

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

	<u>June 30, 2012</u>	<u>June 30, 2011</u>
ASSETS		
Cash and cash equivalents	\$ 559,747	\$ 284,140
Accounts receivable trade, net of allowance for doubtful accounts of \$5,655 as of June 30, 2012 and \$5,424 as of June 30, 2011 (note 3)	163,664	154,568
Income taxes recoverable	17,849	18,911
Prepaid expenses and other current assets	44,011	29,678
Deferred tax assets	4,003	27,861
Total current assets	789,274	515,158
Property and equipment	81,157	77,825
Goodwill	1,040,234	832,481
Acquired intangible assets	312,563	344,995
Deferred tax assets	80,226	42,737
Other assets	23,739	19,359
Deferred charges	68,653	54,989
Long-term income taxes recoverable	48,447	44,819
Total assets	\$ 2,444,293	\$ 1,932,363
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 131,734	\$ 126,249
Current portion of long-term debt	41,374	15,545
Deferred revenues	273,987	254,531
Income taxes payable	27,806	18,424
Deferred tax liabilities	1,612	624
Total current liabilities	476,513	415,373
Long-term liabilities:		
Accrued liabilities	14,247	13,727
Deferred credits	10,086	6,878
Pension liability	22,074	18,478
Long-term debt	555,000	282,033
Deferred revenues	12,653	11,466
Long-term income taxes payable	147,623	101,434
Deferred tax liabilities	26,705	43,529
Total long-term liabilities	788,388	477,545
Shareholders' equity:		
Share capital		
58,358,990 and 57,301,812 Common Shares issued and outstanding at June 30, 2012 and June 30, 2011, respectively; Authorized Common Shares: unlimited	635,321	614,279
Additional paid-in capital	95,026	74,301
Accumulated other comprehensive income	44,364	60,470
Retained earnings	442,068	316,894
Treasury stock, at cost (793,494 shares at June 30, 2012 and 572,413 shares at June 30, 2011, respectively)	(37,387)	(26,499)
Total shareholders' equity	1,179,392	1,039,445
Total liabilities and shareholders' equity	\$ 2,444,293	\$ 1,932,363

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

	Year Ended June 30,		
	2012	2011	2010
Revenues:			
License	\$ 293,719	\$ 269,202	\$ 238,074
Customer support	656,568	560,541	507,452
Service and other	257,186	203,560	166,497
Total revenues	<u>1,207,473</u>	<u>1,033,303</u>	<u>912,023</u>
Cost of revenues:			
License	18,033	18,284	16,922
Customer support	110,504	86,834	83,741
Service and other	204,909	167,854	135,396
Amortization of acquired technology-based intangible assets	84,572	68,048	60,472
Total cost of revenues	<u>418,018</u>	<u>341,020</u>	<u>296,531</u>
Gross profit	<u>789,455</u>	<u>692,283</u>	<u>615,492</u>
Operating expenses:			
Research and development	169,043	145,992	129,378
Sales and marketing	274,544	232,332	198,208
General and administrative	97,072	86,696	83,295
Depreciation	21,587	22,116	17,425
Amortization of acquired customer-based intangible assets	53,326	38,966	35,940
Special charges	24,523	15,576	42,008
Total operating expenses	<u>640,095</u>	<u>541,678</u>	<u>506,254</u>
Income from operations	<u>149,360</u>	<u>150,605</u>	<u>109,238</u>
Other income (expense), net	3,549	(6,019)	(9,293)
Interest expense, net	(15,564)	(8,452)	(8,798)
Income before income taxes	137,345	136,134	91,147
Provision for income taxes	12,171	12,931	1,935
Net income for the period	<u>\$ 125,174</u>	<u>\$ 123,203</u>	<u>\$ 89,212</u>
Net income per share-basic	<u>\$ 2.16</u>	<u>\$ 2.16</u>	<u>\$ 1.59</u>
Net income per share-diluted	<u>\$ 2.13</u>	<u>\$ 2.11</u>	<u>\$ 1.55</u>
Weighted average number of Common Shares outstanding-basic	<u>57,890</u>	<u>57,077</u>	<u>56,280</u>
Weighted average number of Common Shares outstanding-diluted	<u>58,734</u>	<u>58,260</u>	<u>57,385</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,	
	2012	2011
Revenues:		
License	\$ 78,031	\$ 79,558
Customer support	163,128	150,956
Service and other	64,465	54,939
Total revenues	305,624	285,453
Cost of revenues:		
License	4,116	5,547
Customer support	27,780	23,237
Service and other	51,358	47,753
Amortization of acquired technology-based intangible assets	21,265	18,524
Total cost of revenues	104,519	95,061
Gross profit	201,105	190,392
Operating expenses:		
Research and development	41,195	39,437
Sales and marketing	71,641	68,417
General and administrative	24,186	24,085
Depreciation	5,268	6,066
Amortization of acquired customer-based intangible assets	13,378	10,807
Special charges	5,747	4,483
Total operating expenses	161,415	153,295
Income from operations	39,690	37,097
Other expense, net	(6,596)	(5,359)
Interest expense, net	(4,410)	(2,090)
Income before income taxes	28,684	29,648
Provision for income taxes	20,713	1,056
Net income for the period	\$ 7,971	\$ 28,592
Net income per share-basic	\$ 0.14	\$ 0.50
Net income per share-diluted	\$ 0.14	\$ 0.49
Weighted average number of Common Shares outstanding-basic	58,270	57,276
Weighted average number of Common Shares outstanding-diluted	58,847	58,581

