



ACTUATE®

*The **BIRT** Company*™

Q3 FY2012 Earnings Call

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 including the acquisition of Quiterian in October 2012, 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, facilities adjustments, 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. 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.



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Pete Cittadini

President and CEO

Q3 and First 9 Months FY2012

- Q3 Revenue of \$32.2 million
 - \$103.2 million in 9 months
- Q3 License revenue of \$13.3 million
 - \$42.4 million in 9 months
- Q3 Non-GAAP fully diluted EPS of \$0.08
 - \$0.30 in 9 months
- Q3 cash flow from operations of \$(2.0) million
 - \$16.6 million in 9 months

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, facilities adjustments, acquisition related 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 Q3'12 and the first 9 months of FY2012

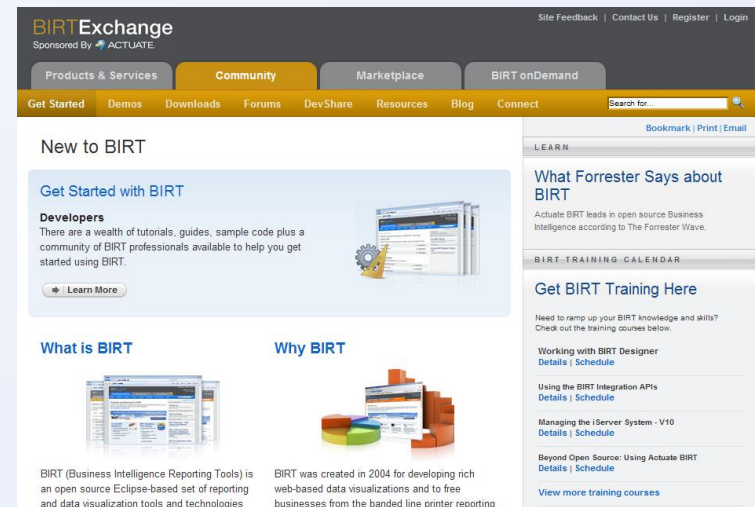


Third Quarter Transactions

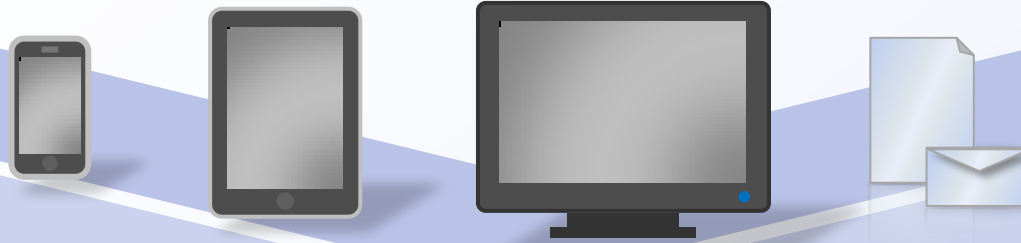


Actuate's Unique Enterprise / Open Source BIRT Model is Working

- Over 2 million developers using BIRT worldwide
- Over 95,000 total registrations on BIRT Exchange up from 72,000 year ago
- Set records for BIRT license business from Open Source BIRT users for three consecutive quarters in 2012
- Significantly higher average license order size from Open Source BIRT users in 2012

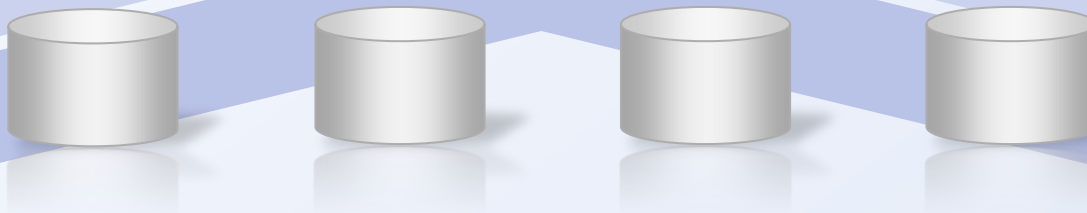


The Perfect Storm for Actuate



Increasing consumption of data on a variety of channels
Particularly on tablets and other touch devices

Explosion of data volume, variety of data sources and velocity of data
*Hadoop, NoSQL, NewSQL, Cloud, Social Media, Enterprise Applications,
Document Archives, Print Streams, Data Warehouses, Live Data Feeds*



What's the Right Technology to Capitalize on the Perfect Storm?



The Perfect Storm creates an opportunity for a technology that can...

