

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

	<u>December 31, 2007</u>	<u>June 30, 2007</u>
	(Unaudited)	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents .....	\$ 159,709	\$ 149,979
Accounts receivable trade, net of allowance for doubtful accounts of \$2,966 as of December 31, 2007 and \$2,089 as of June 30, 2007 .....	120,588	128,781
Income taxes recoverable .....	19,599	31,060
Prepaid expenses and other current assets .....	10,518	10,368
Deferred tax assets .....	32,410	30,248
Total current assets .....	<u>342,824</u>	<u>350,436</u>
Capital assets .....	42,879	43,614
Goodwill .....	552,079	528,312
Acquired intangible assets .....	313,118	343,324
Deferred tax assets .....	29,201	42,078
Other assets .....	11,119	9,524
Long-term income taxes recoverable .....	36,945	9,557
	<u>\$ 1,328,165</u>	<u>\$ 1,326,845</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable and accrued liabilities .....	\$ 101,403	\$ 100,211
Current portion of long-term debt .....	3,488	4,048
Deferred revenues .....	134,399	143,097
Income taxes payable .....	11,701	33,705
Deferred tax liabilities .....	1,198	1,601
Total current liabilities .....	<u>252,189</u>	<u>282,662</u>
Long-term liabilities:		
Accrued liabilities .....	22,338	22,516
Long-term debt .....	306,458	366,765
Deferred revenues .....	3,313	3,840
Long-term income taxes payable .....	41,893	—
Deferred tax liabilities .....	102,246	120,019
Total long-term liabilities .....	<u>476,248</u>	<u>513,140</u>
Minority interest .....	7,763	6,975
Shareholders' equity:		
Share capital		
50,872,016 and 50,180,118 Common Shares issued and outstanding at December 31, 2007 and June 30, 2007, respectively; Authorized Common Shares: unlimited .....	435,422	426,188
Additional paid-in capital .....	37,795	35,311
Accumulated other comprehensive income .....	105,728	68,034
Retained earnings (deficit) .....	13,020	(5,465)
Total shareholders' equity .....	<u>591,965</u>	<u>524,068</u>
	<u>\$ 1,328,165</u>	<u>\$ 1,326,845</u>

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

	Three months ended December 31,		Six months ended December 31,	
	2007	2006	2007	2006
Revenues:				
License.....	\$ 55,158	\$ 51,425	\$ 99,418	\$ 80,250
Customer support.....	90,614	78,022	176,918	126,310
Service .....	36,762	33,814	70,165	57,856
Total revenues .....	182,534	163,261	346,501	264,416
Cost of revenues:				
License.....	4,649	3,322	8,203	6,122
Customer support.....	14,191	12,659	26,789	19,646
Service .....	30,192	29,108	57,696	49,408
Amortization of acquired technology-based intangible assets....	10,308	10,396	20,460	15,242
Total cost of revenues .....	59,340	55,485	113,148	90,418
	123,194	107,776	233,353	173,998
Operating expenses:				
Research and development .....	25,924	22,595	49,656	36,813
Sales and marketing.....	42,523	43,824	80,633	68,696
General and administrative .....	16,955	15,474	33,965	26,693
Depreciation.....	3,752	3,907	6,736	6,899
Amortization of acquired customer-based intangible assets.....	7,514	7,369	14,929	9,751
Special charges (recoveries) .....	(47)	4,843	(108)	4,375
Total operating expenses.....	96,621	98,012	185,811	153,227
Income from operations .....	26,573	9,764	47,542	20,771
Other income (expense) .....	(3,683			702
	)	329	(5,510)	
Interest income (expense), net .....			(15,439	
	(7,567)	(7,512)	)(7,120)	
Income before income taxes.....	15,323	2,581	26,593	14,353
Provision for income taxes.....	4,511	173	7,854	4,507
Net income before minority interest.....	10,812	2,408	18,739	9,846
Minority interest.....	127	131	254	268
Net income for the period.....	\$ 10,685	\$ 2,277	\$ 18,485	\$ 9,578
Net income per share—basic .....	\$ 0.21	\$ 0.05	\$ 0.37	\$ 0.20
Net income per share—diluted .....	\$ 0.20	\$ 0.04	\$ 0.35	\$ 0.19
Weighted average number of Common Shares outstanding—basic ....	50,736	49,152	50,511	49,063
Weighted average number of Common Shares outstanding—diluted..	52,689	50,739	52,224	50,497

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

	Three months ended December 31,		Six months ended December 31,	
	2007	2006	2007	2006
Cash flows from operating activities:				
Net income for the period.....	\$ 10,685	\$ 2,277	\$ 18,485	\$ 9,578
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization .....	21,574	21,672	42,125	31,892
In-process research and development.....	—	—	500	—
Share-based compensation expense .....	655	1,333	1,718	2,600
Employee long-term incentive plan .....	572	—	757	—
Excess tax benefits from share-based compensation..	(369)	(536)	(766)	(741)
Undistributed earnings related to minority interest ...	127	131	254	268
Amortization of debt issuance costs .....	421	257	711	257
Unrealized loss on financial instruments.....	1,444	212	2,851	212
Deferred taxes .....	(3,408)	(10,638)	(4,113)	(8,924)
Changes in operating assets and liabilities:				
Accounts receivable .....	(2,923)	25,191	7,579	23,497
Prepaid expenses and other current assets .....	302	277	(197)	894
Income taxes.....	8,070	(2,859)	8,554	(3,813)
Accounts payable and accrued liabilities .....	6,967	610	1,472	(4,913)
Deferred revenues .....	(5,110)	(10,475)	(8,883)	(13,437)
Other assets .....	336	3,976	510	3,695
Net cash provided by operating activities.....	<u>39,343</u>	<u>31,428</u>	<u>71,557</u>	<u>41,065</u>
Cash flows from investing activities:				
Acquisitions of capital assets.....	(2,170)	(1,106)	(3,386)	(3,891)
Additional purchase consideration for prior period acquisitions	(263)	(1,390)	(439)	(1,723)
Purchase of Hummingbird, net of cash acquired .....	—	(384,761)	—	(384,761)
Purchase of an asset group constituting a business.....	—	—	(2,209)	—
Investments in marketable securities .....	—	—	—	(829)
Acquisition related costs.....	(3,813)	(17,752)	(11,842)	(20,200)
Net cash used in investing activities.....	<u>(6,246)</u>	<u>(405,009)</u>	<u>(17,876)</u>	<u>(411,404)</u>
Cash flows from financing activities:				
Excess tax benefits from share-based compensation .....	369	536	766	741
Proceeds from issuance of Common Shares .....	3,498	1,986	9,217	2,464
Repayment of long-term debt .....	(30,944)	(1,074)	(61,877)	(1,173)
Proceeds from long-term debt.....	—	390,000	—	390,000
Debt issuance costs .....	—	(7,412)	(349)	(7,433)
Net cash provided by (used in) financing activities .....	<u>(27,077)</u>	<u>384,036</u>	<u>(52,243)</u>	<u>384,599</u>
Foreign exchange gain on cash held in foreign currencies .....	3,383	2,722	8,292	2,787
Increase in cash and cash equivalents during the period .....	9,403	13,177	9,730	17,047
Cash and cash equivalents at beginning of period.....	150,306	111,224	149,979	107,354
Cash and cash equivalents at end of period.....	<u>\$ 159,709</u>	<u>\$ 124,401</u>	<u>\$ 159,709</u>	<u>\$ 124,401</u>