

Xactly Corporation Names Steve Wong Chief Financial Officer

SAN JOSE, Calif. – January 5, 2006 – Xactly™ Corporation (www.xactlycorp.com), the first and only company to deliver a real-time, web-based, 100% on-demand sales compensation application that enables companies to incent right and sell more, today announced the appointment of Steven J. Wong as chief financial officer. Wong will be responsible for building and managing Xactly's finance and information technology organizations.

"Steve brings over 25 years of successful financial management experience with leading private and public Silicon Valley software companies," said Christopher W. Cabrera, founder, president and CEO of Xactly Corporation. "He has repeatedly worked with executive management teams throughout his career to significantly grow company revenues and achieve profitability. Steve's strategic understanding of all finance, compliance and operational issues makes him a key addition to our management team as we continue to grow Xactly as the leader in the on-demand sales compensation management market."

Most recently Wong served as chief financial officer and vice president of operations for Rainfinity, a leading provider of virtualization solutions for heterogeneous networked attached storage and file system environments. During a five-year career that included playing a leading role in Rainfinity's successful merger with EMC Corporation (NYSE: EMC) in 2005, Wong was responsible for accounting, finance, information technology, human resources, purchasing, order administration, contracts, facilities, customer support and Asia Pacific sales. Prior to joining Rainfinity, Wong served as chief financial officer and vice president of operations for SQRIBE Technologies, a leader in the enterprise reporting market. During his tenure, Wong was instrumental in leading the company to profitability and a successful merger with Brio Technology in 1999.

Additional career finance positions include tenures as vice president of finance for BEA Systems (NASDAQ: BEAS), the world's leading application infrastructure software company, where he helped guide the company's growth from 6 to over 650 employees through numerous acquisitions. Prior to BEA Systems, he served as chief financial officer of Rasna Corporation, a mechanical design automation software company, that later merged with Parametric Technology Corporation (NASDAQ: PMTC), a leading provider of product lifecycle management, content management and dynamic publishing solutions. During his nine-year career at Rasna he helped lead the company to being named to Inc. Magazine's 500 fastest growing private software companies in 1994.

Wong holds a bachelor of science degree from Stanford University and a masters degree in business administration, cum laude, from the University of Notre Dame.

"It's an exciting time to join such a fast growing and well positioned company," said Wong. "Xactly is fast becoming the de facto sales compensation management application of choice for on-demand customers," said Wong. "I look forward to adding my experience and expertise in creating a solid and scaleable finance and operations infrastructure and helping take Xactly to the next stage in their growth."

While Xactly Incent is a stand alone application, it is also tightly integrated with salesforce.com's Salesforce via the Sforce on-demand platform. Xactly Incent's Incentive Estimator provides customers with the ability to run "what-if" scenarios based on Salesforce opportunities or estimated sales to calculate potential commission and bonus estimates and payments before, during and after a sale. From Xactly Incent, customers can quickly access the Salesforce opportunities of interest by using filters on information such as date and probability of closure.

About Xactly Corporation

Xactly Corporation delivers on-demand sales compensation applications that enable companies to incent right and sell more. In today's spreadsheet paradigm, companies tend to simplify or unnecessarily complicate their incentive programs. These programs, delivered with no real-time visibility, often



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leave the sales force unmotivated, resulting in unpredictable results. Xactly Incent allows companies to easily and affordably design, implement, manage and audit optimized incentive programs. With these improved programs in place, Xactly Incent provides sales with unprecedented real-time visibility via the web. The combination of the right incentives with complete visibility motivates sales to sell more. For more information, visit www.xactlycorp.com or call 1-866-GO-XACTLY.

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