



**FOR IMMEDIATE RELEASE**

## **KANA Inks Multi-Million Dollar Deal with Fortune 100 Retailer**

**MENLO PARK, Calif. – February 28, 2008** – KANA Software, Inc. (OTCBB: KANA.OB), a world leader in multi-channel customer service, today announced that it has closed a seven-figure transaction with a top U.S. retailer for software license and managed services, reflecting continued market demand for its multi-channel solutions.

One of the top five U.S. specialty retailers has chosen to expand its KANA knowledge solution enterprise-wide, based on the business value the company achieved during its Phase 1 deployment. KANA's solution enhanced the consumer experience and substantially increased operational efficiency – critical success factors in the specialty retail sector.

Michael Fields, KANA CEO said, "We are pleased that another KANA customer has expanded its deployment based upon an in-depth evaluation and documented business value. In this case, over 1,000 users across five business segments actively used the product throughout the holiday season. The results demonstrate that exceptional service experiences can reduce operational costs while increasing customer loyalty and retention."

In today's increasingly competitive marketplace, companies are looking at ways to strongly differentiate their products and services. KANA enables companies to provide a quality service experience across every communication channel. The Company's solutions are deployed at many of the world's largest organizations to increase customer satisfaction by providing fast, accurate answers to customer questions across phone, email, and Web.