Tour de Force

Marc Benioff
Chairman and CEO
Safe Harbor

Safe harbor statement under the Private Securities Litigation Reform Act of 1995: This presentation may contain forward-looking statements that involve risks, uncertainties, and assumptions. If any such uncertainties materialize or if any of the assumptions proves incorrect, the results of salesforce.com, inc. could differ materially from the results expressed or implied by the forward-looking statements we make. All statements other than statements of historical fact could be deemed forward-looking, including any projections of subscriber growth, earnings, revenues, or other financial items and any statements regarding strategies or plans of management for future operations, statements of belief, any statements concerning new, planned, or upgraded services or technology developments and customer contracts or use of our services.

The risks and uncertainties referred to above include – but are not limited to – risks associated with developing and delivering new functionality for our service, our new business model, our past operating losses, possible fluctuations in our operating results and rate of growth, interruptions or delays in our Web hosting, breach of our security measures, the immature market in which we operate, our relatively limited operating history, our ability to expand, retain, and motivate our employees and manage our growth, new releases of our service and successful customer deployment, and utilization and selling to larger enterprise customers. Further information on potential factors that could affect the financial results of salesforce.com, inc. is included in our quarterly report on Form 10-Q filed on January 31, 2008 and in other filings with the Securities and Exchange Commission. These documents are available on the SEC Filings section of the Investor Information section of our Web site.

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 our services should make the purchase decisions based upon features that are currently available. Salesforce.com, inc. assumes no obligation and does not intend to update these forward-looking statements.
Welcome to Tour de Force

Visionary Speakers | Hands-On Development | Educational Sessions

force.com
Salesforce.com’s Mission: SaaS Model Driver, Catalyst & Evangelist

Mid 20th Century Platforms → Late 20th Century Platforms → Software as a Service → 21st Century Platforms

IBM digital, Oracle, PeopleSoft, Siebel, SAP, Microsoft, Google, eBay, Amazon.com, salesforce.com

force.com
The SaaS Model: Multi-Tenancy, Subscriptions

Multi-Tenancy

- Faster Vendor Innovation
- Economies of Scale
- Scalability
- Automatic Upgrades

Subscription

"Without multi-tenancy, a SaaS offering can’t cultivate a Web 2.0 like community of developers who add functionality that all can share."

- Eric Knorr, InfoWorld
Why Multi-Tenant?
Technology Continues to Evolve to Shared Services

- Electricity
  - Onsite Generator
- Water
  - Well
- Business Applications
  - Software
Multi-Tenancy Serves Companies of All Sizes
Multi-Tenancy Delivers Performance at Scale

1. Your Company
2. Your Division
3. Your Customizations
4. Your Sharing Model

Query Optimization Engine

- Massive Scale: Billions of Transactions
- Immediate Response: Sub-second response time

Your Data
Multi-Tenancy Scalability and Performance

Delivering 150 Million Transactions Daily

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
</table>

- **Quarterly Transactions (billions)**
  - 2005: 5.0
  - 2006: 4.0
  - 2007: 3.0
  - 2008: 2.0

- **Page Response Time (ms)**
  - 2005: 250
  - 2006: 275
  - 2007: 300
  - 2008: 325

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[trust.salesforce.com](http://trust.salesforce.com)

force.com™
Multi-Tenancy Requires a New Architecture

Customize and Build Without Upgrades

- Customize or build any app
- Apps stored in database as metadata
- Platform infrastructure and upgrades separated from your apps
- Customizations and apps run on the latest release automatically

Each Customer’s Metadata
41,000+ Customers

Single Code Base and Shared Infrastructure

60,000+ Apps

25+ Major Upgrades
Delegating the Power of Multi-tenancy to You

Data Center & D.R.

Storage

Scalability

Security

Reporting & Analytics

Multi-Device

ชื่อเรียก พราบลส

Multi-Language

Multi-Currency

force.com
Multi-Tenancy Enables Reactive Innovation
25 Major Releases in 8 Years

Spring ‘08: Now Available!

