

OPEN TEXT CORPORATION
CONSOLIDATED BALANCE SHEETS
(In thousands of U.S. dollars, except share data)

	<u>June 30, 2013</u>	<u>June 30, 2012</u>
ASSETS		
Cash and cash equivalents	\$ 470,445	\$ 559,747
Accounts receivable trade, net of allowance for doubtful accounts of \$4,871 as of June 30, 2013 and \$5,655 as of June 30, 2012	174,927	163,664
Income taxes recoverable	17,173	17,849
Prepaid expenses and other current assets	43,464	45,613
Deferred tax assets	11,082	4,003
Total current assets	717,091	790,876
Property and equipment	88,364	81,157
Goodwill	1,246,872	1,040,234
Acquired intangible assets	363,615	312,563
Deferred tax assets	135,695	115,128
Other assets	25,082	22,137
Deferred charges	67,633	68,653
Long-term income taxes recoverable	10,465	13,545
Total assets	\$ 2,654,817	\$ 2,444,293
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 188,443	\$ 132,015
Current portion of long-term debt	51,742	41,374
Deferred revenues	282,387	273,987
Income taxes payable	4,184	27,806
Deferred tax liabilities	1,127	1,612
Total current liabilities	527,883	476,794
Long-term liabilities:		
Accrued liabilities	17,849	13,966
Deferred credits	11,608	10,086
Pension liability	24,509	22,074
Long-term debt	513,750	555,000
Deferred revenues	11,830	12,653
Long-term income taxes payable	140,508	147,623
Deferred tax liabilities	69,672	26,705
Total long-term liabilities	789,726	788,107
Shareholders' equity:		
Share capital		
59,028,886 and 58,358,990 Common Shares issued and outstanding at June 30, 2013 and June 30, 2012, respectively; Authorized Common Shares: unlimited	651,642	635,321
Additional paid-in capital	101,865	95,026
Accumulated other comprehensive income	39,890	44,364
Retained earnings	572,885	442,068
Treasury stock, at cost (610,878 and 793,494 shares at June 30, 2013 and at June 30, 2012, respectively)	(29,074)	(37,387)
Total shareholders' equity	1,337,208	1,179,392
Total liabilities and shareholders' equity	\$ 2,654,817	\$ 2,444,293

OPEN TEXT CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(In thousands of U.S. dollars, except share and per share data)

	Year Ended June 30,		
	2013	2012	2011
Revenues:			
License	\$ 279,598	\$ 293,719	\$ 269,202
Cloud services	173,799	—	—
Customer support	658,216	656,568	560,541
Professional service and other	251,723	257,186	203,560
Total revenues	<u>1,363,336</u>	<u>1,207,473</u>	<u>1,033,303</u>
Cost of revenues:			
License	16,107	18,033	18,284
Cloud services	72,365	—	—
Customer support	106,948	110,504	86,834
Professional service and other	196,874	204,909	167,854
Amortization of acquired technology-based intangible assets	93,610	84,572	68,048
Total cost of revenues	<u>485,904</u>	<u>418,018</u>	<u>341,020</u>
Gross profit	<u>877,432</u>	<u>789,455</u>	<u>692,283</u>
Operating expenses:			
Research and development	164,010	169,043	145,992
Sales and marketing	289,157	274,544	232,332
General and administrative	109,325	97,072	86,696
Depreciation	24,496	21,587	22,116
Amortization of acquired customer-based intangible assets	68,745	53,326	38,966
Special charges	24,034	24,523	15,576
Total operating expenses	<u>679,767</u>	<u>640,095</u>	<u>541,678</u>
Income from operations	<u>197,665</u>	<u>149,360</u>	<u>150,605</u>
Other income (expense), net	(2,473)	3,549	(6,019)
Interest expense, net	(16,982)	(15,564)	(8,452)
Income before income taxes	<u>178,210</u>	<u>137,345</u>	<u>136,134</u>
Provision for (recovery of) income taxes	29,690	12,171	12,931
Net income for the period	<u>\$ 148,520</u>	<u>\$ 125,174</u>	<u>\$ 123,203</u>
Earnings per share—basic	<u>\$ 2.53</u>	<u>\$ 2.16</u>	<u>\$ 2.16</u>
Earnings per share—diluted	<u>\$ 2.51</u>	<u>\$ 2.13</u>	<u>\$ 2.11</u>
Weighted average number of Common Shares outstanding—basic	<u>58,604</u>	<u>57,890</u>	<u>57,077</u>
Weighted average number of Common Shares outstanding—diluted	<u>59,062</u>	<u>58,734</u>	<u>58,260</u>
Dividends declared per Common Share	<u>\$ 0.30</u>	<u>\$ —</u>	<u>\$ —</u>

