

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.

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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 Print Stream Transformation 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 2010 Annual Report on Form 10-K filed on March 11, 2011 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 charges, stock-based compensation expense, one-time professional services fees, expenses related to idle facilities, acquisition related expenses, other one-time employee termination costs 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

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First Quarter FY2011 Summary

Q1 FY2011

- **Revenue of \$32.1 million**
- **License revenue of \$11.7 million**
- **Non-GAAP diluted EPS of \$0.09**
- **\$2.5 million cash flow from operations**

First quarter 2011 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 by excluding amortization of purchased technology and other intangibles related to Actuate's acquisition transactions, stock-based compensation expense, restructuring charges, other one-time termination costs 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 2011 non-GAAP financial results was 20%.



First Quarter Transactions

MetLife

JPMORGAN CHASE & CO.

Bank of America 

**STANDARD
& POOR'S**

HSBC Private Bank 


MOTOROLA

T Systems


invent





GE
Aviation



Abu Dhabi
Police

ids

 Sempra Energy®

TVA

ca

 mZinga

 **USEC**
A Global Energy Company


Business Services Authority


Solving the Cost/Care Equation

n a s s a u
BOCES
Board of Cooperative Educational Services

Financial Services over 60% of Q1
Outside-the-Firewall projects about 50% of Q1

Record BIRT Business in Q1

BIRT license business of over \$6.1 million in Q1FY11

- Up 404% from Q1FY10
- Up 63% from Q4FY10

46 new BIRT license transactions

- Up 7 from Q1FY10

Contribution from Open Source BIRT users remains strong

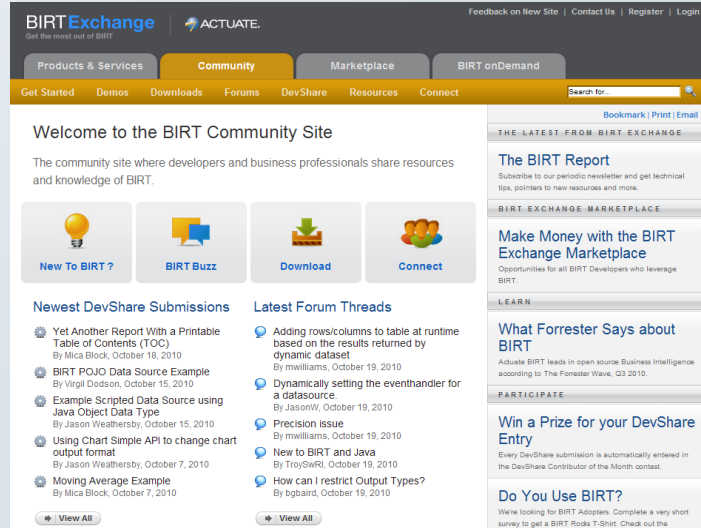
- BIRT license business from open source BIRT users up over 60% from Q1FY10