All Customizations and Integrations Upgraded Automatically
“The majority of new SFA deployments will be based on SaaS.”

– Rob Desisto

CRM Leader & Visionary

Top Ten Disruptors of 2006

Forbes

Leader & Visionary

Top 100 Innovative Companies

BusinessWeek

Technology of the Year

2007 Forrester Groundswell Award

PC Magazine Editor’s Choice: UE

InfoWorld

Top Ten Disruptors of 2006

2007 Product of the Year

Silicon.com

#12 Top 50 Agenda Setters of 2007

2007 Securities Technology Leader

Top 10 Entrepreneurs & Cool Company

Fortune

Market Leader

Enterprise CRM

Best CRM & On-Demand Platform

securitiesindustry.com

2007 SaaS CODiE AWARDS

force.com™
1/1/1 Model for Strategic Corporate Philanthropy

1% Time
1% Equity
1% Product

- 70,000 hours community service
- 3,000 non-profit organizations
- Over $12 million grants

Corporate Citizen of the Year Award

#7 Top 100 Best Corporate Citizens

Excellence in Giving Codie Awards

Award for Using IT to Benefit Society Computerworld

2007 World’s Most Ethical Companies Ethisphere
Driving Towards the First $1 Billion SaaS Company

Annualized Revenue
Run-Rate Exceeds $850M
Strong Growth in New Customers

41,000+ Paying Customers
1,100,000+ Paying Subscribers

January 31, 2008

Fiscal Year
Based on publicly available customer and subscriber numbers. Bars represent fiscal quarters.
The Enterprise Standard for SaaS

Number of Subscribers

JP Network  郵便局 ~65,000
Dell  ~40,000
Cisco  ~30,000
Citi  ~30,000
Merrill Lynch  ~25,000
Sprint  ~21,000
Aon  ~12,000
Avaya  ~9,000
Symantec  ~5,800
Corporate Express  ~5,000
Ca  ~4,000
Canon  ~4,000
Ashland  ~3,200
CIT  ~3,000
SunTrust  ~2,600

“A lot of the creativity that you’ve seen in the software industry has been driven directly and indirectly from what salesforce.com has done.”

– John Chambers, Cisco Systems, Chairman & CEO
As quoted in USA Today

force.com™
Introducing:

Your Business in the Cloud

Salesforce and Gmail
Salesforce and Google Docs
Salesforce and Google Calendar
Salesforce and Google Talk
Our Strategy: The World’s First Multi-Application, Multi-Category SaaS Company
Entering the Second Decade of No Software

salesforce.com’s first decade: Software as a Service

salesforce.com’s second decade: Software as a Service Platform as a Service
It’s Time For Every Software Developer To Ask: “Which Path Will I Choose?”
The Software Developer’s Path Has Been: **Expensive, Complex and Risky**

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<thead>
<tr>
<th>You</th>
<th>Hardware Infrastructure</th>
<th>Software Infrastructure</th>
<th>Technical Operations</th>
<th>Business Operations</th>
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<tr>
<td></td>
<td>Network</td>
<td>Security</td>
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<td>Ordering</td>
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<td>Storage</td>
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<td>Provisioning</td>
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<td>Operating System</td>
<td>Integration</td>
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<td>Database</td>
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<td>Patch Mgmt</td>
<td>Billing</td>
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<td>App Server</td>
<td>Web Services</td>
<td>Upgrades</td>
<td>Renewal</td>
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<td>Web Server</td>
<td>API</td>
<td>Backup</td>
<td>Upgrades</td>
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<td>Data Center</td>
<td>Multi-Language</td>
<td>NOC</td>
<td>Marketing</td>
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<td>Disaster Recovery</td>
<td>Multi-Currency</td>
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<td>Sales</td>
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<td>Workflow</td>
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<td>Search</td>
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</tbody>
</table>

Your App

You

Hardware Infrastructure
- Network
- Storage
- Operating System
- Database
- App Server
- Web Server
- Data Center
- Disaster Recovery

