



Quarter Supplemental Investor Presentation

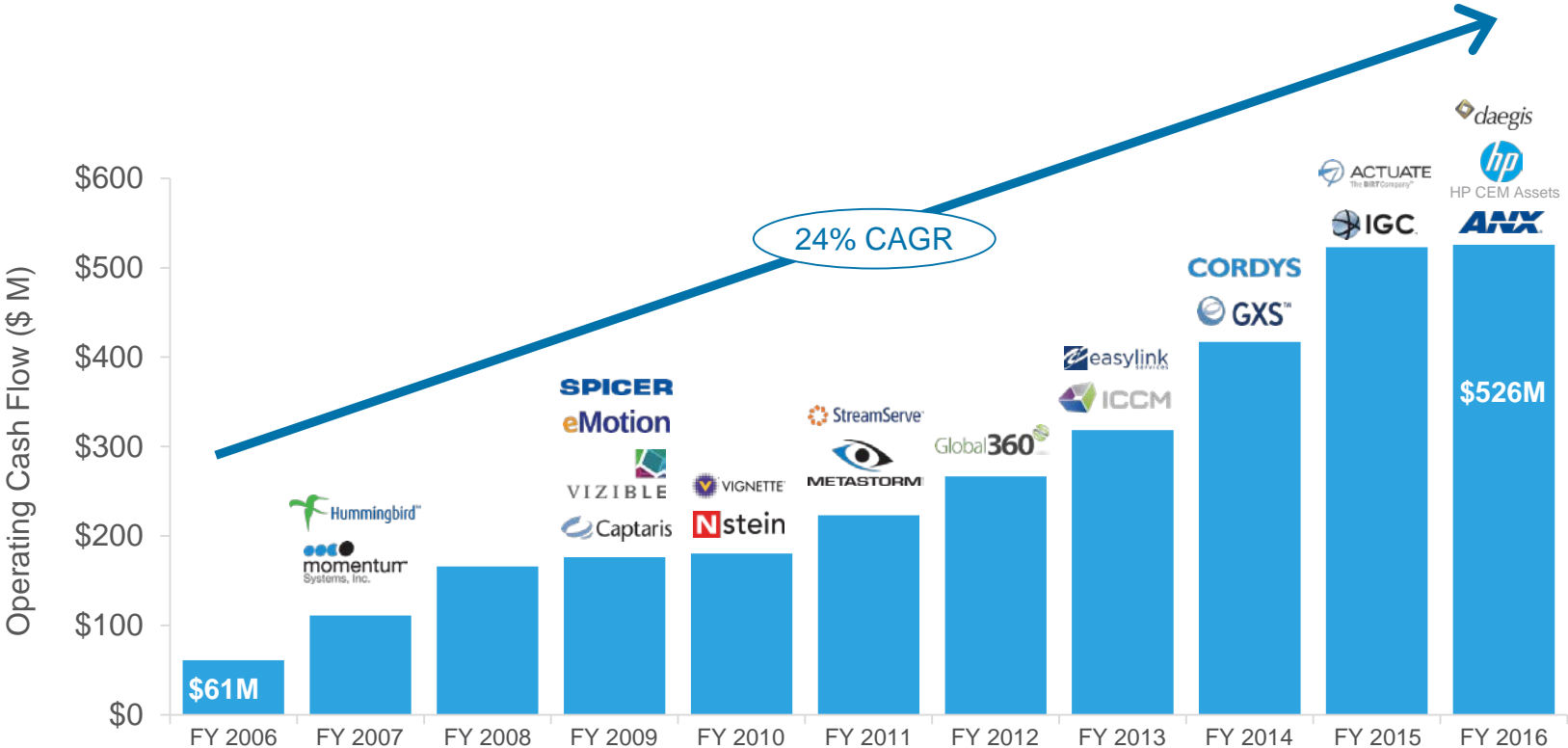
FY17-Q1 | November 3, 2016

NASDAQ: OTEX © TSX: OTC

Safe Harbor Statement

Certain statements in this presentation, including statements about the focus of Open Text Corporation ("OpenText" or "the Company") in our fiscal year ending June 30, 2017 (Fiscal 2017) on growth in earnings and cash flows, creating value through investments in broader Enterprise Information Management (EIM) capabilities, distribution, the Company's presence in the cloud and in growth markets, expected growth in our revenue lines, adjusted operating income and cash flow, its financial condition, results of operations and earnings, announced acquisitions, ongoing tax matters, the anticipated timing and benefits regarding the acquisition of the ECD Business, declaration of quarterly dividends, future tax rates, and other matters, may contain words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "may", "could", "would", "might", "will" and variations of these words or similar expressions are considered forward-looking statements or information under applicable securities laws. In addition, any information or statements that refer to expectations, beliefs, plans, projections, objectives, performance or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking, and based on our current expectations, forecasts and projections about the operating environment, economies and markets in which we operate. Forward-looking statements reflect our current estimates, beliefs and assumptions, which are based on management's perception of historic trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances, such as certain assumptions about the economy, as well as market, financial and operational assumptions. Management's estimates, beliefs and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and, as such, are subject to change. We can give no assurance that such estimates, beliefs and assumptions will prove to be correct. Such forward-looking statements involve known and unknown risks, uncertainties and other factors and assumptions that may cause the actual results, performance or achievements to differ materially. Such factors include, but are not limited to: (i) the future performance, financial and otherwise, of OpenText; (ii) the ability of OpenText to bring new products and services to market and to increase sales; (iii) the strength of the Company's product development pipeline; (iv) the Company's growth and profitability prospects; (v) the estimated size and growth prospects of the EIM market; (vi) the Company's competitive position in the EIM