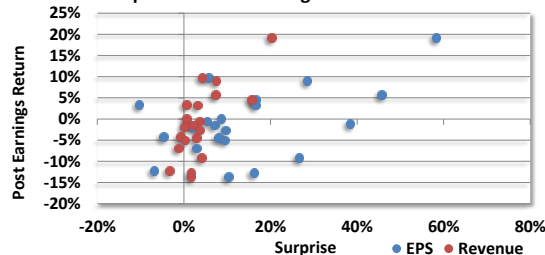


**APKT Acme Packet Inc NASDAQ GS Information Technology**

Acme Packet, Inc. provides session border controllers for Internet service providers. The Company's products consist of hardware and proprietary software that allow service providers to deliver interactive communications services such as voice over Internet protocol.

**Current Price** \$28.50  
**IPO Date** 10/12/2006  
**Previous Report** 2/2/2012  
**Next Report** 5/2/2012  
**Report Time** After the Close

EPS & Rev. Surprise and Return Regression



**EPS & Revenue Growth**

Quarter	EPS	Revenue
FQ1 2010	160%	65%
FQ2 2010	180%	62%
FQ3 2010	150%	56%
FQ4 2010	175%	70%
FQ1 2011	54%	45%
FQ2 2011	50%	49%
FQ3 2011	-20%	25%
FQ4 2011	-45%	18%

**Earnings Estimates and Information**

General Information		Comparable EPS - Estimates		Revenue - Estimates (Mil)	
Market Cap.	\$1.9 B	cEPS Expectations	\$ 0.17	Rev. Expectations	\$ 69.15
P/E Ratio	45.97	cEPS Next Quarter	\$ 0.21	Rev. Next Quarter	\$ 75.72
Implied Range	9.40%	cEPS Current Year	\$ 1.00	Rev. Current Year	\$ 336.11

**Forward Growth Estimates**

Quarter	EPS	Revenue
FQ1 2012	-16%	-7%
FQ2 2012	-2%	-5%
FQ3 2012	125%	24%
FQ4 2012	195%	26%

Historical Earnings Information										Price Action	
Date	Time	EPS	Comparable EPS (cEPS)	Estimated EPS	EPS Surprise	Revenue (Mil)	Estimated Revs. (Mil)	Revenue Surprise	Post Earnings Volume	10-day Pre Earnings	10-day Post Earnings
February 2, 2012	4:05 PM	\$ 0.12	\$ 0.26	\$ 0.28	-6.81%	\$ 83.00	\$ 85.73	-3.19%	2,276,508	[Chart]	[Chart]
October 20, 2011	4:05 PM	\$ 0.11	\$ 0.21	\$ 0.22	-4.55%	\$ 70.62	\$ 71.06	-0.62%	75,110	[Chart]	[Chart]
July 21, 2011	4:05 PM	\$ 0.20	\$ 0.29	\$ 0.28	5.45%	\$ 79.73	\$ 76.84	3.76%	1,106,000	[Chart]	[Chart]
April 26, 2011	4:05 PM	\$ 0.19	\$ 0.27	\$ 0.25	9.76%	\$ 73.97	\$ 71.28	3.77%	551,012	[Chart]	[Chart]
February 1, 2011	4:05 PM	\$ 0.21	\$ 0.26	\$ 0.22	16.59%	\$ 70.23	\$ 60.67	15.77%	561,580	[Chart]	[Chart]
October 28, 2010	4:05 PM	\$ 0.15	\$ 0.20	\$ 0.19	8.11%	\$ 56.61	\$ 54.98	2.98%	118,246	[Chart]	[Chart]
July 29, 2010	4:05 PM	\$ 0.14	\$ 0.18	\$ 0.16	10.43%	\$ 53.34	\$ 52.42	1.75%	322,782	[Chart]	[Chart]

**Analysts Consensus**

Rating	Buy
Total Analysts	22
Analysts Target Price	\$31.62
4-Week Rating Change	↑
3-Month Rating Change	↑

