



# Safe Harbor Statement



*The statements contained in this presentation that are not purely historical are forward looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934. These include statements regarding Actuate's expectations, beliefs, hopes, intentions or strategies regarding the future.*

*All such forward looking statements in this presentation are based upon information available to Actuate as of the date hereof, and Actuate disclaims any obligation to update or revise any such forward looking statements based on changes in expectations or the circumstances or conditions on which such expectations may be based. Actual results could differ materially from Actuate's current expectations.*

*Factors that could cause or contribute to such differences include, but are not limited to, the general spending environment for information technology products and services in general and Business Intelligence, Performance Management, Rich Internet Application and Enterprise Output Management software in particular, quarterly fluctuations in our revenues and other operating results, our ability to expand our international operations, our ability to successfully compete against current and future competitors, the impact of acquisitions on the Company's financial and/or operating condition, the ability to increase revenues through our indirect channels, general economic and geopolitical uncertainties and other risk factors that are discussed in Actuate's Securities and Exchange Commission filings, specifically Actuate's 2011 Annual Report on Form 10-K filed on March 9, 2012 as well as its quarterly reports on Form 10-Q.*

## *Use of Non-GAAP Financial Measures*

*The non-GAAP financial measures are included in this presentation to provide an additional analytical tool for understanding the Company's financial and operating performance, and to facilitate comparability of financial results between historical financial reporting periods, among other reasons. Non-GAAP financial measures discussed in this presentation were calculated by adding back the revenue that could not be recognized due to the impact of purchase accounting on the acquired Xenos Group Inc. revenue contracts and by excluding the amortization of purchased technology and other intangible assets related to Actuate's acquisition transactions, restructuring and impairment charges, stock-based compensation expense, expenses related to idle facilities, acquisition related expenses, other one-time employee termination costs, foreign currency exchange gains and losses and an adjustment to the tax provision. It is management's belief that these items are not indicative of ongoing operations and as a result, non-GAAP financial measures that exclude such items provide additional insight for investors in evaluating the Company's financial and operational performance. However, these non-GAAP financial measures should not be considered in isolation or as a substitute for the Company's GAAP results. Pursuant to the requirements of SEC Regulation G, a detailed reconciliation between the Company's GAAP and non-GAAP financial results is provided in today's press release, as well as in the investor relations section of Actuate's website at [www.actuate.com](http://www.actuate.com). Investors are advised to carefully review and consider this information strictly as a supplement to the GAAP financial results that are disclosed in the Company's SEC filings.*



# Solid Start to FY2012 and the Published 5 Year Projection

## *Actuate's Unique Enterprise/ Open Source Model is Working*

- Model of BIRT open source distribution to seed mission critical, enterprise class projects is working
- Certain single BIRT project revenues rival what pure open source BI companies generate in a whole quarter
- Already delivering on earnings growth potential with 24.4% operating margin in Q1'12
- BIRT and ActuateOne applications, like most other Actuate applications, are mission critical and will generate 5 to 15 years of maintenance renewals
- BIRT and ActuateOne will continue to dominate information visualization projects



**BIRT and ActuateOne is the Visualization Layer for More People in the World Today than All Other BI Software**



# Solid Deployment of BIRT and ActuateOne in Production



## *Large scale applications developed and deployed across key industries*

- Next generation treasury application at a global bank
- National sales compensation application at a major telco
- Patient care and financial management application for a regional healthcare service provider in the UK
- Revenue generating information delivery application for the manufacturing systems industry
- Employee benefits portal for 600,000 customers
- Social media monitoring application for a digital marketing agency
- Inventory control application for industrial and automotive parts manufacturer
- Facilities management application for state government
- Loan tracking, cross-sell and anti-money laundering applications for a consumer bank
- Embedded in numerous OEM and SaaS offerings from partners such as Access Data, BMC Software, CA, Cisco, eMeter, GE Healthcare, Infor, Integrated Data Services and Siemens



