



# 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 and Rich Internet Application 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 2008 Annual Report on Form 10-K filed on March 12, 2009 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 exclude 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 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](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.*

# Pete Cittadini

## President & CEO



# Fourth Quarter '09 Summary



## Q4 '09

- **Revenue of \$31.2 million**
- **License revenue of \$10.2 million**
- **Non-GAAP fully diluted EPS of \$0.12**
- **\$5.8 million cash flow from operations**

Fourth quarter 2009 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, acquisition related costs and an adjustment to the income tax provision. All of these expenses are included in Actuate's GAAP results. The income tax rate used to compute 2009 non-GAAP financial results was 20%.



# FY2009 Summary

## *FY2009*

- ***Revenue of \$119.3 million***
- ***License revenue of \$36.1 million***
- ***Non-GAAP fully diluted EPS of \$0.40***
- ***\$17.5 million cash flow from operations***

Fiscal year 2009 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, acquisition related costs and an adjustment to the income tax provision. All of these expenses are included in Actuate's GAAP results. The income tax rate used to compute 2009 non-GAAP financial results was 20%.



# Fourth Quarter Transactions



# Record BIRT Business in Q4 and FY2009



## Over 24,000 total BIRT registrations

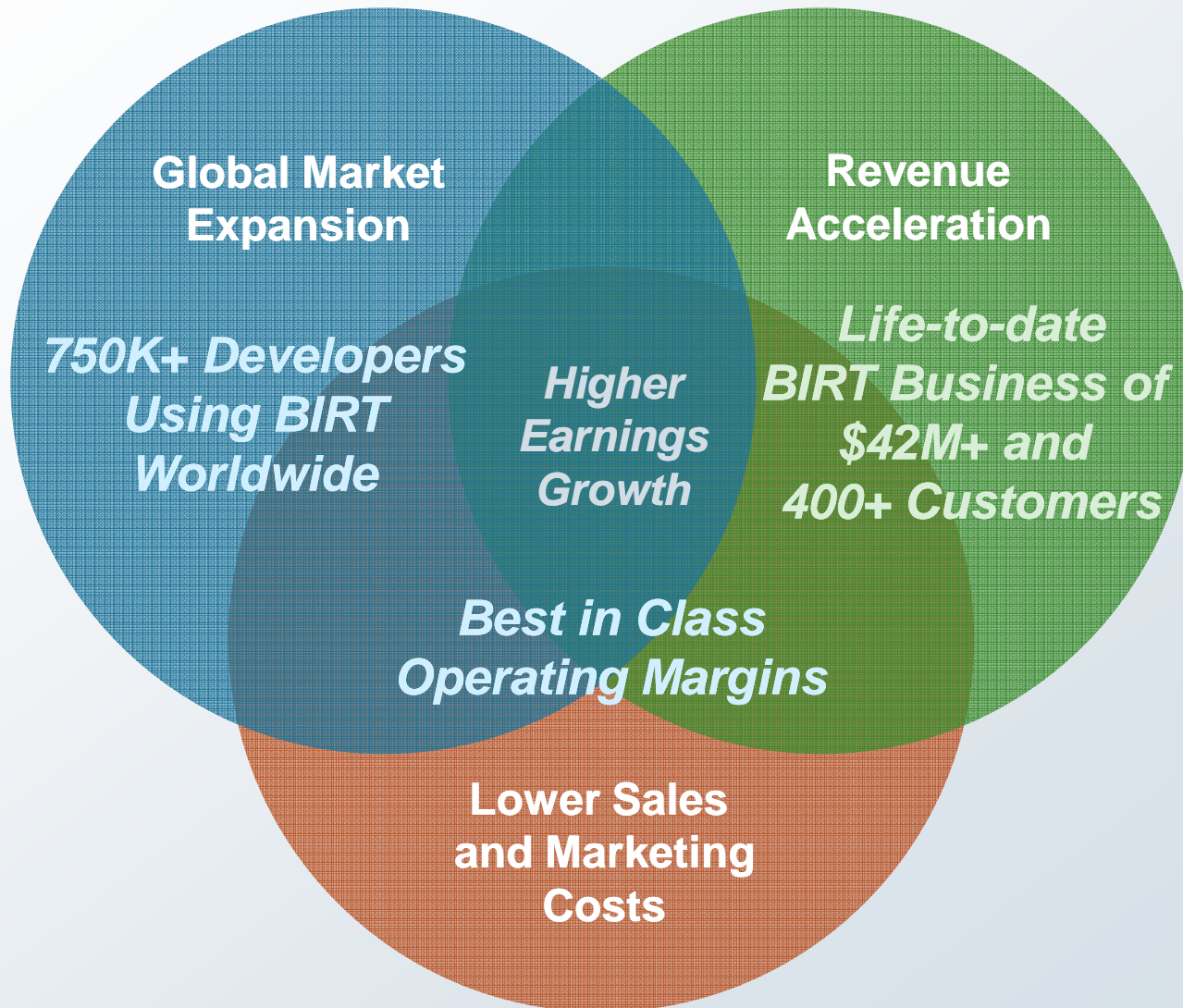
	Q4 09	Year-over-year increase
<b>Average daily page views</b>	<b>5,800+</b>	<b>22%</b>
<b>Average monthly visitors</b>	<b>32,600+</b>	<b>60%</b>
<b>Unique commercial downloads</b>	<b>1,400+</b>	<b>44%</b>

