to sell our services outside the HR area; our ability to manage our growth; our ability to successfully expand our sales force and its effectiveness; whether our resellers and other partners will be successful in marketing our products; our ability to continue to manage expenses; the impact of unforeseen expenses, including as a result of integrating acquisitions; and general economic conditions worldwide. If any such risks or uncertainties materialize or if any of the assumptions prove incorrect, our results could differ materially from the results expressed or implied by the forward-looking statements we make.

Further information on these and other factors that could affect these forward-looking statements is included in the section entitled "Risk Factors" in our Annual Report on Form 10-K and in our most recent report on Form 10-Q and in other filings we make with the Securities and Exchange Commission from time to time.