About 60,000 total registrations on BIRT Exchange

- Up over 50% from Q1FY10



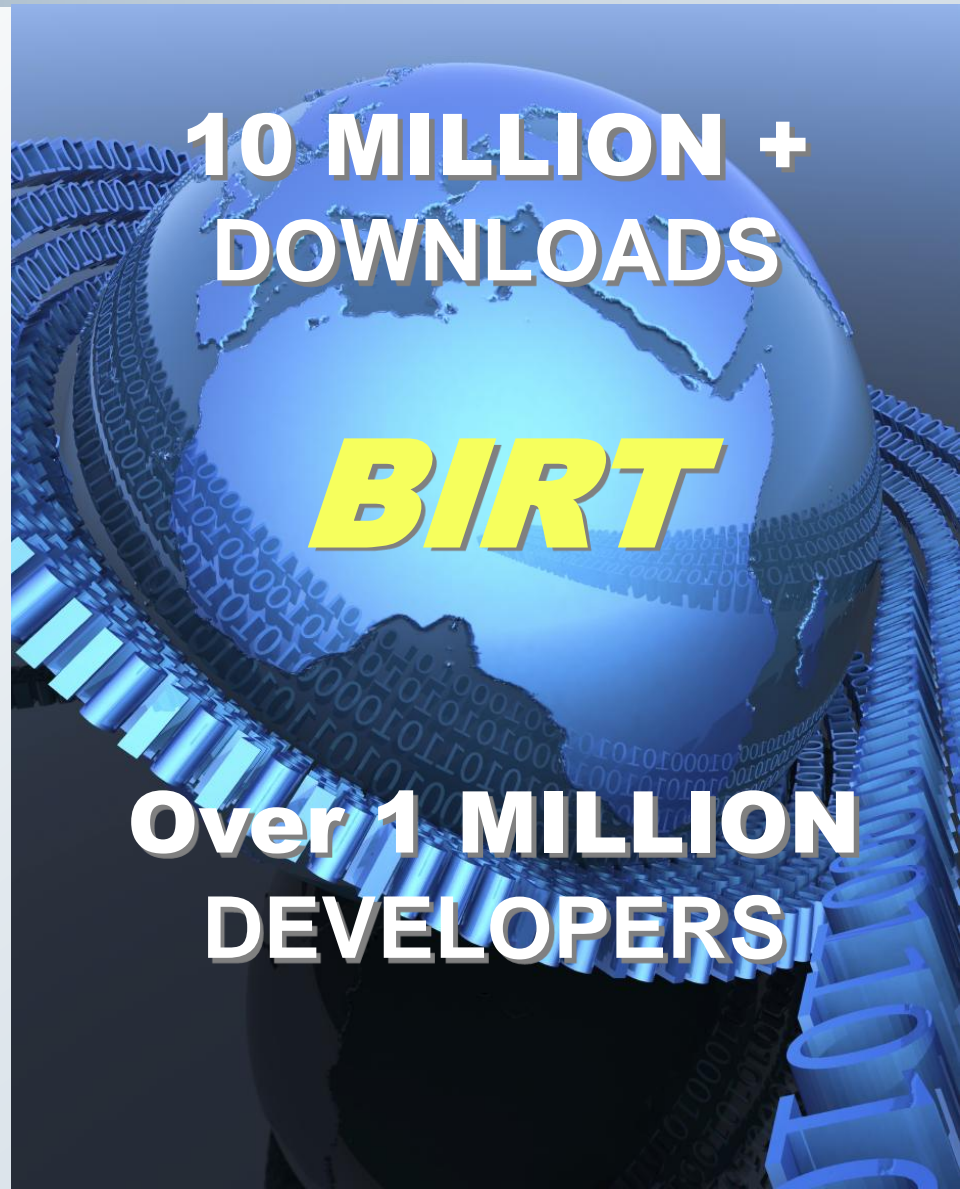
The screenshot shows the BIRT onDemand website. The header includes the BIRT Exchange and ACTUATE logos, along with navigation links for Products & Services, BIRT Community, Marketplace, and BIRT onDemand. The main content area features a "Welcome to BIRT onDemand" message, a "Free Trial - Sign Up Now" button, and a list of features such as publishing BIRT-based information applications, eliminating server management costs, and enhancing existing BIRT applications. A sidebar on the right contains a login form and a section for upcoming events.



The screenshot shows the BIRT Community Site. The header includes the BIRT Exchange and ACTUATE logos, along with navigation links for Products & Services, Community, Marketplace, and BIRT onDemand. The main content area features a "Welcome to the BIRT Community Site" message, a search bar, and a list of "Newest DevShare Submissions" and "Latest Forum Threads". A sidebar on the right contains a "The BIRT Report" section, a "Make Money with the BIRT Exchange Marketplace" section, and a "Win a Prize for your DevShare Entry" section.

BIRT Driving License Growth

- ***BIRT license business greater than half of overall license revenue in Q1***
- ***Starting to see larger transactions as existing customers purchase BIRT for new projects***
 - First \$1M+ single project BIRT deal
- ***BIRT license business drives overall license revenue growth***
 - Average YoY growth rate for BIRT license business of over 130% for last six quarters
 - Six consecutive quarters of YoY total license revenues growth with double digit growth last five quarters