market and its ability to take advantage of future opportunities in this market; (vii) the benefits of the Company's products and services to be realized by customers; (viii) the demand for the Company's products and services and the extent of deployment of the Company's products and services in the EIM marketplace; (ix) downward pressure on our share price and dilutive effect of future sales or issuances of equity securities (including in connection with the acquisition of the ECD Business and/or other future acquisitions); (x) the Company's financial condition and capital requirements; and (xi) statements about the impact of "OpenText Release 16" and other product releases. The risks and uncertainties that may affect forward-looking statements include, but are not limited to: (i) integration of acquisitions and related restructuring efforts, including the quantum of restructuring charges and the timing thereof; (ii) the potential for the incurrence of or assumption of debt in connection with acquisitions and the impact on the ratings or outlooks of rating agencies on the Company's outstanding debt securities; (iii) the possibility that the Company may be unable to meet its future reporting requirements under the U.S. Securities Exchange Act of 1934, as amended, and the rules promulgated thereunder; (iv) the risks associated with bringing new products and services to market; (v) fluctuations in currency exchange rates; (vi) delays in the purchasing decisions of the Company's customers; (vii) the competition the Company faces in its industry and/or marketplace; (viii) the final determination of litigation, tax audits (including tax examinations in the United States and elsewhere) and other legal proceedings; (ix) potential exposure to greater than anticipated tax liabilities or expenses, including with respect to changes in Canadian, U.S. or international tax regimes; (x) the possibility of technical, logistical or planning issues in connection with the deployment of the Company's products or services; (xi) the continuous commitment of the Company's customers; and (xii) demand for the Company's products and services. For additional information with respect to risks and other factors which could occur, see the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other securities filings with the Securities and Exchange Commission (SEC) and other securities regulators. Readers are cautioned not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. Unless otherwise required by applicable securities laws, the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Growing Cash Flow by Acquiring Strong Businesses