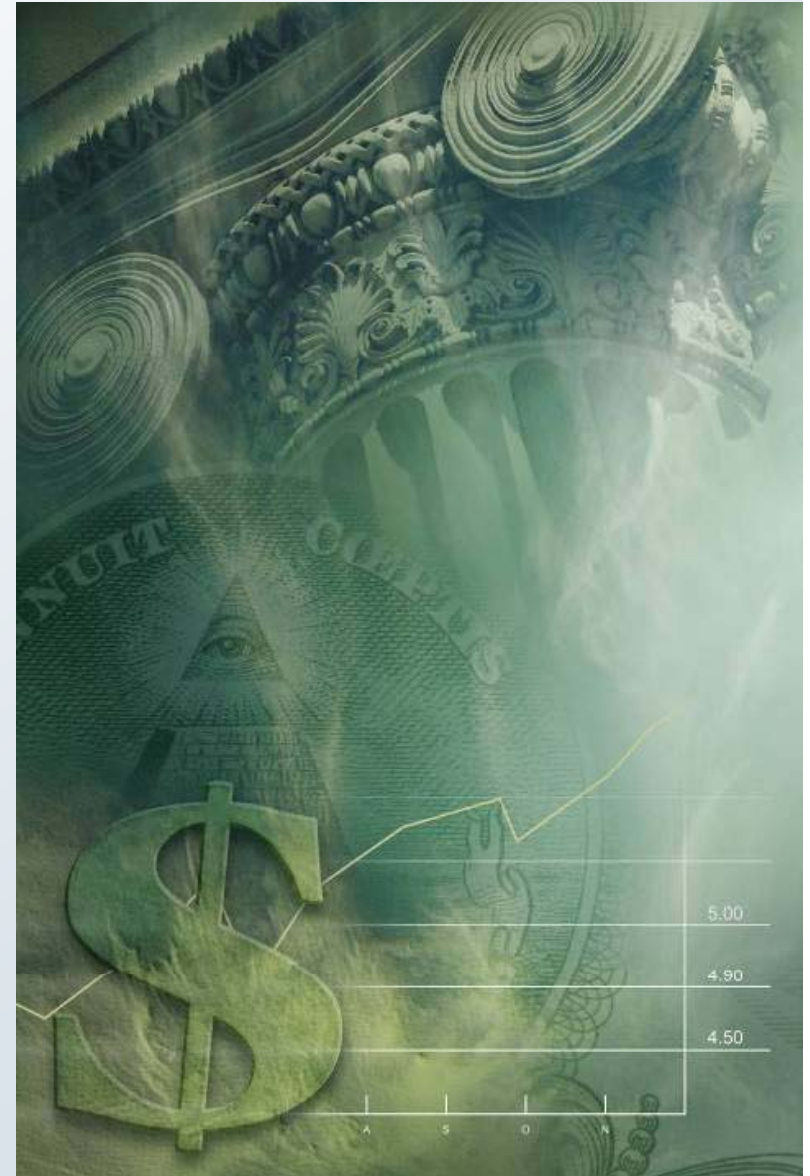
# First Quarter FY2012 Summary



## ***Q1 FY2012***

- ***Revenue of \$34.8 million***
- ***License revenue of \$13.4 million***
- ***Non-GAAP fully diluted EPS of \$0.11***
- ***\$1.7 million cash flow from operations***

First quarter 2012 non-GAAP financial results were calculated by excluding amortization of purchased technology and other intangibles related to Actuate's acquisition transactions, stock-based compensation expense, restructuring charges, impairment charges, foreign currency exchange gains and losses and an adjustment to the income tax provision. All of these income and expense items are included in Actuate's GAAP results. The income tax rate used to compute 2012 non-GAAP financial results was 30%.



# First Quarter Transactions



Financial Services over 50% in Q1FY12  
About 40% of applications outside of the firewall in Q1FY12