Access all data sources securely *without preprocessing*
NO NEW DATA WAREHOUSE COSTS

Support *touch devices* spreading across the enterprise

Deliver appropriate information for each *individual*

Scale to any size community

Support people *reliably* anywhere and anytime

Secure sensitive applications and data

Maintain high *performance* at all times

Introducing the BIRT BIG DATA Hub



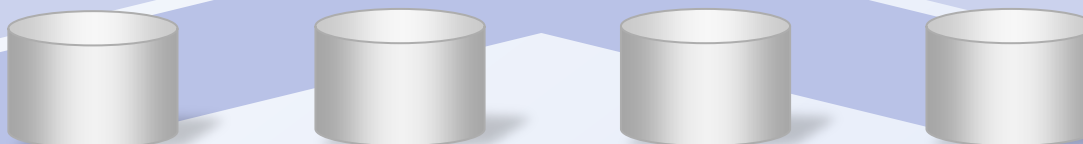
Increasing consumption of data on variety of channels

Particularly on tablets and other touch devices

INTRODUCING **BIRT iHub - The Big Data Hub**

Explosion of data volume, variety of data sources and velocity of data

*Hadoop, NoSQL, NewSQL, Cloud, Social Media, Enterprise Applications,
Document Archives, Print Streams, Data Warehouses, Live Data Feeds*



Quiterian Expands BIRT's Analytic Capabilities

Visual Data Mining, Advanced and Predictive Analytics

- Quiterian Analytics to become BIRT Analytics
 - Big data
 - No preprocessing and **No Data Warehouse**
 - Integrate multiple data sources
 - Rapid time to value
 - Better insights for competitive advantage
- BIRT Analytics Solutions
 - Expands Actuates market opportunity to compete against Qliktech and Tableau
 - Customer, Marketing, Web and Social Media analytics
 - Financial Services, Government, Utilities, Healthcare, Telecom, eGaming/Casino, eCommerce



Product Overview at: <http://www.youtube.com/watch?v=iSaG7KbdLc0>

Industry Analysts Respond to Quiterian Acquisition

- [Boris Evelson](#), vice president and principal analyst at Forrester Research, says the deal is a “good fit” as it appears to fill a gap in Actuate’s analytics capabilities. There’s also an opportunity to build out offerings for power users who need data that is “all over the enterprise” but don’t have the IT backing or time to get information-rich campaigns out the door.
- Gartner Research analyst [John Hagerty](#) says that Quiterian brings Actuate a strong set functionality and algorithms for data discovery, especially for big data. A taxing angle of the proposed deal is spreading Quiterian past its home base of use throughout Europe.
- [Krishna Roy](#), 451 Group: Actuate's chances of effectively vying against visual analytic powerhouses QlikTech and Tableau Software also improve as a result of this deal, which should give it a leg up when facing analytics behemoth SAS Institute, as well.



BIRT iHub: One Big Data Hub for All ActuateOne Solutions



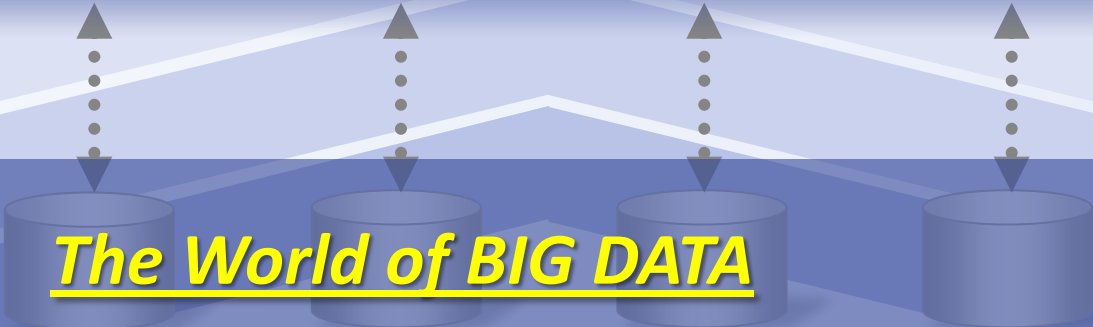
Performance Analytics

Customer-Facing Analytics

Customer Communications Management



BIRT iHub - The Big Data Hub
iServer · Enterprise Server · Calc Engine · BIRT Analytics Engine



The World of BIG DATA





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Dan Gaudreau
SVP Operations & CFO

3Q12 Non-GAAP P&L



<i>\$ Millions</i>	<i>Q3'12</i>	<i>% rev.</i>	<i>Q3'11</i>	<i>% rev.</i>	<i>V%</i>
License Revenues	\$ 13.3	41%	\$ 11.8	35%	13%
Services Revenues	<u>18.9</u>	<u>59%</u>	<u>22.0</u>	<u>65%</u>	<u>(14)%</u>
Total Revenues	32.2	100%	33.8	100%	(5)%
Non-GAAP Operating Expenses	<u>26.5</u>	82%	<u>25.3</u>	75%	5%
Non-GAAP Operating Income	5.7		8.5		(33)%
<i>Non-GAAP Operating Margin</i>	<i>18%</i>		<i>25%</i>		<i>(700)pts</i>
Non-GAAP Tax Rate	30%		20%		
Non-GAAP Diluted EPS	\$ 0.08		\$ 0.13		(38)%

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, acquisition related 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 Q3'12 and 20% for Q3'11.

