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KANA Software Chooses OpSource to Deliver KANA Response On Demand

OpSource Solution Provides 100% Availability, Scales to Meet Customer Demand, Reduces Initial Costs by 70% and Ongoing Costs by 30%

Santa Clara, Calif., April 4, 2005 – KANA Software (NASDAQ: KANA), a leading provider of Service Resolution Management (SRM) solutions, has selected OpSource, a leading enabler of Software as a Service (SaaS) applications, as its partner for delivering KANA Response On Demand, the company's second hosted SRM solution. KANA Response, an industry leading e-mail response management solution, is available as a service, leveraging OpSource's Optimal On-Demand^{sm}, a complete, turnkey, scalable service delivery solution that is cost-effective and offers a 100% availability guarantee. OpSource makes it possible for KANA to deliver reliable, cost-effective and scalable on demand software solutions in a world class infrastructure, without the risk and costly investment.

"We were faced with an increasing demand from both mid-market companies and large enterprises for high-volume, automated customer e-mail management solutions, offered in an on-demand model," explained Brian Kelly, executive vice president of products and marketing at KANA. "OpSource offered the best solution to minimize our on-demand infrastructure costs and maximize the reliability and scalability of our solution. They have an unbeatable combination of SaaS expertise, world-class infrastructure and cost savings. This is the first of several applications that we expect to deliver as a service, in partnership with OpSource."

"Our experience with OpSource has been phenomenal," continued Kelly. "OpSource is the only vendor that scales its infrastructure on-demand and prices its services on-demand. As a result, our initial costs were reduced 70% and we've experienced ongoing savings of 30%. OpSource's business objectives are completely aligned with KANA's, so that as we succeed, so does OpSource."

Meeting Market Demands, Reducing Costs, Delivering Superior End User Experience

"KANA Response On Demand is a critical component of a customer service organization, and the delivery of an application that is so vital to customer service must be absolutely flawless," stated Treb Ryan, CEO of OpSource. "By leveraging our SaaS skill set, proven best practices in service delivery and bulletproof infrastructure, KANA Software can confidently support high volume e-mail response management and effectively allow for superior customer interactions. Most importantly, KANA can take advantage of OpSource's premium service delivery at a remarkably low cost. We understand the synergies between the on-demand model and KANA's Response On Demand solution, and know that is absolutely imperative that we deliver the superior reliability and a 100% service level guarantee that KANA, and its customers, expect."

To enable the delivery of KANA's Response On Demand, OpSource provides first line call center support for KANA's customers, application management, 24x7 systems management, hosting, networking and monitoring in a fully redundant infrastructure housed in a Tier 1 data center facility. In addition to on-site support, OpSource supplies security services, including redundant firewalls configured with session-based failover and a managed firewall. To ensure maximum scalability, OpSource delivers a utility computing architecture that encompasses business continuity services such as regular backups and disaster recovery. OpSource manages KANA's escalation and support, trouble ticketing, change management and integrated application, network, and system monitoring. OpSource has also consulted on the technical and business elements of KANA's service delivery model.

About KANA
KANA is a leading provider of Service Resolution Management (SRM) solutions that improve customer satisfaction, reduce service costs, and increase revenues. KANA's award-winning suite of customer service solutions for assisted, self, and proactive service enables companies to resolve customer requests quickly and accurately across multiple channels. Built on the industry's most advanced web architecture, KANA's solutions are in use at more than half of the world's largest 100 companies. For more information visit **www.kana.com**.

About OpSource
OpSource, a leader in enabling Software as a Service (SaaS), provides cost-effective, turnkey solutions for software companies that need to quickly add or grow SaaS products and revenue. Optimal On- Demand^{sm}, a comprehensive and scalable offering built on the company's patent-pending OptiTech Services Engine^{sm}, meets the growing need for software companies to deliver SaaS quickly, without the inherent risk and investment in a costly services infrastructure. Optimal On-Demand includes application management, end-user support, 24x7 systems management, hosting and networking, security, disaster recovery, change management, and more, as well as optional consulting services to help software companies work through the business model, code, and operational issues associated with SaaS. Optimal On-Demand is provided under the software company's brand and priced per unit, on-demand, delivering immediate and ongoing ROI.

Headquartered in Santa Clara, CA, OpSource has additional operations in the Los Angeles, New York City, Denver, Chicago, and Washington, D.C. metro areas, as well as international offices in London and Bangalore. For more information about OpSource, visit the company's web site at opsource.net.

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Cautionary Note Regarding Forward-looking Statements Under the Private Securities Litigation Reform Act of 1995:
Information in this release regarding KANA's forecasts, projections, expectations, beliefs, and intentions are forward-looking statements that involve risks and uncertainties. These statements include statements about KANA's expected revenue, operating results, EBITDA, cash flows, long-term success, new business and market position. All forward-looking statements included in this release are based upon information available to KANA as of the date of this release, which may likely change, and we assume no obligation to update any such forward-looking statement. These statements are not guarantees of future performance and actual results could differ materially from our current expectations. Factors that could cause or contribute to such differences include, but are not limited to: competition in our marketplace, including introductions of new products or services, or reductions in prices, by competitors; risks associated with lack of market acceptance of KANA's products or services; inability to enhance and develop our products and services within budget and on schedule; inability to attract and retain qualified employees, to manage cash and expenditures or to expand sales; inability to manage our business in light of recent personnel reductions; KANA's history of losses; the effect of potential military action and terrorist activities; and slow economic conditions, particularly as they affect spending by our prospective customers on eCRM and similar enterprise software products. These and other factors are risks associated with our business that may affect our operating results and are discussed in KANA's filings with the Securities and Exchange Commission, including our most recent annual report on Form 10-K and our quarterly reports on Form 10-Q.