## BIRT Exchange Marketplace

The screenshot displays the BIRT Exchange Marketplace interface. At the top, there is a 'Most Popular Apps' section featuring four app tiles: 'BIRT Google Maps', 'Flash Maps Showcase', 'BIRT Functions Lib', and 'BIRT Mashboard'. Below this is the 'Find Apps' section, which includes a search bar with filters for 'Select a Category', 'Platform: All', and 'Price: All'. A list of apps is shown on the left, including 'BIRT Rendered iServer Performance Analyzer', 'Reusable Component Library v2.0.3', 'BIRT Functions Lib', 'BIRT Controls Lib', 'JBoss Tools', 'BIRT WebServices Driver with HTTPS', and 'BIRT Portlet for iServer Express Deployment Kit'. The main content area shows the details for 'Google Maps powered by BIRT', including a 'Download' button, 'Price: Free', and a 'View License' link. There is also a 'Bookmark This' button and a note about a contest: 'Download and Review any app through December for a chance to win a BIRT Rocks T-shirt!'.

***BIRT-related business exceeded \$6.5 million in Q4,  
with more than 150 transactions  
BIRT-related business exceeded \$18.2 million in FY2009,  
with more than 500 transactions***

# Actuate's Open Source-Driven Enterprise Software Business Model is Gaining Momentum





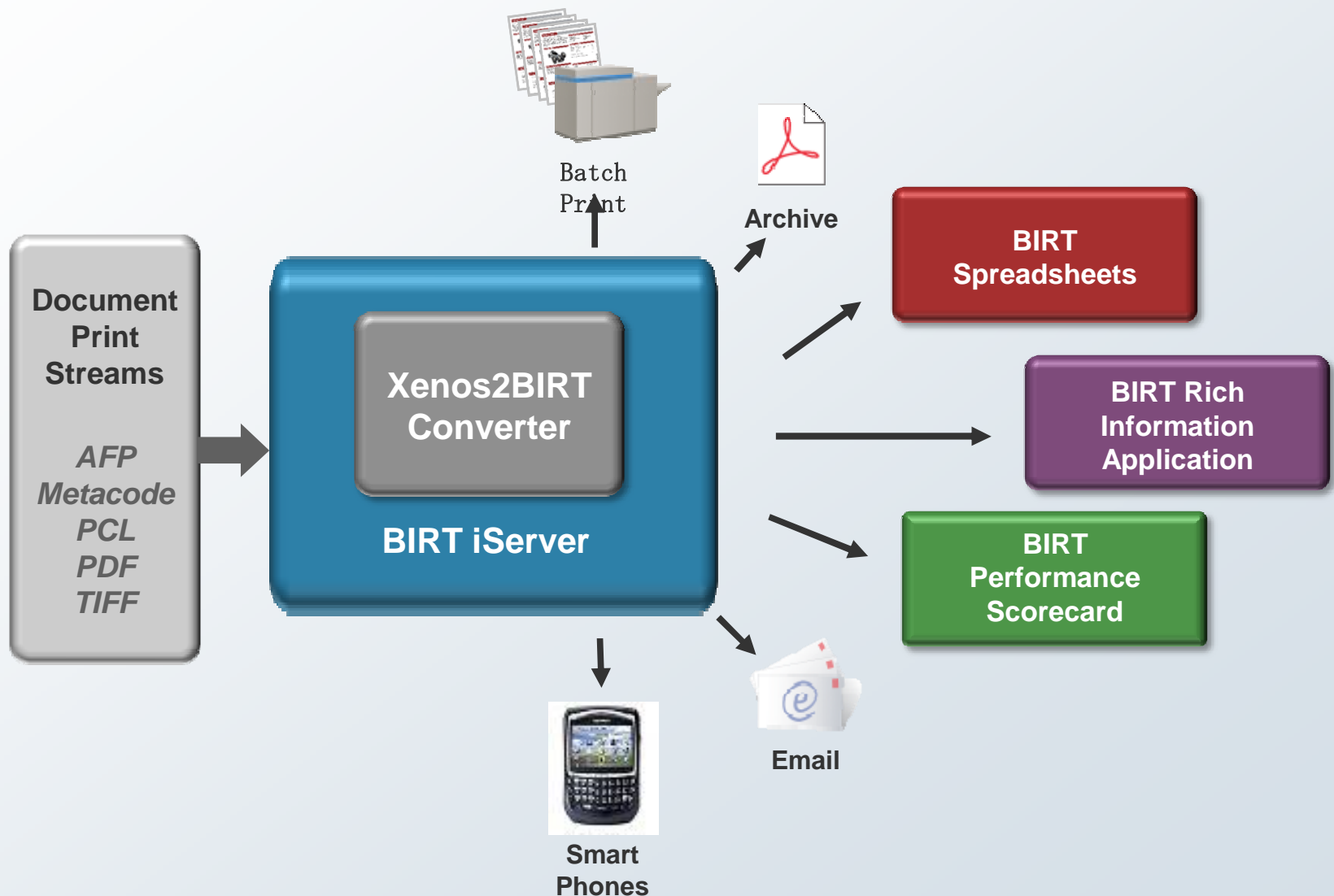
# Actuate Completes Acquisition of Xenos Group