Software Infrastructure
- Security
- Sharing
- Integration
- Customization
- Web Services
- API
- Multi-Language
- Multi-Currency
- Workflow
- Analytics
- Multi-Device
- Messaging
- Search

Technical Operations
- Authentication
- Availability
- Monitoring
- Patch Mgmt
- Upgrades
- Backup
- NOC

Business Operations
- Ordering
- Provisioning
- Licensing
- Billing
- Renewal
- Upgrades
- Marketing
- Sales
The Software Developer’s Path Has Been: Expensive, **Complex** and Risky
The Software Developer’s Path Has Been: Expensive, Complex and **Risky**

*The Go-to-Market Challenge for ISVs*

- How do I generate awareness and leads?
- How hard is going to be to make my software work on-site?
- How do I support customer demos, trials and proof of concepts?
- How do I handle billing and collection?
The “Reward” For Success: Multiple Deployments

- More provisioning
- More upgrades
- More tuning
- More broken integrations
- More broken customizations
- More security problems
- More performance problems
- More reliability problems
- More unhappy customers
The Reality: Too Many Software Projects Fail

“31.1% of projects will be cancelled before they ever get completed”

“52.7% of projects will cost 189% of their original estimates”

Standish Group, Chaos Report 2006
It’s Time For Every Software Developer To Ask: “Which Path Will I Choose?”
Cloud Computing Offers a Different Choice

Leverage the Infrastructure of the Internet to Run Your Apps

**Low Cost:** Subscription Model: **Pay as You Go**

**Simplicity:** Focus on **Innovation** not Infrastructure

**Ease Of Use:** Build and Deploy Apps **Instantly**
The Cloud Empowers Every Developer

Access to Unlimited Computing Power

Plug into a Utility Service

Infrastructure for Any Idea

Leverage The Work Of Others
Empowering Every Developer, Globally
Reach Every Business, Everywhere
Cloud Computing is Gaining Momentum

“A move towards clouds signals a **fundamental shift in how we handle information.**”

BusinessWeek

“...cloud computing, which many specialists regard as the **next evolutionary step in information technology.**”

The New York Times

“The cloud is a natural next step from the grid-utility model. You don’t have to be a Stanford or Carnegie Mellon Ph.D. to program cloud applications.”

IDC

force.com
Just As Applications Have Moved to SaaS: Platforms Are Now Moving to Cloud Computing

Mainframe Platforms → Client / Server & App Server Platforms → Cloud Computing

IBM

digital

Microsoft .net

bea Think liquid.

Microsoft Visual Basic Express Edition

IBM Lotus

WebSphere software

force.com platform as a service

amazon.com App Engine

facebook

force.com
Force.com: Platform as a Service
Cloud Computing for the ISVs & the Enterprise

Build and Run Any App in the Cloud
Scale Your Apps and Business Instantly
Leverage an Entire Technology and Distribution Solution
Force.com: The Fastest Path to Developer Success

Traditional Software
Expensive, Hard and Risky

Low Cost, Easy To Use, Low Risk
Force.com: The Proven SaaS Platform for a Decade

$100+ M Infrastructure
41,000+ customers
1,100,000+ subscribers
150+ M daily transactions
160,000+ SQL Statements / Sec
Force.com: Innovation Not Infrastructure

Us

- Infrastructure Services
- Application Services
- Operations Services
- Business Services

You

Your App
How Does it Work?

- Application Exchange
- User Interface as a Service
- Logic as a Service
- Integration as a Service
- Database as a Service
- Global, Trusted, Secure Infrastructure
Global Infrastructure as a Service

$100 Million Investment
2 Fully Mirrored Data Centers
Scalable Architecture
Disaster Recovery
Globally Distributed Data Centers

150M+ Transactions Daily
Average Speed 210ms
~37% Global Deployments

“Salesforce’s constant availability and reliable uptime have been critically important to us.”

