

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

<b>ASSETS</b>	<b>June 30, 2019</b>	<b>June 30, 2018</b>
Cash and cash equivalents	\$ 941,009	\$ 682,942
Accounts receivable trade, net of allowance for doubtful accounts of \$17,011 as of June 30, 2019 and \$9,741 as of June 30, 2018	463,785	487,956
Contract assets	20,956	—
Income taxes recoverable	38,340	55,623
Prepaid expenses and other current assets	97,238	101,059
Total current assets	1,561,328	1,327,580
Property and equipment	249,453	264,205
Long-term contract assets	15,386	—
Goodwill	3,769,908	3,580,129
Acquired intangible assets	1,146,504	1,296,637
Deferred tax assets	1,004,450	1,122,729
Other assets	148,977	111,267
Deferred charges	—	38,000
Long-term income taxes recoverable	37,969	24,482
<b>Total assets</b>	<b>\$ 7,933,975</b>	<b>\$ 7,765,029</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 329,903	\$ 302,154
Current portion of long-term debt	10,000	10,000
Deferred revenues	641,656	644,211
Income taxes payable	33,158	38,234
Total current liabilities	1,014,717	994,599
Long-term liabilities:		
Accrued liabilities	49,441	52,827
Deferred credits	—	2,727
Pension liability	75,239	65,719
Long-term debt	2,604,878	2,610,523
Deferred revenues	46,974	69,197
Long-term income taxes payable	202,184	172,241
Deferred tax liabilities	55,872	79,938
Total long-term liabilities	3,034,588	3,053,172
Shareholders' equity:		
Share capital and additional paid-in capital		
269,834,442 and 267,651,084 Common Shares issued and outstanding at June 30, 2019 and June 30, 2018, respectively; authorized Common Shares: unlimited	1,774,214	1,707,073
Accumulated other comprehensive income	24,124	33,645
Retained earnings	2,113,883	1,994,235
Treasury stock, at cost (802,871 shares at June 30, 2019 and 690,336 shares at June 30, 2018, respectively)	(28,766)	(18,732)
Total OpenText shareholders' equity	3,883,455	3,716,221
Non-controlling interests	1,215	1,037
Total shareholders' equity	3,884,670	3,717,258
<b>Total liabilities and shareholders' equity</b>	<b>\$ 7,933,975</b>	<b>\$ 7,765,029</b>

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

	Year Ended June 30,		
	2019	2018	2017
<b>Revenues:</b>			
License	\$ 428,092	\$ 437,512	\$ 369,144
Cloud services and subscriptions	907,812	828,968	705,495
Customer support	1,247,915	1,232,504	981,102
Professional service and other	284,936	316,257	235,316
Total revenues	<u>2,868,755</u>	<u>2,815,241</u>	<u>2,291,057</u>
<b>Cost of revenues:</b>			
License	14,347	13,693	13,632
Cloud services and subscriptions	383,993	364,160	299,850
Customer support	124,343	133,889	122,565
Professional service and other	224,635	253,389	194,954
Amortization of acquired technology-based intangible assets	183,385	185,868	130,556
Total cost of revenues	<u>930,703</u>	<u>950,999</u>	<u>761,557</u>
Gross profit	<u>1,938,052</u>	<u>1,864,242</u>	<u>1,529,500</u>
<b>Operating expenses:</b>			
Research and development	321,836	322,909	281,215
Sales and marketing	518,035	529,141	444,454
General and administrative	207,909	205,227	170,353
Depreciation	97,716	86,943	64,318
Amortization of acquired customer-based intangible assets	189,827	184,118	150,842
Special charges	35,719	29,211	63,618
Total operating expenses	<u>1,371,042</u>	<u>1,357,549</u>	<u>1,174,800</u>
Income from operations	<u>567,010</u>	<u>506,693</u>	<u>354,700</u>
Other income (expense), net	10,156	17,973	15,743
Interest and other related expense, net	<u>(136,592)</u>	<u>(138,540)</u>	<u>(120,892)</u>
Income before income taxes	440,574	386,126	249,551
Provision for (recovery of) income taxes	154,937	143,826	(776,364)
Net income for the period	<u>\$ 285,637</u>	<u>\$ 242,300</u>	<u>\$ 1,025,915</u>
Net (income) loss attributable to non-controlling interests	(136)	(76)	(256)
Net income attributable to OpenText	<u>\$ 285,501</u>	<u>\$ 242,224</u>	<u>\$ 1,025,659</u>
Earnings per share—basic attributable to OpenText	<u>\$ 1.06</u>	<u>\$ 0.91</u>	<u>\$ 4.04</u>
Earnings per share—diluted attributable to OpenText	<u>\$ 1.06</u>	<u>\$ 0.91</u>	<u>\$ 4.01</u>
Weighted average number of Common Shares outstanding—basic	<u>268,784</u>	<u>266,085</u>	<u>253,879</u>
Weighted average number of Common Shares outstanding—diluted	<u>269,908</u>	<u>267,492</u>	<u>255,805</u>