- *Approximately 9.5 million common shares of Xenos were validly deposited, which represent over 95.2% of the common shares of Xenos*
- *All-cash transaction with a purchase price of CAD\$3.50 per share*
- *Enterprise value for Xenos Group of approximately CAD\$28.4M*



# Convert Document Print Streams into BIRT Applications



# Actuate in 2010

- ***Double digit percentage growth***
  - Revenue
  - EPS
  - BIRT related business
- ***Continued positive cash flow from operations***
- ***Continued best in class operating margins***



# Growth Drivers for Actuate in 2010 and 2011



- *BIRT strategy traction*
- *Xenos acquisition*
- *Actuate 11 due June 2010*
- *Positive IT spending trend and potential pent up demand*



**Dan Gaudreau**

**SVP Operations & CFO**



# 4Q9 Non-GAAP P&L



(\$ Millions)	<u>4Q8</u>	<u>% rev.</u>	<u>4Q9</u>	<u>% rev.</u>	<u>V%</u>
License Revs	\$10.1	30%	\$10.2	33%	2%
Maint/Supp Revs	19.9	60	19.6	63	(2)
Services Revs	<u>3.2</u>	<u>10</u>	<u>1.4</u>	<u>4</u>	<u>(56)</u>
Total Revenue	33.2	100	31.2	100	(6)
Oper. Expense	24.4	73	23.4	75	(4)
Operating Income	8.8	27%	7.8	25%	(11)%
Oper. Margin	26.6%		24.9%		-1.7 pp
Fully Diluted EPS	\$0.10		\$0.12		20%