OPEN TEXT CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(In thousands of U.S. dollars, except share and per share data)

	Three Months Ended June 30,	
	2013	2012
Revenues:		
License	\$ 78,782	\$ 78,031
Cloud services	41,890	—
Customer support	164,889	163,128
Professional service and other	61,706	64,465
Total revenues	347,267	305,624
Cost of revenues:		
License	3,529	4,116
Cloud services	17,696	—
Customer support	25,351	27,780
Professional service and other	47,879	51,358
Amortization of acquired technology-based intangible assets	23,579	21,265
Total cost of revenues	118,034	104,519
Gross profit	229,233	201,105
Operating expenses:		
Research and development	42,383	41,195
Sales and marketing	79,338	71,641
General and administrative	27,857	24,186
Depreciation	6,218	5,268
Amortization of acquired customer-based intangible assets	17,197	13,378
Special charges	6,767	5,747
Total operating expenses	179,760	161,415
Income from operations	49,473	39,690
Other income (expense), net	(4,180)	(6,596)
Interest expense, net	(3,990)	(4,410)
Income before income taxes	41,303	28,684
Provision for (recovery of) income taxes	(869)	20,713
Net income for the period	\$ 42,172	\$ 7,971
Earnings per share—basic	\$ 0.72	\$ 0.14
Earnings per share—diluted	\$ 0.71	\$ 0.14
Weighted average number of Common Shares outstanding—basic	58,875	58,270
Weighted average number of Common Shares outstanding—diluted	59,238	58,847
Dividends declared per Common share	\$ 0.30	\$ —

OPEN TEXT CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands of U.S. dollars)

	Year Ended June 30,		
	2013	2012	2011
Net income for the period	\$ 148,520	\$ 125,174	\$ 123,203
Other comprehensive income—net of tax:			
Net foreign currency translation adjustments	(1,879)	(9,197)	15,388
Net unrealized gain (loss) on cash flow hedges	(2,536)	(1,069)	1,275
Net actuarial gain (loss) relating to defined benefit pension plans	(59)	(5,840)	(214)
Total other comprehensive income (loss), net, for the period	\$ (4,474)	\$ (16,106)	\$ 16,449
Total comprehensive income	<u>\$ 144,046</u>	<u>\$ 109,068</u>	<u>\$ 139,652</u>

OPEN TEXT CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands of U.S. dollars)

	Three Months Ended June 30,	
	2013	2012
Net income for the period	\$ 42,172	\$ 7,971
Other comprehensive income—net of tax:		
Net foreign currency translation adjustments	2,911	1,930
Net unrealized gain (loss) on cash flow hedges	(2,194)	(737)
Net actuarial gain (loss) relating to defined benefit pension plans	474	(2,318)
Total other comprehensive income (loss), net, for the period	\$ 1,191	\$ (1,125)
Total comprehensive income	<u>\$ 43,363</u>	<u>\$ 6,846</u>

OPEN TEXT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands of U.S. dollars)

