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IXOS Reports Preliminary Fiscal Year 2004 - Successful Execution of Restructuring Program

Ad-hoc-announcement transmitted by DGAP

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Munich, Germany - 2004-08-31 - IXOS SOFTWARE AG (FWB: XOS), today announced preliminary unaudited financial results for Fiscal 2004.

As it continues to successfully cooperate within the Open Text Group, IXOS has aligned its strategy and increased consolidated revenues in fiscal year 2004 (July 1, 2003 - June 30, 2004) to approximately EUR134 million. The net loss for the twelve-month period amounted to approximately EUR22 million. This net loss includes transaction costs relating to the acquisition by Open Text and restructuring charges in the amount of approximately EUR20 million. In Fiscal 2004, IXOS increased its R & D expenditures to approximately EUR22 million, an increase of 18%. As of June 30, 2004, cash and cash equivalents was approximately EUR32 million, representing 33% of total assets, an increase of 11%. In the course of its restructuring IXOS has determined that receivables of approximately EUR4 million may not be collectible and additional costs of approximately EUR1 million, over the three year period ended June 30, 2003, may require adjustments. The fiscal 2004 statement is not affected. With the successful conclusion of its restructuring program, IXOS is able to continue with strong investment into its product and solution portfolio and focus on working closely with customers and partners, and aligning with the Open Text Group.

To review Open Text s financial results, investors can go to:

www.opentext.com/investor/quarterly_reports/index.html

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