Q3 Non-GAAP Revenues By Geography



	Q3-12				Q3-11				V%			
	<u>LIC</u>	<u>MAINT</u>	<u>SERV</u>	<u>TOTAL</u>	<u>LIC</u>	<u>MAINT</u>	<u>SERV</u>	<u>TOTAL</u>	<u>LIC</u>	<u>MAINT</u>	<u>SERV</u>	<u>TOTAL</u>
N. AMER	10.7	13.2	1.2	25.1	9.4	15.1	1.5	26	13.8%	(12.6)%	(20.0)%	(3.5)%
EMEA	1.3	3.1	0.4	4.8	2.0	3.9	0.5	6.4	(35.0)%	(20.5)%	(20.0)%	(25.0)%
APAC	<u>1.3</u>	<u>0.9</u>	<u>0.1</u>	<u>2.3</u>	<u>0.4</u>	<u>0.8</u>	<u>0.2</u>	<u>1.4</u>	<u>225.0%</u>	<u>12.5%</u>	<u>(50.0)%</u>	<u>64.3%</u>
TOTAL	13.3	17.2	1.7	32.2	11.8	19.8	2.2	33.8	12.7%	(13.1)%	(22.7)%	(4.7)%

Non-GAAP revenues 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.

9 Months 2012 Non-GAAP P&L



<i>\$ Millions</i>	<i>YTD'12</i>	<i>% rev.</i>	<i>YTD'11</i>	<i>% rev.</i>	<i>V%</i>
License Revenues	\$ 42.4	41%	\$ 35.9	36%	18%
Services Revenues	<u>60.8</u>	<u>59%</u>	<u>63.8</u>	<u>64%</u>	<u>(4)%</u>
Total Revenues	103.2	100%	99.7	100%	4%
Non-GAAP Operating Expenses	<u>80.0</u>	78%	<u>77.5</u>	78%	3%
Non-GAAP Operating Income	23.2		22.2		4%
<i>Non-GAAP Operating Margin</i>	22.5%		22.3%		20pts
Non-GAAP Tax Rate	30%		20%		
Non-GAAP Diluted EPS	\$ 0.30		\$ 0.34		(10)%

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, acquisition related costs, other one-time employee termination costs, facilities adjustments, 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 the nine months ended 9/30/12 and 20% for nine months ended 9/30/11.

Balance Sheet



<i>\$ Millions</i>	<i>9/30/11</i>	<i>6/30/12</i>	<i>9/30/12</i>
Cash & Investments	\$63.5	\$80.9	\$74.6
Accounts Receivable	22.0	16.8	20.1
Goodwill & Purch. Intangibles	58.4	56.7	56.2
Other Assets	26.5	31.7	31.7
<i>Total Assets</i>	<i>\$170.4</i>	<i>\$186.1</i>	<i>\$182.6</i>
Accrued Liabilities	\$11.5	\$16.8	\$15.9
Deferred Revenue	45.4	41.4	38.4
Equity	113.5	127.9	128.3
<i>Total Liabilities/Equity</i>	<i>\$170.4</i>	<i>\$186.1</i>	<i>\$182.6</i>
DSOs	60	42	58

Key Takeaways

- Macro economic challenges
 - Maintenance, specifically legacy business, difficult to predict
 - Resilient BIRT business model aids license business
- Quiterian S.L. acquisition
 - Short term dilutive
 - Excellent strategic fit
- License business strong
 - Increasing contributions from BIRT
- Investing for growth
 - Maintain world class non-GAAP operating margins of at least 20%

Non-GAAP financial results are calculated by adding back the revenue that could not be recognized due to the impact of purchase accounting and excluding amortization of purchased technology and other intangibles related to Actuate's acquisition transactions, stock-based compensation expense, restructuring and impairment charges, facilities adjustments, 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 is 30% for FY2012.



ActuateOne Live! 2012

Register for Analyst Lunch

San Francisco
November 8
Hotel Nikko



New York
November 14
Crowne Plaza Times Square



HIGHLIGHTS

- CEO Pete Cittadini keynote
- Actuate, data visualization and Big Data keynotes
- ActuateOne update
- BIRT designs and mobility tips and tricks
- BIRT 360 dashboards and scorecards
- Live customer successes
- Networking with Actuate and the BIRT community

Q & A



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