	Year Ended June 30,		
	2013	2012	2011
Cash flows from operating activities:			
Net income for the period	\$ 148,520	\$ 125,174	\$ 123,203
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization of intangible assets	186,851	159,485	129,130
Share-based compensation expense	15,575	18,097	11,308
Excess tax benefits on share-based compensation expense	(915)	(2,723)	(1,888)
Pension expense	910	543	552
Amortization of debt issuance costs	2,123	1,703	1,359
Amortization of deferred charges and credits	11,815	11,579	8,519
Loss on sale and write down of property and equipment	24	203	12
Deferred taxes	(5,796)	(78,792)	(17,779)
Impairment and other non cash charges	—	1,389	(482)
Changes in operating assets and liabilities:			
Accounts receivable	17,965	5,319	200
Prepaid expenses and other current assets	4,242	(2,079)	1,833
Income taxes	(17,053)	68,601	9,444
Deferred charges and credits	(9,274)	(22,035)	(29,071)
Accounts payable and accrued liabilities	(41,409)	(17,812)	(21,197)
Deferred revenue	5,418	(4,581)	10,738
Other assets	(494)	2,419	(2,660)
Net cash provided by operating activities	<u>318,502</u>	<u>266,490</u>	<u>223,221</u>
Cash flows from investing activities:			
Additions of property and equipment	(23,107)	(25,828)	(36,662)
Purchase of patents	(192)	(193)	—
Purchase of System Solutions Australia Pty Limited, net of cash acquired	(516)	(1,738)	—
Purchase of EasyLink Services International Corporation, net of cash acquired	(315,331)	—	—
Purchase of Resonate KT Limited, net of cash acquired	(19,366)	—	—
Purchase of ICCM Professional Services Limited, net of cash acquired	(11,257)	—	—
Purchase of Operitel Corporation, net of cash acquired	—	(7,014)	—
Purchase of Global 360 Holding Corp., net of cash acquired	—	(245,653)	—
Purchase of StreamServe Inc., net of cash acquired	—	—	(57,221)
Purchase of weComm Limited, net of cash acquired	—	—	(20,198)
Purchase of Metastorm Inc., net of cash acquired	—	—	(168,657)
Purchase of New Generation Consulting Inc	—	—	(471)
Purchase consideration for prior period acquisitions	(875)	(1,113)	(4,577)
Other investing activities	(3,750)	—	518
Net cash used in investing activities	<u>(374,394)</u>	<u>(281,539)</u>	<u>(287,268)</u>
Cash flows from financing activities:			
Excess tax benefits on share-based compensation expense	915	2,723	1,888
Proceeds from issuance of Common Shares	16,347	21,270	11,512
Purchase of Treasury Stock	—	(10,888)	(12,499)
Proceeds from long-term debt and revolver	—	648,500	—
Repayment of long-term debt and revolver	(30,677)	(349,187)	(3,575)
Debt issuance costs	—	(9,834)	(29)
Payments of dividends to shareholders	(17,703)	—	—
Net cash provided by (used in) financing activities	<u>(31,118)</u>	<u>302,584</u>	<u>(2,703)</u>
Foreign exchange gain (loss) on cash held in foreign currencies	(2,292)	(11,928)	24,698
Increase (decrease) in cash and cash equivalents during the period	(89,302)	275,607	(42,052)
Cash and cash equivalents at beginning of the period	559,747	284,140	326,192
Cash and cash equivalents at end of the period	<u>\$ 470,445</u>	<u>\$ 559,747</u>	<u>\$ 284,140</u>

OPEN TEXT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands of U.S. dollars)

	Three Months Ended June 30,	
	2013	2012
Cash flows from operating activities:		
Net income for the period	\$ 42,172	\$ 7,971
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of intangible assets	46,994	39,911
Share-based compensation expense	5,422	4,691
Excess tax benefits on share-based compensation expense	(303)	(13)
Pension expense	218	66
Amortization of debt issuance costs	532	537
Amortization of deferred charges and credits	3,195	3,122
Loss on sale and write down of property and equipment	—	—
Deferred taxes	1,566	(57,700)
Impairment and other non cash charges	—	44
Changes in operating assets and liabilities:		
Accounts receivable	2,578	14,583
Prepaid expenses and other current assets	6,303	1,028
Income taxes	(2,146)	69,551
Deferred charges and credits	(12,854)	2,043
Accounts payable and accrued liabilities	(14,233)	3,540
Deferred revenue	(12,774)	(13,078)
Other assets	(1,453)	3,550
Net cash provided by operating activities	<u>65,217</u>	<u>79,846</u>
Cash flows from investing activities:		
Additions of property and equipment	(7,315)	(4,447)
Purchase of patents	(192)	—
Purchase of System Solutions Australia Pty Limited, net of cash acquired	—	—
Purchase of EasyLink Services International Corporation, net of cash acquired	—	—
Purchase of Resonate KT Limited, net of cash acquired	—	—
Purchase of ICCM Professional Services Limited, net of cash acquired	(11,257)	—
Purchase of Operitel Corporation, net of cash acquired	—	(623)
Purchase of Global 360 Holding Corp., net of cash acquired	—	—
Purchase of StreamServe Inc., net of cash acquired	—	—
Purchase of weComm Limited, net of cash acquired	—	—
Purchase of Metastorm Inc., net of cash acquired	—	—
Purchase of New Generation Consulting Inc	—	—
Purchase consideration for prior period acquisitions	(222)	(187)
Other investing activities	(3,750)	—
Net cash used in investing activities	<u>(22,736)</u>	<u>(5,257)</u>
Cash flows from financing activities:		
Excess tax benefits on share-based compensation expense	303	13
Proceeds from issuance of Common Shares	8,817	2,934
Purchase of Treasury Stock	—	(10,888)
Proceeds from long-term debt and revolver	—	—
Repayment of long-term debt and revolver	(7,669)	(7,667)
Debt issuance costs	—	—
Payments of dividends to shareholders	(17,703)	—
Net cash provided by (used in) financing activities	<u>(16,252)</u>	<u>(15,608)</u>
Foreign exchange gain (loss) on cash held in foreign currencies	(2,695)	(8,140)
Increase (decrease) in cash and cash equivalents during the period	23,534	50,841
Cash and cash equivalents at beginning of the period	446,911	508,906
Cash and cash equivalents at end of the period	<u>\$ 470,445</u>	<u>\$ 559,747</u>