# BIRT Business on Trailing Twelve Months (ttm) Basis

## ***214 BIRT license transactions***

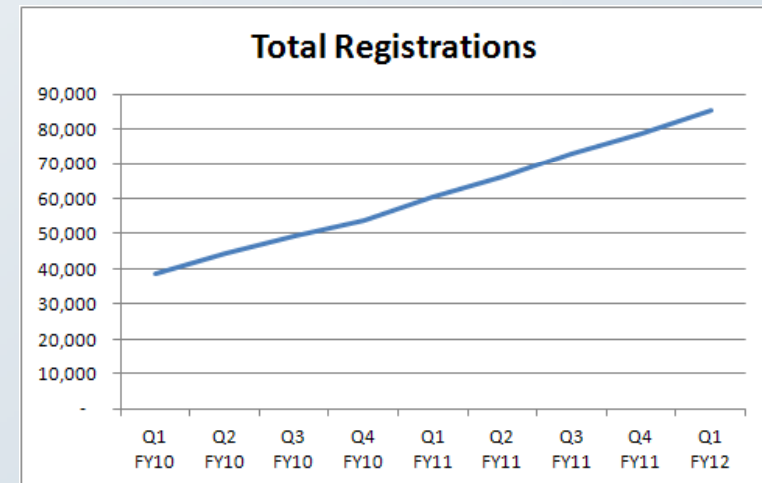
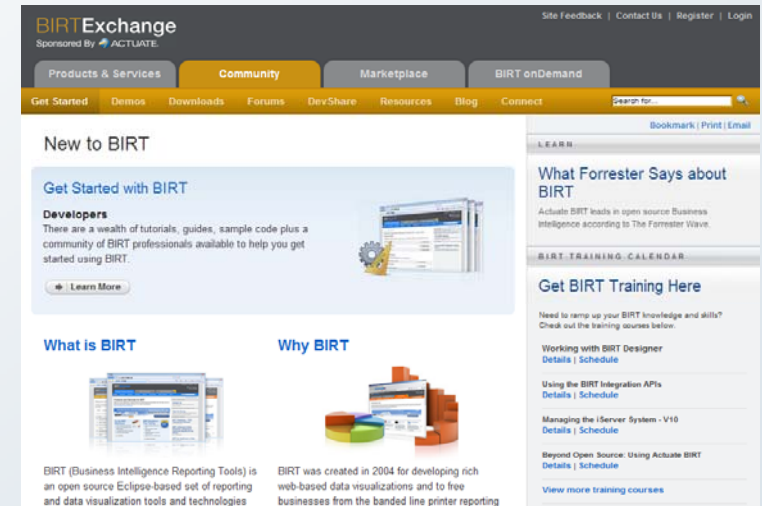
- Up 23 transactions compared with prior ttm
- ### ***Contribution to BIRT license business from open source BIRT users continues to increase***
- BIRT license business from open source BIRT users increased 44% on ttm basis
  - Accounts for over 35% of total BIRT license business on ttm basis

