

September 12, 2016

Greetings,

Thank you for your interest in ACT Theatre. We are pleased to make available the audited financial statements for fiscal year 2015. Following this letter you will find the complete audit, prepared by the accounting firm of Clark Nuber, P.S.

The financial portfolio of ACT Theatre contains three separate, related entities: ACT Theatre produces and presents theatre; Eagles Theatre Center is the owner of the landmark building; ACT Foundation receives and invests endowment contributions for the benefit of ACT Theatre. Because the three organizations share some common board members and common management, the accompanying audited financial statements consolidate all three entities. **Pages 17 and 19** break out the performance of each entity.

2015 was the 50th Anniversary of ACT as well as Kurt Beattie's final year as Artistic Director after 12 years at the helm. The Mainstage season featured *Cat on a Hot Tin Roof* as a look back to ACT's inaugural season in 1965, which landed in the top three for gross ticket sales in ACT history. ACT produced two world premieres: *Threesome* went on to a successful run in NYC and *Bloomsday* was a finalist for an American Theatre Critics Steinberg Award. *Hold These Truths* and *Mr. Burns, a post electric play*, both exceeded goals and attracted new patrons. It was also the 40th Anniversary of ACT's production of *A Christmas Carol*, which set another gross ticket sales record for the fifth consecutive year. Total earned revenue increased by 6%.

Total contributed revenue in 2015 was up 10% over 2014. The 50th Anniversary Gala was a tremendous success and ACT received several prestigious grants in 2015, elevating support for strategic programs. ACT received a Kenan Charitable Trust Directing Fellowship grant (joining company with the Kennedy Center and Lincoln Center); a Doris Duke Charitable Trust grant to partner with Artist in Residence Lucia Neare; and two major public grants were awarded in support of maintaining and renovating ACT's nationally registered historic landmark building from the Building for the Arts (State of Washington) and 4Culture (King County).

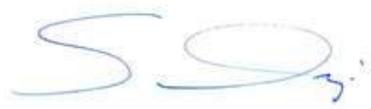
ACT continues to make steady progress toward sustainability, raising an additional \$1,690,248 for the ACT for the Future campaign. ACT had significant improvement in its cash position by reducing the line of credit. Not taking into account the unrealized losses in the ACT Foundation investments, the change in unrestricted net assets was \$300,000 better than 2014.



The 2016 season celebrates the next era of ACT. Season 51 introduces the partnership of John Langs as Artistic Director with Becky Witmer as Managing Director, and Carlo Scandiuzzi continuing his eighth year of leadership as Executive Director. Chuck Sitkin continues as the Chair of the Board of Trustees. The year is off to a positive start with the sale of Transfer Development Rights (TDRs) that benefit both ACT and the Downtown Historic Theatre District.

Thank you for your interest and please let us know if you have any further inquiry about ACT Theatre's current and/or future financial plans.

Sincerely,



Carlo Scandiuzzi, Executive Director



Becky Witmer, Managing Director