double click

force.com
Multi-Tenant Global Scalable Architecture

Scalable “Pod” Architecture

NA1  NA2  NA3  EMEA  AP  “n” Pod

Multi-tenant clusters

Pod Architecture
Database cluster
App servers
Fully mirrored in DR facility
Add new pods for scalability

force.com™
The Most Trusted & Secure Infrastructure

Security
- SAS 70 Type II
- SysTrust Certified
- Network and Physical Security
- IP Restricted Access Option
- Flexible Single Sign-On Options
- Identity Confirmation

Transparency

<table>
<thead>
<tr>
<th>Date</th>
<th>Number of Transactions</th>
<th>Avg. Speed (ms)</th>
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<tbody>
<tr>
<td>10/25/07</td>
<td>126,009,484</td>
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<tr>
<td>10/26/07</td>
<td>119,430,694</td>
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<tr>
<td>10/27/07</td>
<td>121,456,374</td>
<td>0.115</td>
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<td>...</td>
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</tbody>
</table>

force.com

trustSalesforce.com™
Your Database on Our Service

8,700,000+
Customizations

160,000
SQL Statements per Sec

Scales from
1-XXX,000+ users

Create any table
Add any field
Build any relationship
Security & sharing built-in
Automatic audit history tracking
Automatic tuning
Automatic backups
Automatic upgrades

“...The ability to easily customize the Salesforce applications for our unique manufacturing industry-specific needs is something that no other solution on the market offered...”

MIYACHI
UNITEK

force.com™
Your Integrations on Our Service: Designed to Integrate with Any IT Architecture

1.75 Billion
API calls per month

28+ Billion
Total API calls

Web Services API
Packaged SAP & Oracle Integrations
Breakthrough SOA On Demand
Back-end and Desktop Integration
Over 40 Integration Partners on AppExchange

All Integrations Are Upgraded With Zero Customer Effort
Your Workflow on Our Service

*Declarative\nProgrammatic\nApprovals\nIntelligent\nTime-Based\nFormulas\nOutbound Messaging*

97,000+ workflow rules

7 Million+ automated tasks

“Salesforce is nimble enough to adapt to the way we do business.”

– Application Administrator

CHASE Paymentech

force.com
Your Code on Our Service

Live in Production

**1.5 Million** Apex System Requests per Day

**1.6 Million** Lines of Apex Code

First Multi-Tenant Programming Language
Programmatic Business Logic
Stored Procedures
Triggers
Data Validation
Complex Transactional Logic

“With Apex Code, we are able to prototype a new version of our on-demand application in less than three weeks.”

–Glen Wilson, Co-founder and CEO

[CRMfusion]
Apex Code

Characteristics
- Java-like syntax
- Strongly typed
- Transactional
- Schema-aware
- Governed
- Secured

integer NUM = 10;
Account[] accs;
// Clean up old data
accs = (select id from account where name like 'test%');
delete accs;
commit;
accs = new

Powerful Capabilities
- Database Triggers
- Web Services
- Transactional logic

Multi-Tenant Virtual Machine

Metadata

Your Code

Our Infrastructure

1.6M Lines of Code
Customers Success with Apex

"With Apex Code we were able to build a custom product configuration engine that doubled user adoption."

- Jason Venable
Create Any Application and Any Interface

Visualforce opens up a new world of possibility for user interface design. It helps us build compelling user interfaces packed with powerful business logic.

“...”

Tim Tribe, Head of Product Management

4,100+ Registered Users
10,500+ Custom Interfaces Created

Any User Interface
Any Application
Any Device
Create Any Application and Any Interface

Any Design

Any Interaction

Any Device

visualforce™
Run your user interface code on our service

Use the intelligence of Apex to build any interface logic

Leverage our library of standard interface components

Page
Form
Page
Text
Style
Image
Panel
Message
Developer Success with Visualforce

Visualforce

- ~30,000 Subscribers
  Custom Opportunity Management Interface

- ~2,500 Subscribers
  Sample Request Wizard

- Force.com ISV
  Invoice Management Application

“Visualforce is addictive.”
—Narinder Singh
Mash-Ups: Integrating the User Experience

- Build Business Mash-ups, exposing back office data like
  - Order History
  - Pending Invoices
  - Payment History
  - Credit Limit/Exposure
  - etc.
  along with data in your force.com database
Embed Any Mash-Up