**10 MILLION +
DOWNLOADS**

BIRT

**Over 1 MILLION
DEVELOPERS**

Drivers for Increasing Application Development Cited by Industry Analysts

Increased application development spending in 2011

- Shift budget towards new projects involving custom application development

Most aggressive spenders

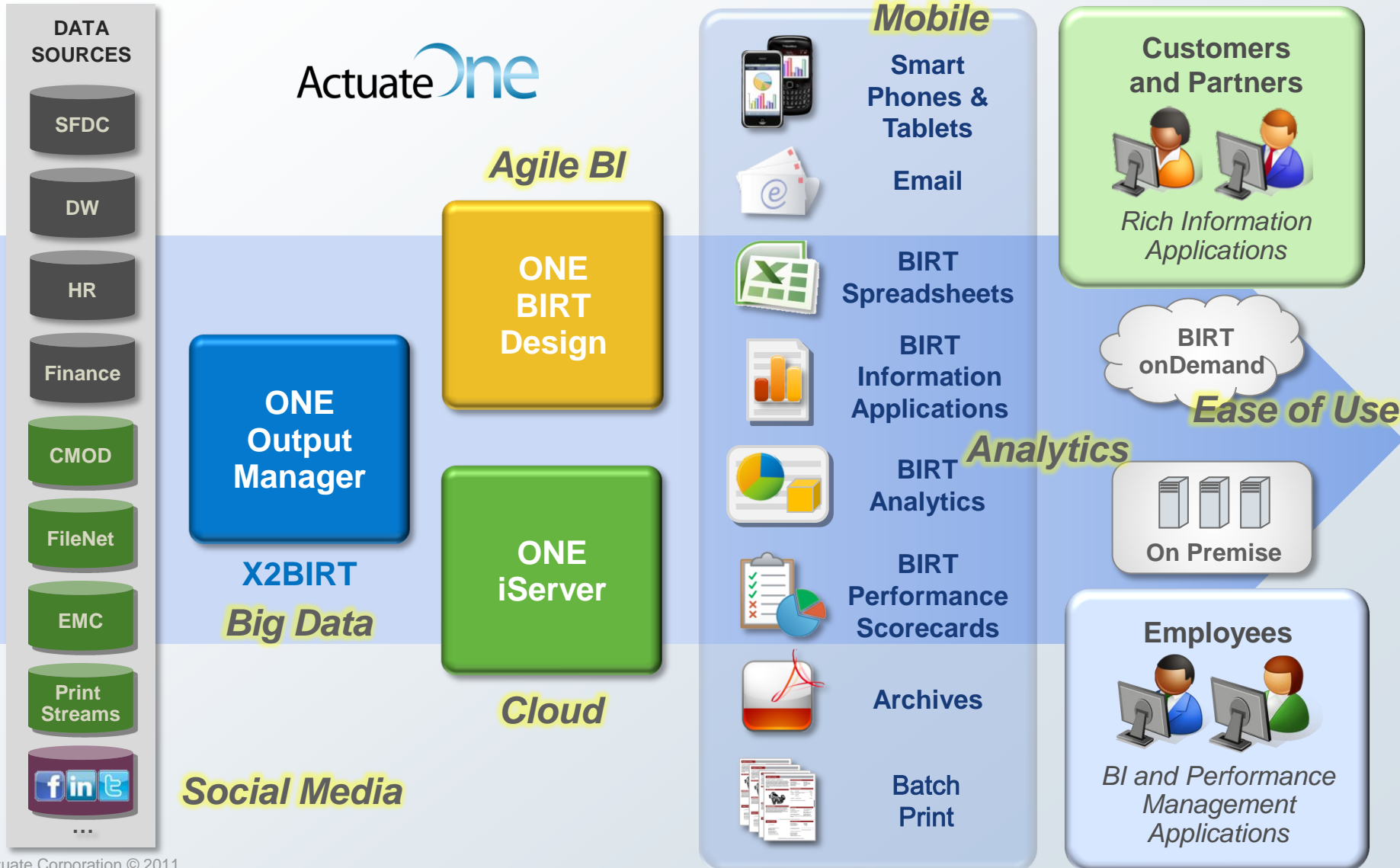
- Technology
- Financial services
- Media and entertainment

