

Xactly Corporation Steps Up to Enterprise Demand; Introduces Xactly Data Management

Facilitates Integration with Back-End Applications and Key Disparate Data Sources

SAN JOSE, Calif. – October 2, 2006 – Xactly Corporation, (www.xactlycorp.com), the leader in automated on-demand sales compensation management, today announced the availability of Xactly Data Management™ to facilitate deployment and integration of the company's industry leading compensation automation application, Xactly Incent™. Xactly Data Management allows for deeper integration with key disparate data sources such as ERP, CRM and HR applications as well as a multitude of other data sources.

Xactly Incent is used by sales and finance executives, compensation analysts, sales operations and sales professionals. Its rules-based, services-oriented architecture enables customers to quickly build all types of compensation plans and manage incentive compensation with minimum initial investment and low cost of ownership.

"The rapid acceptance of Xactly Incent's on-demand offering within enterprise organizations with between 300 and 1,500 sales people required us to expand our offering," said Christopher W. Cabrera, Xactly founder, president and CEO. "With the introduction of Xactly Data Management, we're fulfilling our enterprise customers' demand to provide an enterprise level solution to help them integrate Xactly Incent with their back-end applications and other key data sources. Xactly Data Management will address one of the most challenging areas in any project – data integration and data management – and give our customers the flexibility to select the appropriate approach to data management based on their specific business and IT requirements. The result is quicker deployments and lower implementation costs."

"A typical on-premise ICM implementation takes four to eight months to deploy which is unacceptable to companies facing constant market and business model changes and requiring a quick return on investment," said Dr. Jimmy C. Duan, Xactly vice president of client services. "By combining our extensive incentive compensation experience with the latest data management technologies, we have developed Xactly Data Management to enable even our larger customers to integrate Xactly Incent with their back-end applications and disparate data sources in less than a month."

"Xactly Data Management provides a number of pre-built connectors to most industry leading applications including Salesforce.com, SAP, PeopleSoft, Oracle, Siebel, Great Plains, Microsoft CRM, SalesLogix and others" said Dr. Duan. "The availability of these connectors and pre-configured mappings enables our customers to automate loading data into Xactly Incent and exporting data to target sources such as ADP or Ceridian."

"Historically, questions have persisted as to whether on-demand software vendors can accommodate enterprise customers' integration requirements," said Laurie McCabe, Vice President SMB Insights and Solutions, AMI-Partners. "Xactly Corporation has stepped up to meet this challenge with Xactly Data Management, which gives customers seamless integration between the Xactly Incent on-demand sales compensation management solution and their back-end ERP, CRM and HR systems."

About Xactly Corporation

Xactly Corporation delivers automated 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 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.

Media Contact:

Dan Rampe

Director of Corporate Communications

Xactly Corporation

Tel: 408-977-3132, ext. 310

Email: drampe@xactlycorp.com

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