Build Any Form

Create Any Button or Link

Use AJAX Anywhere
World’s First Development Tools and Services for the Cloud

Development as a Service

Metadata API
- Easy Access to Code and Schema

Force.com IDE
- Everything You Need to Build Apps

Force.com Sandbox
- Instantly Set Up Dev Environments

Force.com Code Share
- Easy to Collaborate on Projects
Application Exchange as a Service

800+ Apps
65,000+ Apps Installed
285,000+ Test Drives
450+ Total ISVs
30+ Japanese ISVs

Pre-integrated Applications
View, Try, Install
Build on Force.com
CRM & Non-CRM Apps

“The iTunes of business software.”
Native ISV Apps on force.com™

- ERP
- Finance & Accounting
- Contract & Proposal Management
- Vertical CRM for Life Sciences
- Productivity & Collaboration Tools
- Sales Compensation Management
- Human Capital Management

Brands: DATASUL, CODA, APTTUS, Verticals onDemand, dreamfactory, CALLIDUS SOFTWARE, Fairsail
60,000+ Native Customer Apps On

Morgan Stanley - Recruiting

The Schumacher Group - Emergency Room Staffing

Japan Post - Retail Compliance

The CRC Health Group - Patient Intake Management

Borland - Custom-built customer service apps

Intuitive Surgical - Clinical Trials Management

EA - Recruiting and Contract Management

Celerant - Recruiting, PSA, PTO
Force.com: Unleashing Everyone’s Innovation

Admins / Business Analysts
Custom fields, objects, tabs, layouts, reports, workflow

Excel Pros
Formula fields, validation rules

Web Developers
Visualforce

Professional Developers
Apex code
### Platform as a Service Provides a New Model

<table>
<thead>
<tr>
<th>Software as a Service</th>
<th>Platform as a Service</th>
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<tbody>
<tr>
<td>Made <strong>Deploying</strong> Applications</td>
<td>Makes <strong>Building and Deploying</strong> Applications</td>
</tr>
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</table>

- ✓ Easier
- ✓ Lower Cost
- ✓ Simpler
force.com™ What Will You Build?

- Event Management
- Tax Calculation
- Billing
- Audit
- Currency Conversion
- General Ledger
- Supply Chain
- Approval Processing
- HRM
- Claims Processing
- Brand Tracking
- Inventory Management
- Accounts Receivable
- Check out
- Event Ticketing
- Accounts Payable
- Helpdesk
- Engineering Management
- Customer Care
- Payroll
- Vendor Management
- Employee On-boarding
- Compliance Tracking
- General Ledger
- Compliance Tracking
- Tax Calculation
- General Ledger
- Compliance Tracking
- Trade Settlement
- Accounts Payable
- Payroll
- Shipment Scheduling
- Claims Processing
- Account Provisioning
- Recruiting
- Human Resources Management
Leader in Signal Processing Technology

Over 800 Sales and Marketing Users

Extensive Customizations with Force.com
Tour de Force
Dolby – innovative entertainment technologies
Cinema licensing management app
Custom Force.com app using Visualforce & Apex
Tour de Force
Force.com: The Best Choice For Established ISVs

2,600 Enterprise Customers
600 Employees
9 Countries in EMEA
Manufacturing, Distribution & Retail
Launching @ Dreamforce Europe
Force.com Demo

Steve Fisher
SVP Platform
Force.com
Getting Started – Breakout Sessions

Business Users: Force.com Fundamentals
- Zero to Force.com in 60 Minutes
- Best Practices for Building On-Demand Apps

Developer: Apex, VisualForce and Beyond
- Apex Code Deep Dive
- Build Any UI for Any App Using Visualforce

ISVs: Force.com Entrepreneurs and ISVs
- 7 Secrets to SaaS Startup Success
- Join the SaaS Revolution: Become a Force.com ISV Partner
Thank you!

Marc Benioff  
Chairman and CEO  
ceo@salesforce.com