

**RALLY BRIDGES CRM AND AGILE DEVELOPMENT  
VIA SALESFORCE.COM'S NEW APPEXCHANGE OEM EDITION**

*Launch of Rally Agile Product Manager marries the worlds of Customer Relationship Management and Application Lifecycle Management to further the Agile enterprise*

BOULDER, CO., May 24, 2006 – Rally Software Development Corp., the leading on-demand provider of Agile Application Life Cycle Management (ALM), today announced Rally Agile Product Manager™, a new on-demand offering available as one of the first applications delivered through salesforce.com's new AppExchange OEM Edition. Unveiled today at Appforce, salesforce.com's AppExchange user, developer and partner conference, Rally Agile Product Manager enables product managers and IT business analysts to easily plan and release a continuous flow of software products and services based on customer input taken directly from Customer Relationship Management (CRM) systems.

“A new platform is emerging for managing the Agile Enterprise – one that ties customer needs directly to the software development process and replaces inefficient internal applications that are costly to buy, integrate and manage,” said Ryan Martens, founder and CTO of Rally. “Now, software-driven organizations can achieve true enterprise-wide business agility through a higher level of responsiveness and feedback management with customer and market needs.”

With Rally Agile Product Manager, organizations using salesforce.com or other CRM solutions can extend the benefits of Agile methodologies beyond just software development teams. With customer responsiveness a cornerstone of Agile development practices, the new Rally product extends the benefits of these “lean” methodologies farther across the enterprise to meet the needs of mainstream adoption of Agile by developers, managers and executives.

“With AppExchange OEM Edition our partners can deliver compelling on-demand applications to their customers through the industry's premier on-demand platform,” said Bobby Napiltonia, senior vice president for worldwide channels and alliances at salesforce.com. “Rally Agile

Product Manager seamlessly connects customer management with development management to give organizations the real competitive advantage of responding faster to exact customer needs.”

Through its integration with salesforce.com, Rally continues to strengthen its leadership position for organizations looking to adopt and scale Agile methodologies. The company’s flagship management application was recently awarded the software industry’s prestigious Jolt Award. Rally’s family of products manages the entire Agile development lifecycle for both small project teams and large-scale, multi-team programs. Rally complements its on-demand offerings with world-class training and coaching delivered by the foremost experts in the Agile community. Now, with Rally Agile Product Manager, Rally increases the reach and benefits of agility further into the organization by enabling product managers and business analysts to easily create feature roadmaps driven directly from customer requests and competitive win/loss reports. It also allows release managers to synchronize their global workforces around critical product launch milestones, tasks and deliverables for the very first time. Specific feature sets include:

- Product Planning – Organizes and manages all forms of user, product and market feedback for creating release plans that forge consensus among project stakeholders and maximize market impact. When combined with salesforce.com or other CRM systems, roadmap features are linked directly to customer-reported requests, defects and win/loss reports.
- Release Management – Provides project management tailored to launching new products and upgrades using shorter, faster release cycles. Features help track and manage timelines, milestones, tasks, issues and deliverables to keep all departments synchronized with the launch schedule. When used with Rally’s ALM application, development schedules and feature status automatically flow into real-time dashboards to keep everyone informed about functionality in the next release.
- Collaboration and Document Management – Captures the needs from all internal channels and customer portals, displays real-time launch status and development progress, and provides controlled access to release plans, marketing documents and sales tools.

“Rally addresses the fundamental goal all companies have of improving how we define, build and deliver products our customers really want and need,” said Torsten Weirich, EVP Development, Acorn Systems. “For Acorn, this means extending Agile practices to our entire company. We’ve relied on the current integration between Rally and Salesforce to close the loop on customer-reported support cases. Now that we’re accelerating to quarterly release cycles, these new product management features will make it easier for our teams to build consensus around our feature backlogs and keep everyone informed of our release status. I also know the ability to now tie our roadmaps to the customer requests and competitive wins/losses stored in Salesforce will help us make smarter decisions.”

### Pricing and Availability

Rally Agile Product Manager is available immediately in two versions - a stand-alone version for non-salesforce.com customers and an integrated version available via AppExchange OEM Edition. Through a special introductory offer, the AppExchange version is available free-of-charge for one year from the date of sign-up and the stand-alone version is available for \$35/user/month for customers who sign up by November 15, 2006. For more information on this offer, visit [www.rallydev.com](http://www.rallydev.com).

### About Rally Software Development

Based in Boulder, Colo., Rally Software Development is helping change the way companies around the globe define, develop and deliver software. Rally’s family of on-demand solutions for Agile software life cycle management support the mainstream adoption of Agile development practices, a fast-growing trend that helps software organizations speed value delivery with fixed resources and schedules. The company’s customers include thousands of subscribers from leading software vendors, Internet companies and corporate development teams that are committed to delivering high-value software that adapts quickly to new business realities. Rally’s world-renown coaches and expert partners complement its on-demand applications with training, mentoring and consulting services for creating the Agile organization. The company is privately held and backed by Mobius Venture Capital and Boulder Ventures. For more information about Rally, visit the company's Web site at [www.rallydev.com](http://www.rallydev.com)

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