**Daily Chart Analysis**

Price at Time of Report: \$28.50

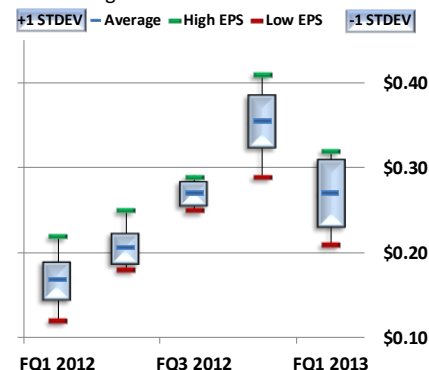


MONDAY, APRIL 30, 2012

**Historical Surprise and Price Action**

	10.43%	8.11%	16.59%	9.76%	5.45%	-4.55%	-6.81%
EPS Surprise	[Bar]	[Bar]	[Bar]	[Bar]	[Bar]	[Bar]	[Bar]
Revenue Surprise	[Bar]	[Bar]	[Bar]	[Bar]	[Bar]	[Bar]	[Bar]
	1.75%	2.98%	15.77%	3.77%	3.76%	-0.62%	-3.19%
	Jul. 29 2010	Oct. 28 2010	Feb. 01 2011	Apr. 26 2011	Jul. 21 2011	Oct. 20 2011	Feb. 02 2012

Range of Forward EPS Estimates



**Weekly Chart Analysis**



## General Commentary

Acme Packet Inc is expected to report earnings on 5/2/2012 (after the close). The current consensus of the 22 analysts is a buy rating. Over the past four weeks analysts have increased their rating and have increased it over the past three months. For this quarter's earnings report, analysts will be looking for EPS of \$0.17 and revenue of \$69.15 million. Company guidance will also be a key issue as analysts are expecting next quarter's EPS and revenue of \$0.21 per share and \$75.72 million respectively. Looking out further, estimates are for EPS of \$1.00 on sales of \$336.11 million for the full year.

Option traders are pricing in the potential for a post earnings move of 9.40% - indicating a wide range of expected movement.

Acme Packet Inc is currently in a consolidation pattern, signified by its price moving between TriggerPoint support (Green Line) and TriggerPoint resistance (Red Line) - In other words, range-bound between \$26.53 and \$28.88. Technical indicators are currently showing us that prices are trending up, as signified by the stair stepping up of the point of control (blue line). As this security is trending higher, it may be a higher probability trade to look to buy on the TriggerPoint support levels (green lines) depending on the outcome of the earnings.

In terms of directional movement of the security and the earnings release, Acme Packet Inc shows a high degree of correlation in price action to surprises in both EPS & revenue.

## EPS Commentary

Over the past several years, Acme Packet Inc has shown an accelerated number of positive comparable EPS (cEPS) surprises. Over the last 12 quarters the company has beat earnings estimates 10 times, producing an average return of 2.96% during the session following the report. Historical data reflects that if the upcoming report were to reveal a cEPS within the range of \$0.17 to \$0.2 per share, traders may expect to see modest price gains following the report. With this in mind, traders may be inclined to get long for a short term opportunity at a break above \$28.88. If the stock were to breach these levels, there could be a quick move higher at the break.

If the company were to report a cEPS greater than \$0.2 per share, there could be a substantial upside move in the price. If that occurs, traders may still consider the technical levels previously mentioned, but may be more comfortable increasing long exposure.

Over the past several years, Acme Packet Inc has shown very few disappointing reports in cEPS. However, when there has been a disappointment, the average miss has been by a margin of -5.68% and produced an average price return of -8.27% following earnings. Any disappointment in cEPS could be statistically significant. Traders may look to get short on any miss and also at breaks below \$27.94, \$26.53.

## Revenue Commentary

Over the past several years, Acme Packet Inc has shown an increasing number of positive revenue surprises. The average beat over expectations has been 7.09% producing a price return on average of 2.96% in the session following the release. Historical data shows if the upcoming report were to reveal sales within the range of \$69 to \$74 million, traders could expect modest gains after the release. As of the release of this report, Acme Packet Inc is currently trading at \$28.50 and traders may be willing to get long for a short term opportunity at a break above \$28.88. If the stock were to breach these levels, there could be a quick move higher at the break.

If reported sales are greater than \$74 million, there may be a considerable surge in the price of the security. Traders may still consider the technical levels previously mentioned with greater potential for upside returns.

Over the past several years, Acme Packet Inc has shown very few disappointing reports in revenue. However, when there has been a disappointment, the average miss has been by a margin of -1.9% and produced an average price return of -8.27% following the report. Any disappointment in sales would be statistically significant. Traders may look to get short on any miss and also at breaks below \$27.94, \$26.53.

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