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

	Year Ended June 30,		
	2012	2011	2010
Cash flows from operating activities:			
Net income for the period	\$ 125,174	\$ 123,203	\$ 89,212
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization of intangible assets	159,485	129,130	113,837
Share-based compensation expense	18,097	11,308	9,765
Excess tax benefits on share-based compensation expense	(2,723)	(1,888)	(1,143)
Pension expense	543	552	211
Amortization of debt issuance costs	1,703	1,359	1,390
Amortization on deferred charges and credits	11,579	8,519	—
Unrealized gain on financial instruments	—	—	(878)
Loss on sale and write down of property and equipment	203	12	136
Release of unrealized gain on marketable securities to income	—	—	(4,353)
Deferred taxes	(78,792)	(17,779)	(24,219)
Impairment and other non cash charges	1,389	(482)	(1,081)
Changes in operating assets and liabilities:			
Accounts receivable	5,319	200	24,521
Prepaid expenses and other current assets	(2,079)	1,833	(814)
Income taxes	68,601	9,444	5,066
Deferred charges and credits	(22,035)	(29,071)	—
Accounts payable and accrued liabilities	(17,812)	(21,197)	(11,340)
Deferred revenue	(4,581)	10,738	3,077
Other assets	2,419	(2,660)	(23,196)
Net cash provided by operating activities	266,490	223,221	180,191
Cash flows from investing activities:			
Additions of property and equipment	(25,828)	(36,662)	(19,314)
Purchase of Patents	(193)	—	—
Purchase of System Solutions Australia Pty Limited (Message Manager), net of cash acquired	(1,738)	—	—
Purchase of Operitel Corporation, net of cash acquired	(7,014)	—	—
Purchase of Global 360 Holding Corp., net of cash acquired	(245,653)	—	—
Purchase of Stream Serve 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 Burntsand Inc., net of cash acquired	—	—	(8,163)
Purchase of Nstein Technologies Inc., net of cash acquired	—	—	(20,370)
Purchase of New Generation Consulting Inc	—	(471)	(3,500)
Purchase of Vignette Corporation, net of cash acquired	—	—	(90,600)
Purchase of eMotion LLC, net of cash acquired	—	—	(556)
Purchase consideration for prior period acquisitions	(1,113)	(4,577)	(12,843)
Investments in marketable securities	—	518	—
Maturity of short-term investments	—	—	45,525
Net cash used in investing activities	(281,539)	(287,268)	(109,821)
Cash flow from financing activities:			
Excess tax benefits on share-based compensation expense	2,723	1,888	1,143
Proceeds from issuance of Common Shares	21,270	11,512	9,971
Purchase of Treasury Stock	(10,888)	(12,499)	(14,000)
Proceeds from long-term debt and revolver	648,500	—	—
Repayment of long term debt and revolver	(349,187)	(3,575)	(3,485)
Debt issuance costs	(9,834)	(29)	(1,024)
Net cash provided by (used in) financing activities	302,584	(2,703)	(7,395)
Foreign exchange gain (loss) on cash held in foreign currencies	(11,928)	24,698	(12,602)
Increase in cash and cash equivalents during the period	275,607	(42,052)	50,373
Cash and cash equivalents at beginning of the period	284,140	326,192	275,819
Cash and cash equivalents at end of the period	<u>\$ 559,747</u>	<u>\$ 284,140</u>	<u>\$ 326,192</u>