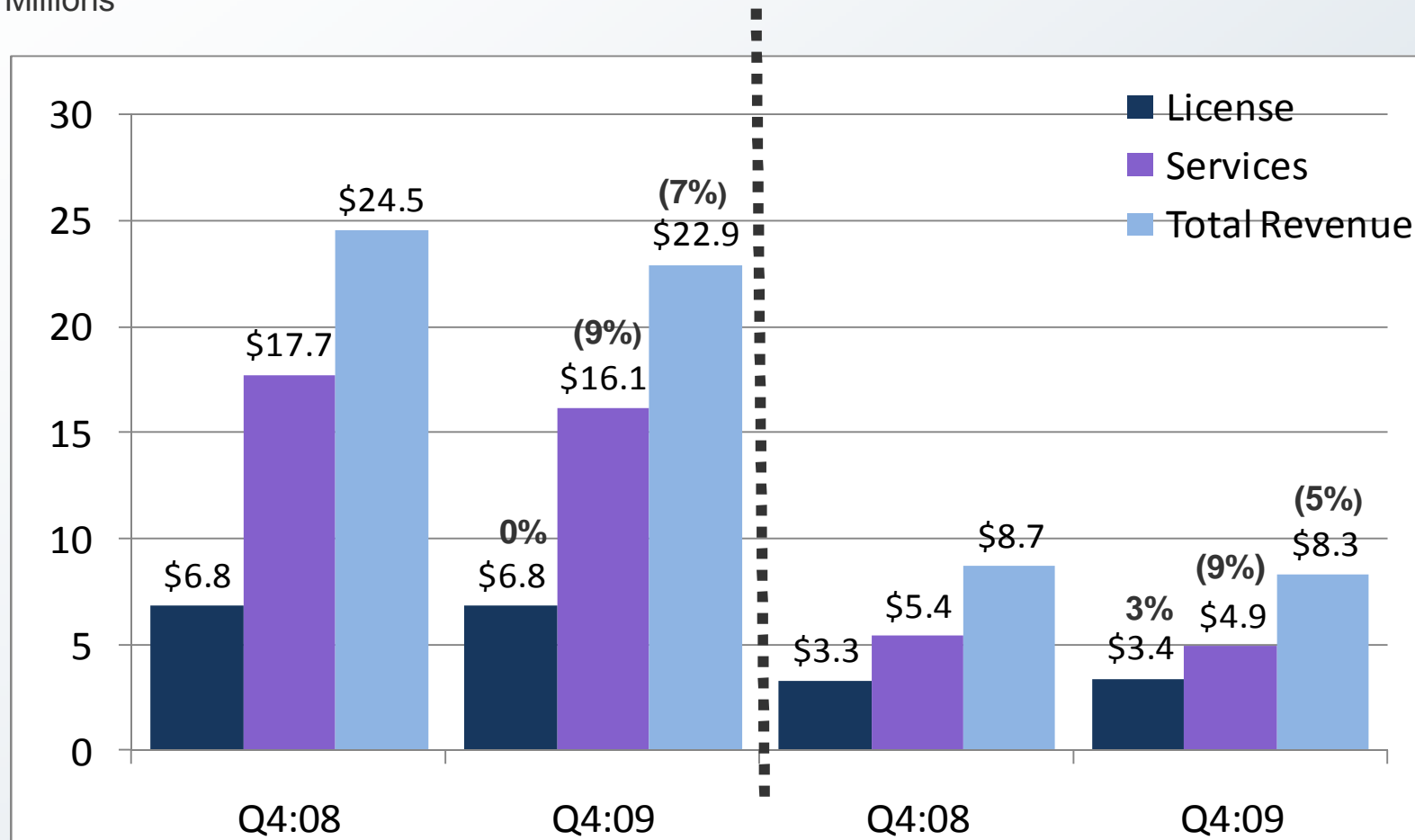
Non-GAAP financial results were calculated by excluding amortization of purchased technology and other intangibles related to Actuate's acquisition transactions, stock-based compensation expense, restructuring charges, acquisition related costs, other employee termination costs and an adjustment to the income tax provision. All of these expenses are included in Actuate's GAAP results. The income tax rate used to compute 2009 non-GAAP financial results was 20%. 2008 financial results were calculated using a non-GAAP tax rate of 30%.

# Q4 Y/Y REVENUE BY REGION

## N. AMERICA

## INTERNATIONAL

\$ Millions



# FY2009 Non-GAAP P&L



(\$ Millions)	<u>FY2008</u>	<u>% rev.</u>	<u>FY2009</u>	<u>% rev.</u>	<u>V%</u>
License Revs	\$40.0	30%	\$36.1	30%	(10)%
Maint/Supp Revs	76.7	59	76.5	64	0
Services Revs	<u>14.3</u>	<u>11</u>	<u>6.7</u>	<u>6</u>	<u>(53)</u>
Total Revenue	131.0	100	119.3	100	(9)
Oper. Expense	106.6	81	93.7	79	(12)
Operating Income	24.4	19%	25.6	21%	5%
Oper. Margin	18.6%		21.5%		2.9pp
Fully Diluted EPS	\$0.27		\$0.40		48%

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, operating expenses related to idle facilities, acquisition related costs, other employee termination costs, one-time professional services fees and an adjustment to the income tax provision. All of these expenses are included in Actuate's GAAP results. The income tax rate used to compute 2009 non-GAAP financial results was 20%. 2008 financial results were calculated using a non-GAAP tax rate of 30%.