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

	Three Months Ended June 30,	
	2019	2018
<b>Revenues:</b>		
License	\$ 119,728	\$ 139,924
Cloud services and subscriptions	241,889	217,892
Customer support	315,248	316,751
Professional service and other	70,356	79,703
Total revenues	<u>747,221</u>	<u>754,270</u>
<b>Cost of revenues:</b>		
License	4,128	3,048
Cloud services and subscriptions	103,719	95,346
Customer support	30,761	34,232
Professional service and other	55,183	64,896
Amortization of acquired technology-based intangible assets	42,946	47,477
Total cost of revenues	<u>236,737</u>	<u>244,999</u>
Gross profit	<u>510,484</u>	<u>509,271</u>
<b>Operating expenses:</b>		
Research and development	83,708	81,816
Sales and marketing	139,416	147,499
General and administrative	52,954	52,577
Depreciation	25,000	22,901
Amortization of acquired customer-based intangible assets	49,200	47,299
Special charges	2,232	7,821
Total operating expenses	<u>352,510</u>	<u>359,913</u>
Income from operations	<u>157,974</u>	<u>149,358</u>
Other income (expense), net	3,191	(8,938)
Interest and other related expense, net	<u>(32,841)</u>	<u>(35,345)</u>
Income before income taxes	128,324	105,075
Provision for (recovery of) income taxes	56,309	43,182
Net income for the period	<u>\$ 72,015</u>	<u>\$ 61,893</u>
Net (income) loss attributable to non-controlling interests	(32)	(170)
Net income attributable to OpenText	<u>\$ 71,983</u>	<u>\$ 61,723</u>
Earnings per share—basic attributable to OpenText	<u>\$ 0.27</u>	<u>\$ 0.23</u>
Earnings per share—diluted attributable to OpenText	<u>\$ 0.27</u>	<u>\$ 0.23</u>
Weighted average number of Common Shares outstanding—basic	<u>269,446</u>	<u>267,489</u>
Weighted average number of Common Shares outstanding—diluted	<u>270,652</u>	<u>268,628</u>

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

	Year Ended June 30,		
	2019	2018	2017
Net income for the period	\$ 285,637	\$ 242,300	\$ 1,025,915
Other comprehensive income (loss)—net of tax:			
Net foreign currency translation adjustments	(3,882)	(9,582)	(4,756)
Unrealized gain (loss) on cash flow hedges:			
Unrealized gain (loss) - net of tax expense (recovery) effect of \$6, (\$171) and \$34 for the year ended June 30, 2019, 2018 and 2017, respectively	16	(476)	95
(Gain) loss reclassified into net income - net of tax (expense) recovery effect of \$539, (\$489) and \$67 for the year ended June 30, 2019, 2018 and 2017, respectively	1,494	(1,357)	186
Actuarial gain (loss) relating to defined benefit pension plans:			
Actuarial gain (loss) - net of tax expense (recovery) effect of (\$2,004), (\$1,846) and \$840 for the year ended June 30, 2019, 2018 and 2017, respectively	(7,421)	(3,383)	6,216
Amortization of actuarial (gain) loss into net income - net of tax (expense) recovery effect of \$292, \$183 and \$241 for the year ended June 30, 2019, 2018 and 2017, respectively	272	260	565
Unrealized net gain (loss) on marketable securities - net of tax effect of nil for the year ended June 30, 2019, 2018 and 2017 respectively	—	—	184
Release of unrealized gain on marketable securities - net of tax effect of nil for the year ended June 30, 2019, 2018 and 2017 respectively	—	(617)	—
Total other comprehensive income (loss) net, for the period	(9,521)	(15,155)	2,490
Total comprehensive income	276,116	227,145	1,028,405
Comprehensive (income) loss attributable to non-controlling interests	(136)	(76)	(256)
Total comprehensive income attributable to OpenText	\$ 275,980	\$ 227,069	\$ 1,028,149