Application development trends driving new spending

- Analytics
- Agile BI
- Big data
- Cloud
- Ease of use
- Mobile
- Social media

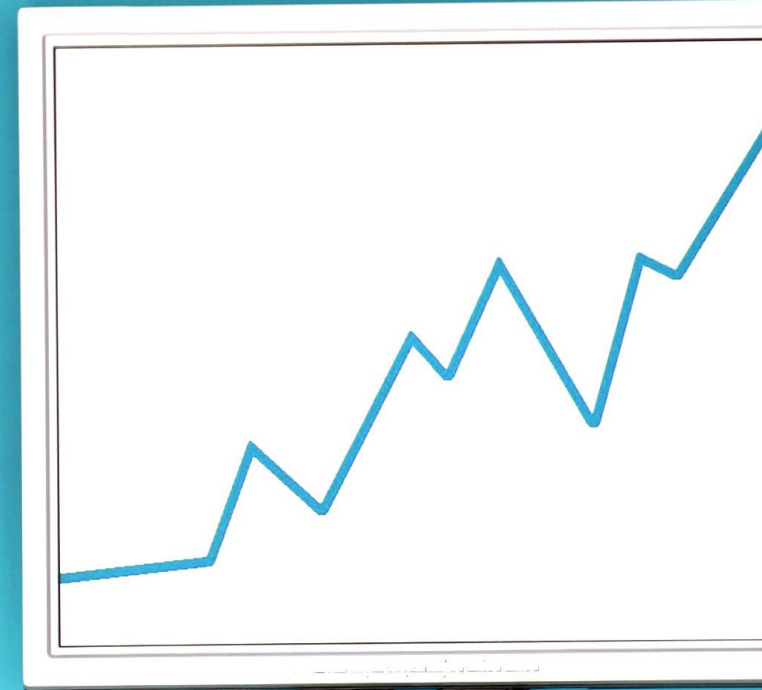


ActuateOne and BIRT Uniquely Suited to Drive Custom Application Development



Place Your Bets

- *Six year investment in building the BIRT business model that appears to be gaining serious traction among new and existing customers*
- *BIRT technology that is second to none for custom enterprise BI and customer facing applications*
- *Strong management with proven track record of disciplined business practices and ready to grow the business*
- *Actuate is a solid and profitable business that is currently under valued*



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Dan Gaudreau

SVP Operations & CFO

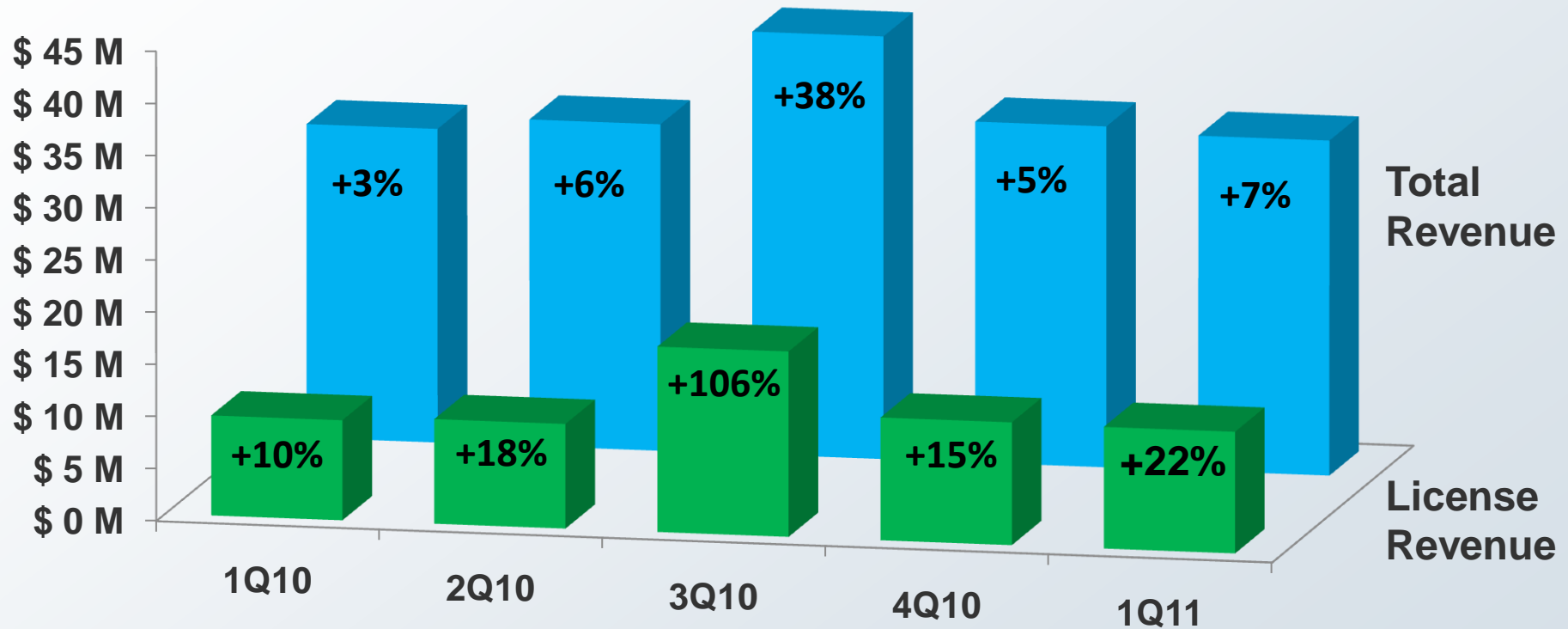
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1Q11 Non-GAAP P&L

