

Xactly Corporation Appoints Karen Steele Vice President of Marketing

Industry Veteran Brings Over 20 Years Marketing Leadership and Experience to Leading On-Demand Sales Compensation Management Vendor

SAN JOSE, Calif. – November 6, 2006 – Xactly Corporation, (www.xactlycorp.com), the leader in automated on-demand sales compensation management, today announced the appointment of Karen M. Steele to vice president of marketing. Steele will be responsible for managing all aspects of Xactly's worldwide marketing.

The Xactly Incent™ on-demand sales compensation management solution 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.

"Karen is an award-winning marketing professional with a track record of growing software companies into successful global brands," said Christopher W. Cabrera, founder, president and CEO of Xactly Corporation. "Karen has consistently delivered for Fortune 1000 brands like Apple Computer and Informatica Corporation and start-ups throughout her 20-year technology marketing career. I look to Karen to grow and further accelerate our on-demand sales compensation leadership position through strategic go-to-market and global marketing initiatives."

Most recently, Steele served as vice president of corporate marketing with Informatica Corporation, a leading provider of data integration software and services. Steele was responsible for managing Informatica's global marketing operations including directing the development and execution of corporate marketing strategy, brand strategy and awareness, positioning, analyst relations, public relations, marketing communications, demand creation and field marketing, corporate events, partner marketing and customer programs including install base up-sell and cross-sell initiatives.

Prior to joining Informatica, Steele served as vice president of global marketing for Currenex, where she successfully introduced and positioned the online global currency exchange as a major, independent force in the world's largest financial market. As director of corporate marketing for AlphaBlox, she launched and positioned the company as a leader in the analytical applications software space.

Steele began her career at Apple Computer, Inc. where she spent 15 years directing worldwide marketing communications and consumer marketing and brand programs. Steele is the recipient of the 1998 American Marketing Association Sherman Award for Marketing Excellence for the "Best Start-Up Launch" and the PRWeek 2002 "Best Business-to-Business Campaign of the Year."

"Sales compensation management is poised to be a billion-dollar category and I look forward to helping Xactly dominate it," said Karen Steele, Xactly vice president of marketing. "It has never been more important for global businesses to manage their sales compensation processes efficiently and cost-effectively, and increasingly they are choosing on-demand solutions to do the job. I look forward to helping demonstrate why Xactly is uniquely positioned to serve these businesses and help drive the category to fulfill its potential."

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, as well as comprehensive data management and analytics capabilities. 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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