**OPEN TEXT CORPORATION**  
**CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**  
(In thousands of U.S. dollars and shares)

	Common Shares and Additional Paid in Capital		Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Income	Non- Controlling Interests	Total
	Shares	Amount	Shares	Amount				
<b>Balance as of June 30, 2016</b>	<b>242,810</b>	<b>\$ 965,068</b>	<b>(1,268)</b>	<b>\$ (25,268)</b>	<b>\$ 992,546</b>	<b>\$ 46,310</b>	<b>\$ 541</b>	<b>\$ 1,979,197</b>
Issuance of Common Shares								
Under employee stock option plans	1,012	20,732	—	—	—	—	—	20,732
Under employee stock purchase plans	427	11,604	—	—	—	—	—	11,604
Under the public Equity Offering	19,811	604,223	—	—	—	—	—	604,223
Income tax effect related to public Equity offering	—	5,077	—	—	—	—	—	5,077
Equity issuance costs	—	(19,574)	—	—	—	—	—	(19,574)
Share-based compensation	—	30,507	—	—	—	—	—	30,507
Income tax effect related to share-based compensation	—	1,534	—	—	—	—	—	1,534
Purchase of treasury stock	—	—	(244)	(8,198)	—	—	—	(8,198)
Issuance of treasury stock	—	(5,946)	410	5,946	—	—	—	—
Dividends declared (\$0.4770 per Common Share)	—	—	—	—	(120,581)	—	—	(120,581)
Other comprehensive income - net	—	—	—	—	—	2,490	—	2,490
Non-controlling interest	—	229	—	—	—	—	164	393
Net income for the year	—	—	—	—	1,025,659	—	256	1,025,915
<b>Balance as of June 30, 2017</b>	<b>264,060</b>	<b>\$ 1,613,454</b>	<b>(1,102)</b>	<b>\$ (27,520)</b>	<b>\$ 1,897,624</b>	<b>\$ 48,800</b>	<b>\$ 961</b>	<b>\$ 3,533,319</b>
Issuance of Common Shares								
Under employee stock option plans	2,870	54,355	—	—	—	—	—	54,355
Under employee stock purchase plans	721	20,458	—	—	—	—	—	20,458
Share-based compensation	—	27,594	—	—	—	—	—	27,594
Issuance of treasury stock	—	(8,788)	411	8,788	—	—	—	—
Dividends declared (\$0.5478 per Common Share)	—	—	—	—	(145,613)	—	—	(145,613)
Other comprehensive income - net	—	—	—	—	—	(15,155)	—	(15,155)
Net income for the year	—	—	—	—	242,224	—	76	242,300
<b>Balance as of June 30, 2018</b>	<b>267,651</b>	<b>\$ 1,707,073</b>	<b>(691)</b>	<b>\$ (18,732)</b>	<b>\$ 1,994,235</b>	<b>\$ 33,645</b>	<b>\$ 1,037</b>	<b>\$ 3,717,258</b>
Issuance of Common Shares								
Under employee stock option plans	1,472	35,626	—	—	—	—	—	35,626
Under employee stock purchase plans	711	21,835	—	—	—	—	—	21,835
Share-based compensation	—	26,770	—	—	—	—	—	26,770
Purchase of treasury stock	—	—	(726)	(26,499)	—	—	—	(26,499)
Issuance of treasury stock	—	(16,465)	614	16,465	—	—	—	—
Dividends declared (\$0.6300 per Common Share)	—	—	—	—	(168,859)	—	—	(168,859)
Cumulative effect of ASU 2016-16	—	—	—	—	(26,780)	—	—	(26,780)
Cumulative effect of Topic 606	—	—	—	—	29,786	—	—	29,786
Other comprehensive income - net	—	—	—	—	—	(9,521)	—	(9,521)
Non-controlling interest	—	(625)	—	—	—	—	42	(583)
Net income for the year	—	—	—	—	285,501	—	136	285,637
<b>Balance as of June 30, 2019</b>	<b>269,834</b>	<b>\$ 1,774,214</b>	<b>(803)</b>	<b>\$ (28,766)</b>	<b>\$ 2,113,883</b>	<b>\$ 24,124</b>	<b>\$ 1,215</b>	<b>\$ 3,884,670</b>