(\$ Millions)	<u>1Q'10</u>	<u>% rev.</u>	<u>1Q'11</u>	<u>% rev.</u>	<u>V%</u>
License Revs	\$9.6	32%	\$11.7	36%	22%
Services Revs	<u>20.5</u>	<u>68</u>	<u>20.4</u>	<u>64</u>	<u>0</u>
Total Revenue	30.1	100	32.1	100	7
Oper. Expense	25.3	84%	26.5	83%	5%
Operating Income	4.8		5.6		17%
Oper. Margin	15.9%		17.5%		1.6 pts
Diluted EPS	\$0.06		\$0.09		50%

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 charges, acquisition related costs, other one-time termination costs 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%.

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



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.

Revenue Related

- BIRT-related license business grew 400+% year-over-year and 63% sequentially
- 46 BIRT-related license transactions in Q1
- Orders over \$100,000 with 62 customers, up from 52 in Q1'10
- Three transactions with license component > \$1 million

Income Related

- Non-GAAP operating margin of 17.5%, up 1.6 percentage points year-over-year
- Non-GAAP EPS of \$0.09, up 50% 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 by excluding amortization of purchased technology and other intangibles related to Actuate's acquisition transactions, stock-based compensation expense, restructuring charges, acquisition related costs, other one-time termination costs and an adjustment to the income tax provision. The income tax rate used to compute non-GAAP financial results was 20%.

