

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

	<u>September 30,</u> <u>2011</u>	<u>June 30,</u> <u>2011</u>
	(Unaudited)	
ASSETS		
Cash and cash equivalents	\$ 119,294	\$ 284,140
Accounts receivable trade, net of allowance for doubtful accounts of \$6,277 as of September 30, 2011 and \$5,424 as of June 30, 2011	143,837	154,568
Income taxes recoverable	17,183	18,911
Prepaid expenses and other current assets	34,987	29,678
Deferred tax assets	29,405	27,861
Total current assets	<u>344,706</u>	<u>515,158</u>
Capital assets	84,590	77,825
Goodwill	1,038,571	832,481
Acquired intangible assets	414,281	344,995
Deferred tax assets	29,401	42,737
Other assets	19,408	19,359
Deferred charges	61,022	54,989
Long-term income taxes recoverable	41,161	44,819
Total assets	<u><u>\$ 2,033,140</u></u>	<u><u>\$ 1,932,363</u></u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 138,005	\$ 126,249
Current portion of long-term debt	63,388	15,545
Deferred revenues	249,097	254,531
Income taxes payable	19,157	18,424
Deferred tax liabilities	1,991	624
Total current liabilities	<u>471,638</u>	<u>415,373</u>
Long-term liabilities:		
Accrued liabilities	13,834	13,727
Deferred credits	6,538	6,878
Pension liability	18,171	18,478
Long-term debt	281,285	282,033
Deferred revenues	12,240	11,466
Long-term income taxes payable	103,310	101,434
Deferred tax liabilities	54,850	43,529
Total long-term liabilities	<u>490,228</u>	<u>477,545</u>
Shareholders' equity:		
Share capital		
57,790,868 and 57,301,812 Common Shares issued and outstanding at September 30, 2011 and June 30, 2011, respectively; Authorized Common Shares: unlimited	622,337	614,279
Additional paid-in capital	79,454	74,301
Accumulated other comprehensive income	44,102	60,470
Retained earnings	351,880	316,894
Treasury stock, at cost (572,413 shares at September 30, 2011 and June 30, 2011, respectively)	(26,499)	(26,499)
Total shareholders' equity	<u>1,071,274</u>	<u>1,039,445</u>
Total liabilities and shareholders' equity	<u><u>\$ 2,033,140</u></u>	<u><u>\$ 1,932,363</u></u>

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

	Three months ended September 30,	
	2011	2010
Revenues:		
License.....	\$ 65,028	\$ 42,646
Customer support.....	161,997	129,757
Service and other	61,021	45,002
Total revenues.....	<u>288,046</u>	<u>217,405</u>
Cost of revenues:		
License.....	3,998	3,502
Customer support.....	26,269	19,356
Service and other	50,351	35,113
Amortization of acquired technology-based intangible assets	20,790	15,427
Total cost of revenues	<u>101,408</u>	<u>73,398</u>
Gross profit	<u>186,638</u>	<u>144,007</u>
Operating expenses:		
Research and development	43,458	30,963
Sales and marketing.....	64,880	44,180
General and administrative	25,761	19,810
Depreciation	5,258	4,875
Amortization of acquired customer-based intangible assets	13,041	8,801
Special charges	7,105	3,195
Total operating expenses.....	<u>159,503</u>	<u>111,824</u>
Income from operations	<u>27,135</u>	<u>32,183</u>
Other income, net.....	9,274	2,480
Interest expense, net.....	(4,348)	(4,135)
Income before income taxes.....	32,061	30,528
Provision for (recovery of) income taxes	(2,925)	8,857
Net income for the period	<u>\$ 34,986</u>	<u>\$ 21,671</u>
Net income per share—basic	<u>\$ 0.61</u>	<u>\$ 0.38</u>
Net income per share—diluted	<u>\$ 0.60</u>	<u>\$ 0.37</u>
Weighted average number of Common Shares outstanding—basic	<u>57,412</u>	<u>56,883</u>
Weighted average number of Common Shares outstanding—diluted	<u>58,599</u>	<u>57,922</u>

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

	Three months ended September 30,	
	2011	2010
Cash flows from operating activities:		
Net income for the period	\$ 34,986	\$ 21,671
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of intangible assets	39,089	29,103
Share-based compensation expense	4,844	2,600
Excess tax benefits on share-based compensation expense	(332)	(432)
Pension expense.....	137	123
Amortization of debt issuance costs	330	333
Loss on sale and write down of capital assets	169	—
Deferred taxes.....	(14,849)	(181)
Impairment and other non cash charges	(1,355)	—
Changes in operating assets and liabilities:		
Accounts receivable.....	21,654	27,878
Prepaid expenses and other current assets	5,842	(2,528)
Income taxes.....	17,696	32,862
Deferred charges and credits	(9,046)	(27,725)
Accounts payable and accrued liabilities.....	(21,407)	(25,991)
Deferred revenue	(32,998)	(7,234)
Other assets.....	588	(1,545)
Net cash provided by operating activities	45,348	48,934
Cash flows from investing activities:		
Additions of capital assets-net.....	(7,902)	(6,943)
Purchase of Operitel Corporation, net of cash acquired	(6,260)	—
Purchase of Global 360 Holding Corp., net of cash acquired.....	(247,711)	—
Purchase consideration for prior period acquisitions.....	(274)	(1,406)
Investments in marketable securities	—	(668)
Net cash used in investing activities	(262,147)	(9,017)
Cash flow from financing activities:		
Excess tax benefits on share-based compensation expense	332	432
Proceeds from issuance of Common Shares	7,837	3,246
Proceeds from long-term debt	48,500	—
Repayment of long-term debt.....	(916)	(878)
Net cash provided by financing activities	55,753	2,800
Foreign exchange gain (loss) on cash held in foreign currencies.....	(3,800)	15,783
Increase (decrease) in cash and cash equivalents during the period.....	(164,846)	58,500
Cash and cash equivalents at beginning of the period.....	284,140	326,192
Cash and cash equivalents at end of the period.....	\$ 119,294	\$ 384,692