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

	Year Ended June 30,		
	2019	2018	2017
<b>Cash flows from operating activities:</b>			
Net income for the period	\$ 285,637	\$ 242,300	\$ 1,025,915
<b>Adjustments to reconcile net income to net cash provided by operating activities:</b>			
Depreciation and amortization of intangible assets	470,928	456,929	345,715
Share-based compensation expense	26,770	27,594	30,507
Excess tax expense (benefits) on share-based compensation expense	—	—	(1,534)
Pension expense	4,624	3,738	3,893
Amortization of debt issuance costs	4,330	4,646	5,014
Amortization of deferred charges and credits	—	4,242	6,298
Loss on sale and write down of property and equipment	9,438	2,234	784
Release of unrealized gain on marketable securities to income	—	(841)	—
Deferred taxes	47,425	89,736	(871,195)
Share in net (income) loss of equity investees	(13,668)	(5,965)	(5,952)
Write off of unamortized debt issuance costs	—	155	833
Other non-cash charges	—	—	1,033
<b>Changes in operating assets and liabilities:</b>			
Accounts receivable	75,508	(22,566)	(126,784)
Contract assets	(37,623)	—	—
Prepaid expenses and other current assets	(819)	(7,274)	(7,766)
Income taxes and deferred charges and credits	27,291	(31,323)	(1,683)
Accounts payable and accrued liabilities	(21,732)	(91,650)	53,490
Deferred revenue	(1,827)	35,629	3,484
Other assets	(4)	497	(21,699)
Net cash provided by operating activities	<u>876,278</u>	<u>708,081</u>	<u>440,353</u>
<b>Cash flows from investing activities:</b>			
Additions of property and equipment	(63,837)	(105,318)	(79,592)
Proceeds from maturity of short-term investments	—	—	9,212
Purchase of Catalyst Repository Systems Inc.	(70,800)	—	—
Purchase of Liaison Technologies	(310,644)	—	—
Purchase of Hightail Inc.	—	(20,535)	—
Purchase of Guidance Software, net of cash acquired	(2,279)	(229,275)	—
Purchase of Covisint Corporation, net of cash acquired	—	(71,279)	—
Purchase of ECD Business	—	—	(1,622,394)
Purchase of HP Inc. CCM Business	—	—	(315,000)
Purchase of Recommind, Inc.	—	—	(170,107)
Purchase consideration for prior period acquisitions	—	—	(7,146)
Other investing activities	(16,966)	(18,034)	(5,937)
Net cash used in investing activities	<u>(464,526)</u>	<u>(444,441)</u>	<u>(2,190,964)</u>
<b>Cash flows from financing activities:</b>			
Excess tax (expense) benefits on share-based compensation expense	—	—	1,534
Proceeds from issuance of long-term debt and revolver	—	1,200,000	481,875
Proceeds from issuance of Common Shares from exercise of stock options and ESPP	57,889	75,935	35,593
Proceeds from issuance of Common shares under public Equity Offering	—	—	604,223
Repayment of long-term debt and revolver	(10,000)	(1,149,620)	(57,880)
Debt issuance costs	(322)	(4,375)	(7,240)
Equity issuance costs	—	—	(19,574)
Purchase of treasury stock	(26,499)	—	(8,198)
Purchase of non-controlling interest	(583)	—	(208)
Payments of dividends to shareholders	(168,859)	(145,613)	(120,581)
Net cash provided by (used in) financing activities	<u>(148,374)</u>	<u>(23,673)</u>	<u>909,544</u>
Foreign exchange gain (loss) on cash held in foreign currencies	(3,826)	(2,186)	1,767
Increase (decrease) in cash and cash equivalents during the period	259,552	237,781	(839,300)
Cash and cash equivalents at beginning of the period	683,991	446,210	1,285,510
Cash and cash equivalents at end of the period	<u>\$ 943,543</u>	<u>\$ 683,991</u>	<u>\$ 446,210</u>