## ***BIRT drives new customers***

- Number of new customer additions from BIRT up 30% on ttm basis

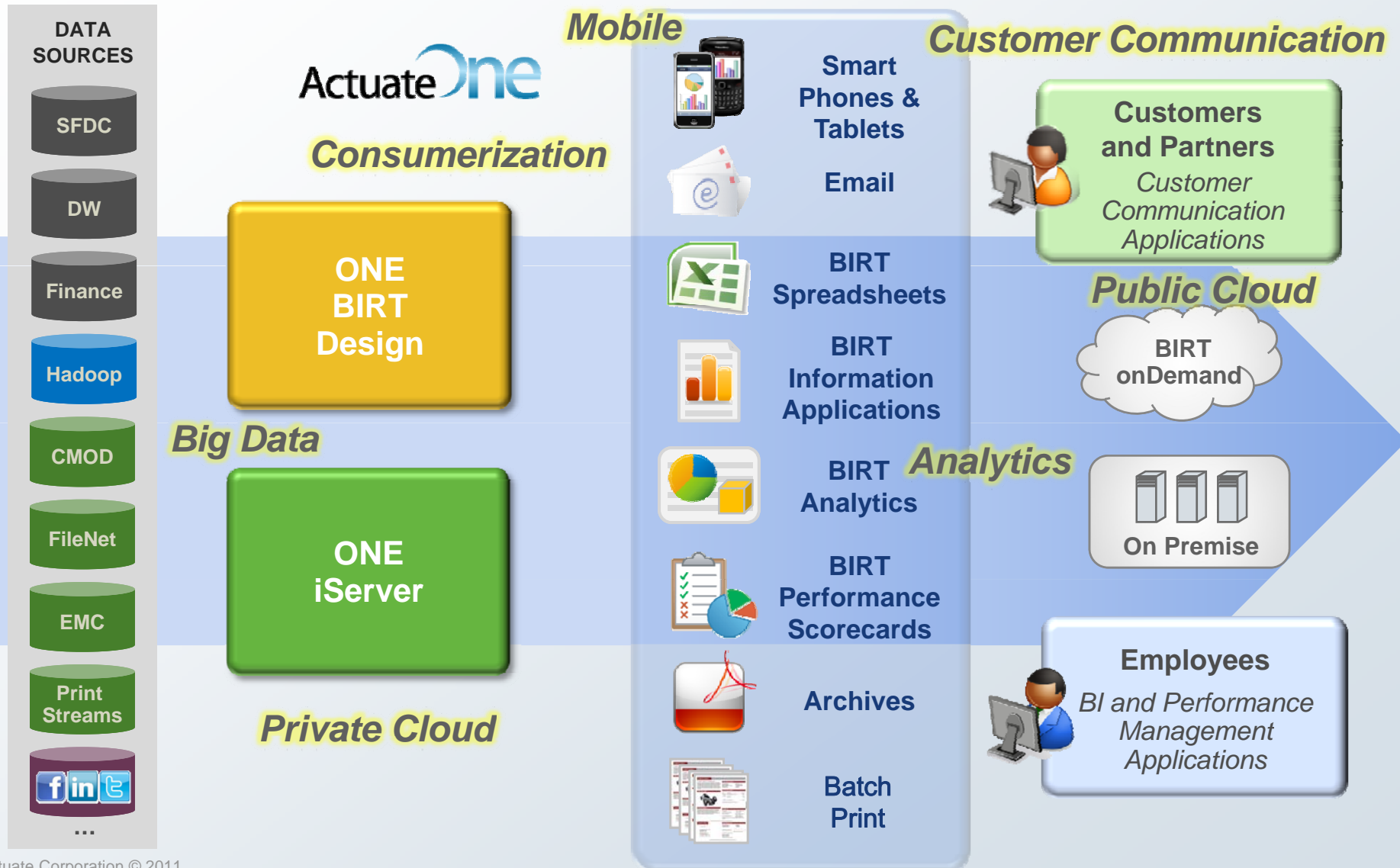
## ***Over 85,000 total registrations on BIRT Exchange***

- Up from 60,000 year ago





# ActuateOne and BIRT Uniquely Meet the Requirements of a Rapidly Changing Market



# Projections for FY2016: \$250M-300M Revenue and 35%-40% Non-GAAP Operating Margin



	Actual FY11	FY12	FY13	FY14	FY15	FY16 Projection		
Total Revenues	\$135.0M					\$250M - \$300M		
<b>BIRT License Business</b>	<b>\$16.2M</b>					Continued revenue growth	Accelerated revenue growth	<b>30% - 40% CAGR</b>
Other License Revenues	\$33.0M					Investment in business	World-class sales productivity	10% - 15% CAGR
Total License Revenues	\$49.2M					World-class operating margin	Exceptional operating margins	20% - 25% CAGR
Services Revenues	\$85.8M							6% - 10% CAGR
Non-GAAP Operating Income	\$31.9M							22% - 26% CAGR
<b>Non-GAAP Operating Margin</b>	<b>24%</b>					<b>35% - 40%</b>		

Non-GAAP financial results were calculated by adding back the revenue that could not be recognized due to the impact of purchase accounting on the acquired Xenos revenue contracts and excluding amortization of purchased technology and other intangibles related to Actuate's acquisition transactions, stock-based compensation expense, restructuring and impairment charges, other one-time employee termination costs, acquisition related costs, foreign currency exchange gains and losses, and an adjustment to the income tax provision. All of these income and expense items are included in Actuate's GAAP results. The income tax rate used to compute non-GAAP financial results was 20% for FY2011 and is projected at 30% for FY2012 and for future years.