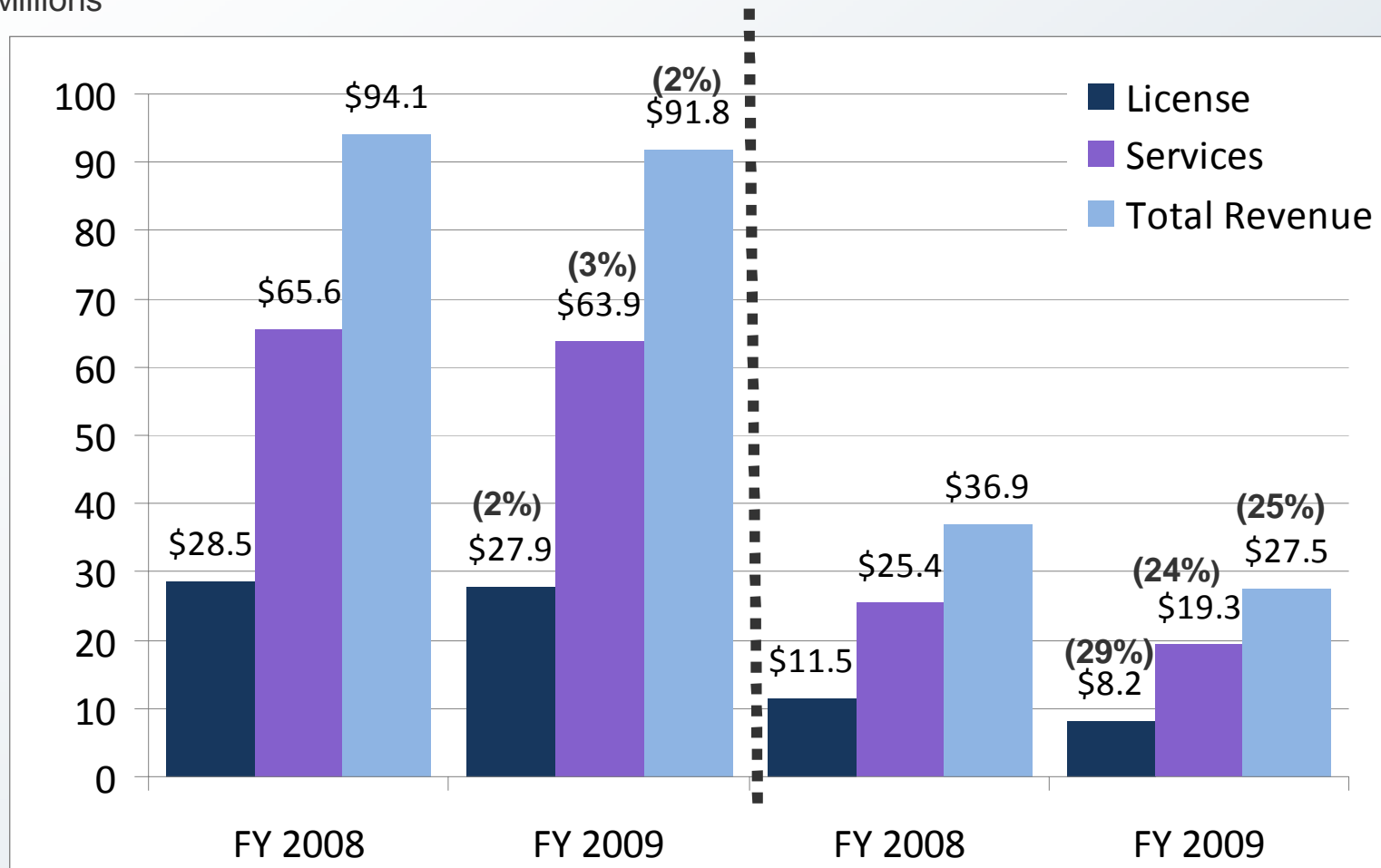


# Y/Y REVENUE BY REGION

## N. AMERICA

## INTERNATIONAL

\$ Millions



# Other Highlights



## Revenue Related

- Int'l revenue grew 37% sequentially; mix at 26%
- Orders over \$100,000 with 87 customers, up from 76 in 4Q8
- Two transactions with license component > \$1 million

## Income Related

- Record non-GAAP services margin at 81.2%, up 3.9% from 4Q8
- 24.9% non-GAAP oper. margin in 4Q9; a record 21.5% for FY09
- \$0.12 non-GAAP fully diluted EPS in 4Q9, up 20.0% vs. \$0.10 4Q8; a record \$0.40 for FY09, a 48% annual increase

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, and an adjustment to the income tax provision. All of these expenses are included in Actuate's GAAP results. The income tax rate used to compute 2009 non-GAAP financial results was 20%. 2008 financial results were calculated using a non-GAAP tax rate of 30%.