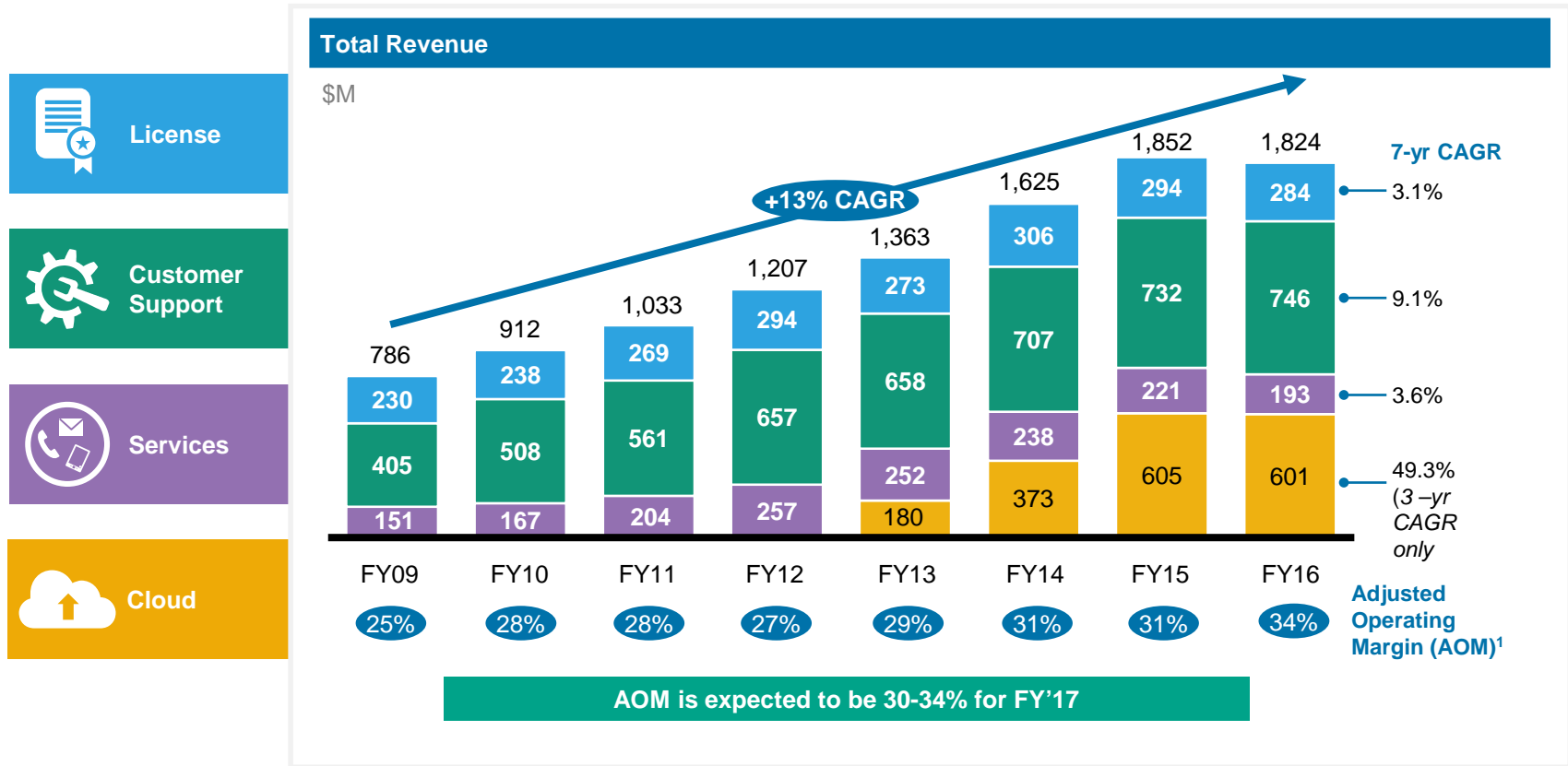


M&A Drives Revenue Growth

- OpenText recently closed four acquisitions that are expected to add approximately \$300 million in annualized revenues in Fiscal 2017.
- On September 12, 2016, OpenText announced the signing of a definitive agreement to acquire Dell EMC's Enterprise Content Division, including Documentum (Transaction yet to close).