# 1Q12 Non-GAAP P&L

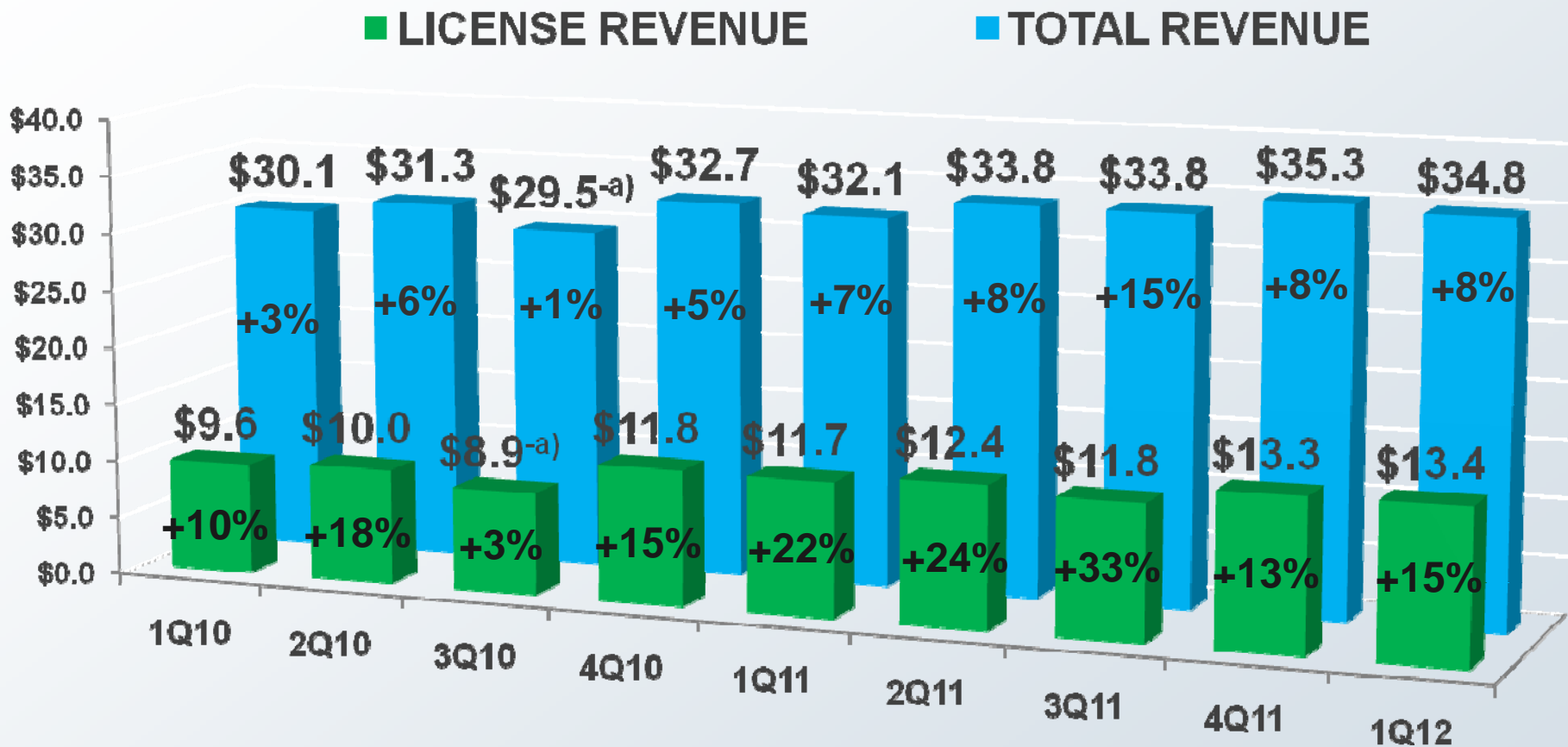


<b>(\$ Millions)</b>	<b><u>Q1'12</u></b>	<b><u>% rev.</u></b>	<b><u>Q1'11</u></b>	<b><u>% rev.</u></b>	<b><u>V%</u></b>
<b>License Revs</b>	<b>\$ 13.4</b>	<b>38%</b>	<b>\$ 11.7</b>	<b>36%</b>	<b>15%</b>
<b>Services Revs</b>	<b><u>21.4</u></b>	<b><u>62</u></b>	<b><u>20.4</u></b>	<b><u>64</u></b>	<b><u>5%</u></b>
<b>Total Revenues</b>	<b>34.8</b>	<b>100</b>	<b>32.1</b>	<b>100</b>	<b>8%</b>
<b>Oper. Expenses</b>	<b><u>26.3</u></b>	<b><u>76%</u></b>	<b><u>26.5</u></b>	<b><u>83%</u></b>	<b>(1)%</b>
<b>Oper. Income</b>	<b>8.5</b>		<b>5.6</b>		<b>51%</b>
<b>Oper. Margin</b>	<b>24.4%</b>		<b>17.5%</b>		<b>6.9 pts</b>
<b>Diluted EPS</b>	<b>\$ 0.11</b>		<b>\$ 0.08</b>		<b>38%</b>