# Balance Sheet



<b>(\$ Millions)</b>	<b><u>12/31/08</u></b>	<b><u>12/31/09</u></b>	<b><u>Change</u></b>
<b>Cash &amp; Investments</b>	<b>\$58.4</b>	<b>\$75.5</b>	<b>\$17.1</b>
<b>Accounts receivable</b>	<b>28.0</b>	<b>33.2</b>	<b>5.2</b>
<b>Goodwill &amp; Purch Intang.</b>	<b>37.9</b>	<b>37.0</b>	<b>(0.9)</b>
<b>Other assets</b>	<b><u>26.2</u></b>	<b><u>24.1</u></b>	<b><u>(2.1)</u></b>
<b>Total Assets</b>	<b><u>\$150.5</u></b>	<b><u>\$169.8</u></b>	<b><u>\$19.3</u></b>
<b>Accrued liabilities</b>	<b>\$20.9</b>	<b>\$17.5</b>	<b>\$(3.4)</b>
<b>Debt</b>	<b>30.0</b>	<b>30.0</b>	<b>0.0</b>
<b>Deferred revenue</b>	<b>43.4</b>	<b>46.3</b>	<b>2.9</b>
<b>Equity</b>	<b><u>56.2</u></b>	<b><u>76.0</u></b>	<b><u>19.8</u></b>
<b>Total liab/equity</b>	<b><u>\$150.5</u></b>	<b><u>\$169.8</u></b>	<b><u>\$19.3</u></b>

- ***DSOs at 98 days, up 20 days vs. 12/31/08***
  - ***72 days when adjusting for the change in deferred revenue***
- ***\$5.8 million cash flow from operations in Q4, \$17.5 million FY09***
- ***497 employees as of 12/31/09, down 36 from 12/31/08***

# Acquisition Impact on Actuate's 2010 Results



## Revenue

- *Expect double-digit % increase in Xenos revenues year-over-year*

## Profitability

- *Double-digit % increase in Xenos non-GAAP operating income*
- *Synergies include public company expense savings; duplicative costs*
- *Cost increases in IT infrastructure, MIS and possibly SOX compliance*
- *Xenos expected to be accretive for full year 2010 and should add ~ USD \$0.03 - USD \$0.04 per share to ACTU consolidated fully diluted non-GAAP EPS*

Non-GAAP financial measures discussed in this presentation exclude amortization of purchased technology and other intangibles, purchased in-process research and development costs, stock option compensation, restructuring costs, acquisition related costs, adjustments related to deferred development costs and other non-recurring items. 2010 non-GAAP net income will be computed using an income tax rate of 20.0%.



# Actuate in 2010

- ***Double digit percentage growth***
  - Revenue
  - EPS
  - BIRT related business
- ***Continued positive cash flow from operations***
- ***Continued best in class operating margins***



# Actuate's Long Term Financial Model (Non-GAAP)



<b>(% of Revenue)</b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>Long-Term</u></b>
<b>Gross Margin</b>	<b>82%</b>	<b>85%</b>	<b>84-86%</b>
<b>Operating Expenses</b>	<b>63%</b>	<b>64%</b>	<b>51-54%</b>
<b>Operating Margin</b>	<b>19%</b>	<b>21%</b>	<b>30-35%</b>

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, other non-recurring employee termination costs, non-recurring professional fees, operating expenses related to idle facilities and an adjustment to the income tax provision. All of these expenses are included in Actuate's GAAP results. The income tax rates used to compute 2008 and 2009 non-GAAP financial results were 30% and 20%, respectively. These non-GAAP items may change depending on changes in Actuate's business.

# Upcoming Conferences



## **Thomas Weisel Partners**

Technology and  
Telecom Conference  
February 8-10, 2010  
*The Fairmont Hotel  
San Francisco*



## **Roth Capital Partners**

22<sup>nd</sup> Annual Growth  
Stock Conference  
March 15-17, 2010  
*The Ritz Carlton  
Laguna Niguel, CA*



*Q* & *A*