Acquisition	Description	Purchase Price	Expected Annualized Revenue	Timeline to Operating Model	Date of Close
HP Inc. (CEM Business)	Certain customer experience software assets such as HP TeamSite and HP MediaBin	\$160M	\$85M to \$95M	<ul style="list-style-type: none"> • Immediately accretive • CEM & CCM on operating model in first 12 months 	April 30 '16
ANXe Business	Cloud-based information exchange services to US Automotive and Healthcare industries	\$105M	\$30M	<ul style="list-style-type: none"> • Be both accretive and on operating model, immediately 	May 1 '16
Recommind	Leading eDiscovery and analytics including SaaS and managed services solutions	\$170M	\$70M to \$80M	<ul style="list-style-type: none"> • Immediately accretive • Be on operating model in first 12 months 	July 20 '16
HP Inc. (CCM Business)	Customer communications management assets including HP Extream and HP LiquidOffice	\$315M	\$110M to \$125M	<ul style="list-style-type: none"> • Immediately accretive • CEM & CCM on operating model in first 12 months 	July 31 '16
Dell-EMC ECD	A suite of ECM solutions including Documentum™, InfoArchive™, and LEAP™	\$1.62B	—	<ul style="list-style-type: none"> • Immediately accretive • Be on operating model in first 12 months 	Within an estimated 75 days from Q1'17 results

We Have Four Different Revenue Streams



¹ Also see reconciliation of GAAP-based measures to Non-GAAP-based measures at the end of this presentation.

Summary of Quarterly Results with Constant Currency

	Q1 FY17	Q1 FY16	\$ Change	% Change	Q1 FY17 in CC*	% Change in CC*
Revenues (in millions):						
Cloud services and subscriptions	\$169.7	\$147.8	\$21.9	14.8 %	\$170.7	15.5 %
Customer support	210.2	185.7	24.5	13.2 %	212.8	14.6 %
Professional service and other	51.1	49.7	1.4	2.7 %	52.0	4.5 %
Total recurring revenues	\$431.0	\$383.2	\$47.8	12.5 %	\$435.4	13.6 %
License	60.7	51.3	9.4	18.2 %	61.2	19.2 %
Total revenues	\$491.7	\$434.5	\$57.2	13.1 %	\$496.6	14.3 %
GAAP-based operating margin	15.1 %	17.6 %	n/a	(250) bps		
Non-GAAP-based operating margin ⁽¹⁾⁽²⁾	30.8 %	34.1 %	n/a	(330) bps	30.6 %	(350) bps
GAAP-based EPS, diluted ⁽³⁾	\$7.46	\$0.34	\$7.12	2,094.1 %		
Non-GAAP-based EPS, diluted ⁽¹⁾⁽⁴⁾	\$0.86	\$0.84	\$0.02	2.4 %	\$0.87	3.6 %
Operating cash flows (in millions)	\$73.5	\$92.7	(\$19.2)	(20.8) %		

(1) See reconciliation of GAAP-based measures to Non-GAAP-based measures at the end of this presentation.

(2) Before taxes, interest and other related expenses, net

(3) Recorded a significant tax benefit in Q1 FY17 of \$876.1 million. This significant tax benefit is specifically tied to the Company's internal reorganization and applied to this quarter only and as a result, will not continue in future periods.

(4) Please also see Note 14 to the Company's condensed consolidated financial statements on Form 10-Q.

*CC: Constant currency for this purpose is defined as the current period reported revenues/expenses/earnings represented at the prior comparative period's foreign exchange rate.