Non-GAAP financial results were calculated by adding back the revenue that could not be recognized due to the impact of purchase accounting on the acquired Xenos revenue contracts and excluding amortization of purchased technology and other intangibles related to Actuate's acquisition transactions, stock-based compensation expense, impairment charges, other one time termination costs, restructuring charges, foreign currency exchange gains and losses, and an adjustment to the income tax provision. All of these income and expense items are included in Actuate's GAAP results. The income tax rate used to compute non-GAAP financial results was 30% for Q1'12 and 20% for Q1'11.



# Quarterly Non-GAAP Revenue Performance (Year-over-Year Growth)



a)- Excludes \$11 million settlement in 3Q10

Non-GAAP revenue was calculated by adding back the revenue that could not be recognized due to the impact of purchase accounting on the acquired Xenos revenue contracts

# Other Operating Comments



## Revenue Related

- North America/International revenue split at 70%/30%, respectively
- Orders over \$100,000 with 71 customers, up from 62 in Q1'11
- 3 transactions with license revenues greater than \$1 million

## Income Related

- Non-GAAP operating margin of 24.4%, up 690 bps year-over-year
- Non-GAAP EPS of \$0.11, up 38% year-over-year

Non-GAAP financial results were calculated by adding back the revenue that could not be recognized due to the impact of purchase accounting on the acquired Xenos revenue contracts and excluding amortization of purchased technology and other intangibles related to Actuate's acquisition transactions, stock-based compensation expense, impairment charges, other one time termination costs, restructuring charges, foreign currency exchange gains and losses, and an adjustment to the income tax provision. All of these income and expense items are included in Actuate's GAAP results. The income tax rate used to compute non-GAAP financial results was 30% for Q1'12 and 20% for Q1'11.

# Balance Sheet

<b>(\$ Millions)</b>	<b><u>3/31/11</u></b>	<b><u>12/31/11</u></b>	<b><u>3/31/12</u></b>
<b>Cash &amp; Investments</b>	<b>\$82.9</b>	<b>\$67.4</b>	<b>\$67.7</b>
<b>Accounts Receivable</b>	<b>30.2</b>	<b>26.8</b>	<b>27.6</b>
<b>Goodwill &amp; Purch Intang</b>	<b>61.3</b>	<b>57.8</b>	<b>57.3</b>
<b>Other Assets</b>	<b><u>26.4</u></b>	<b><u>24.9</u></b>	<b><u>27.4</u></b>
<b>Total Assets</b>	<b><u>\$200.8</u></b>	<b><u>\$176.9</u></b>	<b><u>\$180.0</u></b>
<b>Accrued Liabilities</b>	<b>\$15.7</b>	<b>\$15.2</b>	<b>\$12.7</b>
<b>Debt</b>	<b>40.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Deferred Revenue</b>	<b>48.0</b>	<b>44.8</b>	<b>44.4</b>
<b>Equity</b>	<b><u>97.1</u></b>	<b><u>116.9</u></b>	<b><u>122.9</u></b>
<b>Total Liab/Equity</b>	<b><u>\$200.8</u></b>	<b><u>\$176.9</u></b>	<b><u>\$180.0</u></b>