<b>Reconciliation of cash, cash equivalents and restricted cash:</b>	<b>June 30, 2019</b>	<b>June 30, 2018</b>	<b>June 30, 2017</b>
Cash and cash equivalents	\$ 941,009	\$ 682,942	\$ 443,357
Restricted cash included in Other assets	2,534	1,049	2,853
Total cash, cash equivalents and restricted cash	<u>\$ 943,543</u>	<u>\$ 683,991</u>	<u>\$ 446,210</u>

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

	Three Months Ended June 30,	
	2019	2018
Cash flows from operating activities:		
Net income for the period	\$ 72,015	\$ 61,893
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of intangible assets	117,146	117,677
Share-based compensation expense	6,618	7,121
Pension expense	1,212	904
Amortization of debt issuance costs	1,096	811
Amortization of deferred charges and credits	—	1,067
Write off of unamortized debt issuance costs	—	155
Loss on sale and write down of property and equipment	—	1,745
Deferred taxes	36,118	27,096
Share in net (income) loss of equity investees	(3,016)	(6,468)
Changes in operating assets and liabilities:		
Accounts receivable	22,731	33,132
Contract assets	(8,751)	—
Prepaid expenses and other current assets	(324)	3,261
Income taxes and deferred charges and credits	6,285	(9,255)
Accounts payable and accrued liabilities	8,912	628
Deferred revenue	(25,961)	(39,075)
Other assets	(4,304)	3,368
Net cash provided by operating activities	<u>229,777</u>	<u>204,060</u>
Cash flows from investing activities:		
Additions of property and equipment	(13,405)	(22,280)
Purchase of Hightail Inc.	—	(69)
Other investing activities	(8,762)	(6,855)
Net cash used in investing activities	<u>(22,167)</u>	<u>(29,204)</u>
Cash flows from financing activities:		
Proceeds from issuance of long-term debt and revolver	—	1,000,000
Proceeds from issuance of Common Shares from exercise of stock options and ESPP	15,792	9,871
Repayment of long-term debt and revolver	(2,500)	(1,043,800)
Debt issuance costs	—	(4,375)
Payments of dividends to shareholders	(46,958)	(40,617)
Net cash provided by (used in) financing activities	<u>(33,666)</u>	<u>(78,921)</u>
Foreign exchange gain (loss) on cash held in foreign currencies	83	(19,889)
Increase (decrease) in cash, cash equivalents and restricted cash during the period	174,027	76,046
Cash, cash equivalents and restricted cash at beginning of the period	769,516	607,945
Cash, cash equivalents and restricted cash at end of the period	<u>\$ 943,543</u>	<u>\$ 683,991</u>
<b>Reconciliation of cash, cash equivalents and restricted cash:</b>		
	<b>June 30, 2019</b>	<b>June 30, 2018</b>
Cash and cash equivalents	941,009	682,942
Restricted cash included in Other assets	2,534	1,049
Total Cash, cash equivalents and restricted cash	<u>\$ 943,543</u>	<u>\$ 683,991</u>