

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

	<u>December 31, 2014</u>	<u>June 30, 2014</u>
	(unaudited)	
<b>ASSETS</b>		
Cash and cash equivalents	\$ 542,810	\$ 427,890
Accounts receivable trade, net of allowance for doubtful accounts of \$6,211 as of December 31, 2014 and \$4,727 as of June 30, 2014	258,230	292,929
Income taxes recoverable	16,374	24,648
Prepaid expenses and other current assets	52,533	42,053
Deferred tax assets	31,375	28,215
<b>Total current assets</b>	<b>901,322</b>	<b>815,735</b>
Property and equipment	153,841	142,261
Goodwill	1,940,304	1,963,557
Acquired intangible assets	637,660	725,318
Deferred tax assets	152,030	156,712
Other assets	57,823	52,041
Deferred charges	44,820	52,376
Long-term income taxes recoverable	8,517	10,638
<b>Total assets</b>	<b>\$ 3,896,317</b>	<b>\$ 3,918,638</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 193,510	\$ 231,954
Current portion of long-term debt	65,289	62,582
Deferred revenues	292,162	332,664
Income taxes payable	11,729	31,630
Deferred tax liabilities	834	1,053
<b>Total current liabilities</b>	<b>563,524</b>	<b>659,883</b>
Long-term liabilities:		
Accrued liabilities	33,098	41,999
Deferred credits	15,236	17,529
Pension liability	65,346	60,300
Long-term debt	1,226,500	1,256,750
Deferred revenues	18,022	17,248
Long-term income taxes payable	161,036	162,131
Deferred tax liabilities	54,177	60,631
<b>Total long-term liabilities</b>	<b>1,573,415</b>	<b>1,616,588</b>
Shareholders' equity:		
Share capital		
122,078,994 and 121,758,432 Common Shares issued and outstanding at December 31, 2014 and June 30, 2014, respectively; Authorized Common Shares: unlimited	801,810	792,834
Additional paid-in capital	114,951	112,398
Accumulated other comprehensive income	39,632	39,449
Retained earnings	813,131	716,317
Treasury stock, at cost (407,725 shares at December 31, 2014 and 763,278 at June 30, 2014, respectively)	(10,680)	(19,132)
<b>Total OpenText shareholders' equity</b>	<b>1,758,844</b>	<b>1,641,866</b>
Non-controlling interests	534	301
<b>Total shareholders' equity</b>	<b>1,759,378</b>	<b>1,642,167</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 3,896,317</b>	<b>\$ 3,918,638</b>

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

	Three Months Ended December 31,		Six Months Ended December 31,	
	2014	2013	2014	2013
<b>Revenues:</b>				
License	\$ 75,824	\$ 81,164	\$ 134,439	\$ 136,470
Cloud services	151,269	42,131	301,275	83,778
Customer support	179,466	174,425	363,372	342,865
Professional service and other	61,286	65,787	122,546	124,854
Total revenues	467,845	363,507	921,632	687,967
<b>Cost of revenues:</b>				
License	3,412	3,304	6,500	6,340
Cloud services	56,974	15,963	114,970	30,228
Customer support	23,942	24,409	47,160	46,579
Professional service and other	46,641	51,245	92,002	96,680
Amortization of acquired technology-based intangible assets	18,206	13,035	36,412	34,565
Total cost of revenues	149,175	107,956	297,044	214,392
Gross profit	318,670	255,551	624,588	473,575
<b>Operating expenses:</b>				
Research and development	46,170	41,917	90,912	82,133
Sales and marketing	90,010	81,290	170,109	150,703
General and administrative	39,849	32,815	75,605	61,701
Depreciation	12,465	6,898	24,707	13,356
Amortization of acquired customer-based intangible assets	25,364	12,432	51,248	29,709
Special charges (recoveries)	(5,759)	6,268	(1,590)	9,999
Total operating expenses	208,099	181,620	410,991	347,601
Income from operations	110,571	73,931	213,597	125,974
Other income (expense), net	(9,314)	(740)	(19,187)	1,186
Interest and other related expense, net	(8,455)	(3,040)	(19,554)	(7,425)
Income before income taxes	92,802	70,151	174,856	119,735
Provision for income taxes	18,308	16,651	35,710	35,605
Net income for the period	\$ 74,494	\$ 53,500	\$ 139,146	\$ 84,130
Net (income) loss attributable to non-controlling interests	(207)	—	(233)	—
Net income attributable to OpenText	\$ 74,287	\$ 53,500	\$ 138,913	\$ 84,130
Earnings per share—basic attributable to OpenText	\$ 0.61	\$ 0.45	\$ 1.14	\$ 0.71
Earnings per share—diluted attributable to OpenText	\$ 0.60	\$ 0.45	\$ 1.13	\$ 0.71
Weighted average number of Common Shares outstanding—basic	122,051	118,272	121,984	118,200
Weighted average number of Common Shares outstanding—diluted	122,985	119,186	122,934	118,950
Dividends declared per Common Share	\$ 0.1725	\$ 0.1500	\$ 0.3450	\$ 0.3000