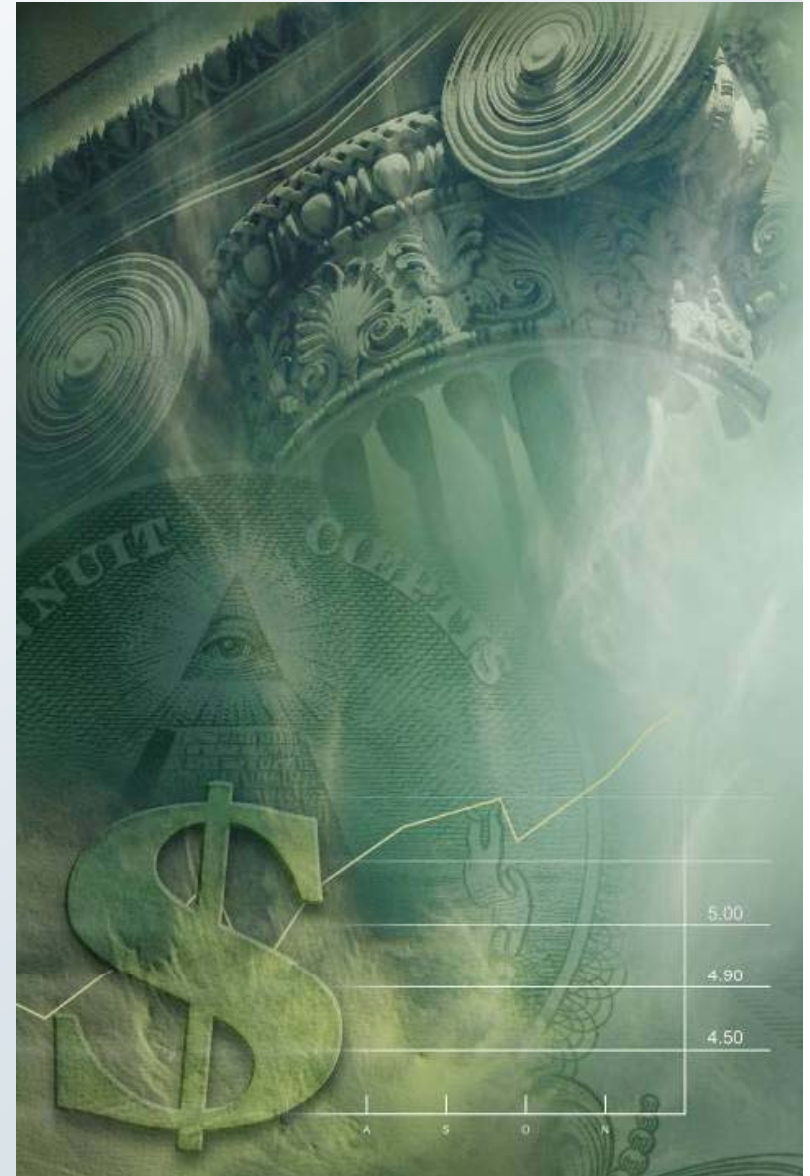
- ***DSO at 72 days, up 2 days vs. 12/31/11 but down 13 days vs. 3/31/11***
- ***\$20.4 million in cash flow from operations for the trailing twelve months***
- ***Completed \$5M stock repurchase during Q1'12***
- ***Additional stock repurchase of up to \$5M approved for Q2'12***
- ***549 employees as of 3/31/12, down 17 from a year ago***



# Comments Regarding FY2012

- **Increased investment for growth of the business**
  - **Currently 61 sales reps with target of 65 to 70 by end of FY2012**
- **Expect continued positive growth and increased mix of BIRT license business**
- **MR growth rate to be similar to 2011 in the low single digits**
- **Continued operating income growth**
- **Non-GAAP tax rate of 30%**
- **Non-GAAP EPS growth to be offset by tax rate increase**

FY2012 non-GAAP financial results are calculated by excluding amortization of purchased technology and other intangibles related to Actuate's acquisition transactions, stock-based compensation expense, restructuring and impairment charges, foreign currency exchange gains and losses, and an adjustment to the income tax provision. All of these income and expense items are included in Actuate's GAAP results. The income tax rate used to compute non-GAAP financial results is 30% for FY2012.



# Upcoming Conferences



**JMP Securities**  
**11<sup>th</sup> Annual Research Conference**  
**Tuesday, May 15**  
*Ritz Carlton San Francisco*

**B. Riley & Co.**  
**13<sup>th</sup> Annual Investor Conference**  
**Tuesday, May 22**  
*Lowe's Santa Monica Beach Hotel*



*Q* & *A*