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

	Three Months Ended June 30,	
	2012	2011
Cash flows from operating activities:		
Net income for the period	\$ 7,971	\$ 28,592
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of intangible assets	39,911	35,397
Share-based compensation expense	4,691	2,877
Excess tax benefits on share-based compensation expense	(13)	(311)
Pension expense	66	165
Amortization of debt issuance costs	537	347
Amortization on deferred charges and credits	3,122	1,873
Unrealized gain on financial instruments	—	—
Loss on sale and write down of property and equipment	—	—
Release of unrealized gain on marketable securities to income	—	—
Deferred taxes	(57,700)	(6,990)
Impairment and other non cash charges	44	(482)
Changes in operating assets and liabilities:		
Accounts receivable	14,583	(4,338)
Prepaid expenses and other current assets	1,028	1,709
Income taxes	69,551	(5,730)
Deferred charges and credits	2,043	101
Accounts payable and accrued liabilities	3,540	825
Deferred revenue	(13,078)	(2,075)
Other assets	3,550	(3)
Net cash provided by operating activities	79,846	51,957
Cash flows from investing activities:		
Additions of property and equipment	(4,447)	(10,126)
Purchase of Patents	—	—
Purchase of System Solutions Australia Pty Limited (Message Manager), net of cash acquired	—	—
Purchase of Operitel Corporation, net of cash acquired	(623)	—
Purchase of Global 360 Holding Corp., net of cash acquired	—	—
Purchase of Stream Serve Inc., net of cash acquired	—	—
Purchase of weComm Limited, net of cash acquired	—	—
Purchase of Metastorm Inc., net of cash acquired	—	—
Purchase of Burntsand Inc., net of cash acquired	—	—
Purchase of Nstein Technologies Inc., net of cash acquired	—	—
Purchase of New Generation Consulting Inc	—	(471)
Purchase of Vignette Corporation, net of cash acquired	—	—
Purchase of eMotion LLC, net of cash acquired	—	—
Purchase consideration for prior period acquisitions	(187)	(371)
Investments in marketable securities	—	1,186
Maturity of short-term investments	—	—
Net cash used in investing activities	(5,257)	(9,782)
Cash flow from financing activities:		
Excess tax benefits on share-based compensation expense	13	311
Proceeds from issuance of Common Shares	2,934	2,128
Purchase of Treasury Stock	(10,888)	—
Proceeds from long-term debt and revolver	—	—
Repayment of long term debt and revolver	(7,667)	(914)
Debt issuance costs	—	—
Net cash provided by (used in) financing activities	(15,608)	1,525
Foreign exchange gain (loss) on cash held in foreign currencies	(8,140)	2,693
Increase in cash and cash equivalents during the period	50,841	46,393
Cash and cash equivalents at beginning of the period	508,906	237,747
Cash and cash equivalents at end of the period	\$ 559,747	\$ 284,140