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

	Three Months Ended December 31,		Six Months Ended December 31,	
	2014	2013	2014	2013
<b>Cash flows from operating activities:</b>				
Net income for the period	\$ 74,494	\$ 53,500	\$ 139,146	\$ 84,130
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization of intangible assets	56,035	32,365	112,367	77,630
Share-based compensation expense	4,929	6,677	9,378	11,289
Excess tax benefits on share-based compensation expense	(1,232)	(1,008)	(1,627)	(1,081)
Pension expense	1,202	437	2,422	790
Amortization of debt issuance costs	1,132	519	2,275	1,044
Amortization of deferred charges and credits	2,632	2,967	5,263	5,934
Loss on sale and write down of property and equipment	—	(6)	—	15
Deferred taxes	2,764	(1,329)	1,219	(3,198)
Changes in operating assets and liabilities:				
Accounts receivable	(15,294)	(19,602)	40,249	9,176
Prepaid expenses and other current assets	(548)	(729)	(697)	(4,161)
Income taxes	(6,207)	(5,093)	11,599	2,409
Deferred charges and credits	—	5,788	—	8,488
Accounts payable and accrued liabilities	(3,187)	7,247	(37,326)	(10,846)
Deferred revenue	(5,990)	(21,574)	(32,745)	(40,134)
Other assets	(1,158)	716	(3,420)	(686)
Net cash provided by operating activities	<u>109,572</u>	<u>60,875</u>	<u>248,103</u>	<u>140,799</u>
<b>Cash flows from investing activities:</b>				
Additions of property and equipment	(18,026)	(11,913)	(48,261)	(20,228)
Purchase of patents	—	(192)	—	(192)
Purchase of Cordys Holding B.V., net of cash acquired	—	—	—	(30,588)
Purchase of a division of Spicer Corporation	(222)	—	(222)	—
Purchase consideration for prior period acquisitions	(221)	(221)	(443)	(443)
Other investing activities	(1,059)	526	(8,433)	(974)
Net cash used in investing activities	<u>(19,528)</u>	<u>(11,800)</u>	<u>(57,359)</u>	<u>(52,425)</u>
<b>Cash flows from financing activities:</b>				
Excess tax benefits on share-based compensation expense	1,232	1,008	1,627	1,081
Proceeds from issuance of Common Shares	2,039	3,606	9,138	5,429
Repayment of long-term debt	(13,413)	(11,419)	(26,830)	(19,087)
Debt issuance costs	(1,220)	(273)	(1,403)	(273)
Payments of dividends to shareholders	(21,054)	(17,747)	(42,099)	(35,468)
Net cash used in financing activities	<u>(32,416)</u>	<u>(24,825)</u>	<u>(59,567)</u>	<u>(48,318)</u>
Foreign exchange gain (loss) on cash held in foreign currencies	(7,304)	(43)	(16,257)	4,853
Increase in cash and cash equivalents during the period	50,324	24,207	114,920	44,909
Cash and cash equivalents at beginning of the period	492,486	491,147	427,890	470,445
Cash and cash equivalents at end of the period	<u>\$ 542,810</u>	<u>\$ 515,354</u>	<u>\$ 542,810</u>	<u>\$ 515,354</u>