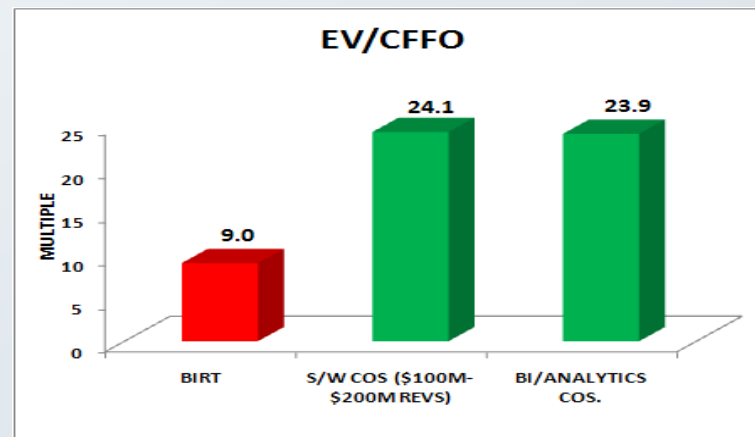
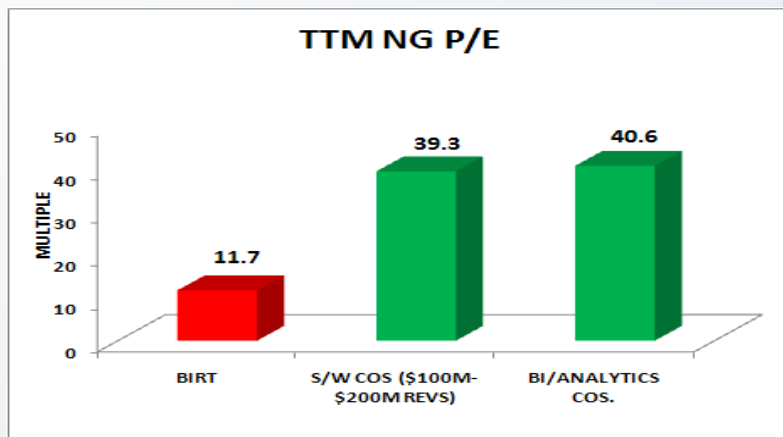
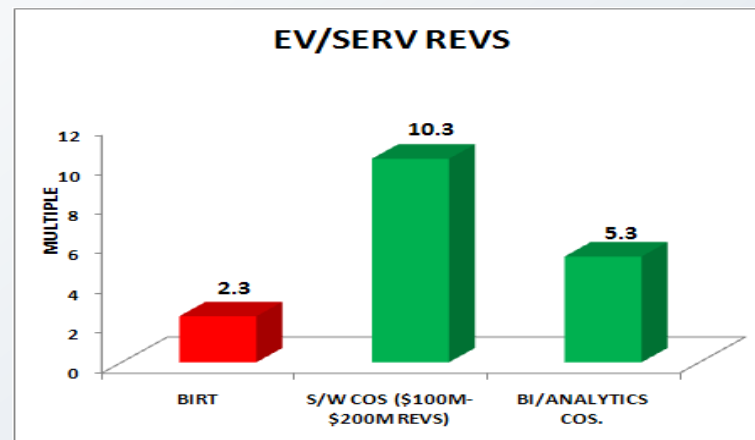
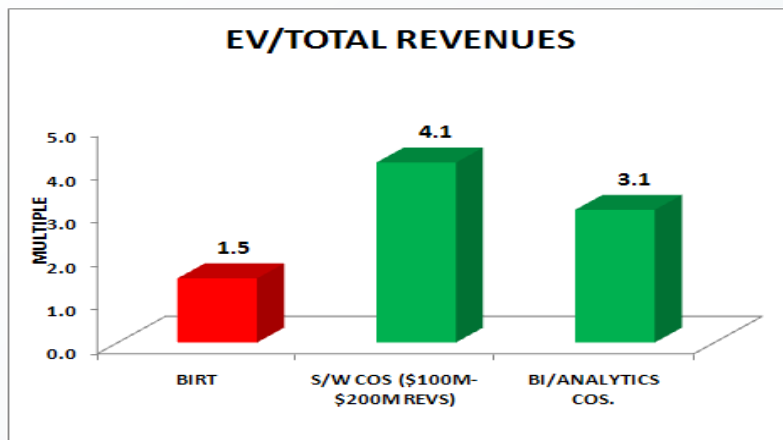
Balance Sheet

(\$ Millions)	<u>3/31/10</u>	<u>12/31/10</u>	<u>3/31/11</u>
Cash & Investments	\$68.2	\$79.3	\$82.9
Accounts Receivable	19.7	28.6	30.2
Goodwill & Purch Intang	64.4	61.9	61.3
Other Assets	<u>26.6</u>	<u>25.8</u>	<u>26.4</u>
Total Assets	<u>\$178.9</u>	<u>\$195.6</u>	<u>\$200.8</u>
Accrued Liabilities	\$16.7	\$17.1	\$15.7
Debt	40.0	40.0	40.0
Deferred Revenue	45.4	45.9	48.0
Equity	<u>76.8</u>	<u>92.6</u>	<u>97.1</u>
Total Liab/Equity	<u>\$178.9</u>	<u>\$195.6</u>	<u>\$200.8</u>

- ***DSO at 85 days based on non-GAAP revenue, up 4 days vs. 12/31/2010***
- ***\$2.5 million cash flow from operations in 1Q11***
- ***566 employees as of 3/31/11, down 7 from 12/31/10***
- ***Ended 1Q11 with 47 sales reps; goal of 51 in Q2***

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.

Comparative Valuation Metrics



* Software companies with \$100M - \$200M in annual revenues include: Guidance Software, Solarwinds, Sourcefire, Echelon, Monotype Imaging Holdings, Smith Micro Software, Interactive Intelligence, OPNET Technologies and PROS Holdings.

* BI/Analytics companies include : MicroStrategy, Qlik Technologies, TIBCO Software, Fair Isaac, Progress Software, Pegasystems, and Verint Systems.

Actuate's 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 charges, acquisition related costs, other one-time termination costs 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%.

Upcoming Conferences



JMP Securities
10th Annual Research Conference
May 9
Ritz Carlton San Francisco

B. Riley & Co.
12th Annual Investor Conference
May 23-24
Lowe's Santa Monica Beach Hotel



Q & *A*

