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Xcalia[®] Secures Venture Financing to Expand Business and Market SOA Software Platform

Company to Further Establish Next-Generation Intermediation Technology in the U.S. and Europe

Palo Alto, CA and Paris, France – December 5, 2006 – Xcalia, a leading provider of dynamic integration software, today announced that it has raised an additional two million euros in venture financing to continue its growth. The funds come from leading European software investors InnovaCom, Iris Capital and I-Source Gestion, all of which have supported the company in previous stages of growth.

"Xcalia has proven the advantages of using its Intermediation technology over traditional integration methods with 20 large European companies as customers, some handling data volumes scaling to ten million or more transactions per day," said Curt Gunsenheimer, Partner at Iris Capital, "Following its partnerships with IBM, Microsoft and leading U.S.-based systems integration partners, we anticipate customer deployments to accelerate further."

Xcalia develops and markets Xcalia Intermediation Core™ and the Xcalia Intermediation Platform™, dynamic integration software solutions which utilize a different approach to creating and managing composite applications and their modern and legacy data resources. Through Intermediation, a layer between the business model and the data/service resources, composite applications can be assembled faster and easier to meet changing business demands. This capability translates to faster development and deployment of applications and services, meanwhile reducing the cost of future SOA and mainframe migration projects.

“We are pleased to have the continued support of our investors, which have backed some of Europe’s most successful enterprise IT companies,” said Pierre Violo, CEO of Xcalia. “We anticipate 2007 to be an excellent year, when large-scale enterprises come to understand the unique value Xcalia offers in terms of both IT cost containment, rapid application development and deployment and also legacy data asset migration.”

About Xcalia

Xcalia’s dynamic integration software makes it easier for enterprises to build composite applications in SOAs while reusing valuable information resources, optimizing IT investments and reducing operating costs. Through Intermediation, a layer between the business model and the data/services resources, applications can be created or updated quickly to meet changing business demands. Xcalia is ideal for high-performance transactional applications that also need to reuse legacy and mainframe resources with maximum interoperability in any environment. The company has 20 large enterprises among its customers and has key partnerships with IBM and Microsoft. Headquartered in Paris, France, Xcalia has offices in the U.S. and Germany, and the company is privately held. For more information, visit www.xcalia.com.

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