Summary of Quarterly Results

	Q1 FY17	Q4 FY16	Q1 FY16	% Change (Q1 FY17 vs Q4 FY16)	% Change (Q1 FY17 vs Q1 FY16)
Revenue (million)	\$491.7	\$483.8	\$434.5	1.6 %	13.1 %
GAAP-based gross margin	66.6 %	68.4 %	67.8 %	(180) bps	(120) bps
GAAP-based operating margin	15.1 %	19.3 %	17.6 %	(420) bps	(250) bps
GAAP-based EPS, diluted ⁽¹⁾	\$7.46	\$0.71	\$0.34	950.7 %	2,094.1 %
Non-GAAP-based gross margin ⁽²⁾	71.5 %	72.4 %	72.6 %	(90) bps	(110) bps
Non-GAAP-based operating margin ⁽²⁾⁽³⁾	30.8 %	32.7 %	34.1 %	(190) bps	(330) bps
Non-GAAP-based EPS, diluted ⁽²⁾⁽⁴⁾	\$0.86	\$0.89	\$0.84	(3.4) %	2.4 %

(1) Recorded a significant tax benefit in Q1 FY17 of \$876.1 million. This significant tax benefit is specifically tied to the Company's internal reorganization and applied to this quarter only and as a result, will not continue in future periods.

(2) See reconciliation of GAAP-based measures to Non-GAAP-based measures at the end of this presentation.

(3) Before taxes, interest and other related expenses, net.

(4) Please also see Note 14 to the Company's condensed consolidated financial statements on Form 10-Q.

Summary of Quarterly Revenue Results

In millions	Q1 FY17	Q4 FY16	Q1 FY16	% Change (Q1 FY17 vs Q4FY16)	% Change (Q1 FY17 vs Q1 FY16)	Q1 FY17 in CC*	% Change in CC* (Q1 FY17 vs Q1 FY16)
License	\$60.7	\$86.1	\$51.3	(29.6) %	18.2 %	\$61.2	19.2 %
Cloud services and subscriptions	169.7	156.6	147.8	8.3 %	14.8 %	170.7	15.5 %
Customer support	210.2	193.0	185.7	8.9 %	13.2 %	212.8	14.6 %
Professional service and other	51.1	48.1	49.7	6.3 %	2.7 %	52.0	4.5 %
Total	\$491.7	\$483.8	\$434.5	1.6 %	13.1 %	\$496.6	14.3 %

*CC: Constant currency for this purpose is defined as the current period reported revenues/expenses/earnings represented at the prior comparative period's foreign exchange rate.

FY17 Q1 Business and Financial Highlights

- 20 customer transactions over \$1 million, 13 OpenText Cloud contract signings and 7 on-premises.
- Financial, services, technology, and consumer goods industries saw the most demand in cloud and license.
- New customers in the quarter included IntelliTek Systems, Paychex, Qatar Foundation, Knorr Bremse, House Foods, BGL, Gruppo Davide Campari-Milano, Self Regional Healthcare, Transport for London, and BMW Group.
- OpenText Release 16 EP1 enables digital transformation for Engagement to Insight.
- OpenText signs definitive agreement to acquire Dell EMC's Enterprise Content Division, including Documentum.
- Independent research firm cites OpenText as a strong performer in Workforce Optimization Suites.
- New report names OpenText as a Leader in Digital Asset Management for Customer Experience.
- OpenText substantially completes acquisition of Customer Communications Management and other Assets of HP Inc.
- OpenText buys Recommind, Inc.
- OpenText announces voting results for election of directors.

License Revenue Up 18% Y/Y

- Total revenue \$491.7 million up 13% Y/Y
- Cloud Revenue \$169.7M up 15% Y/Y
- 13 Cloud MCV transactions over \$1 million
- License Revenue \$60.7 million up 18% Y/Y
- 7 License transactions over \$1 million
- License revenue from new accounts: 29%
- Partners contributed 42% of license revenue
- Average Cloud MCV deal size: \$509K
- Average License deal size : \$306K

Non-GAAP Operating Margin 31%*

- GAAP-based EPS was \$7.46 compared to \$0.34 Y/Y*
- Non-GAAP-based EPS was \$0.86 compared to \$0.84 Y/Y*
- GAAP-based operating margin 15.1%
- Non-GAAP-based operating margin 30.8%*
- Non-GAAP tax rate: 15%*

Operating Cash Flow \$74 million

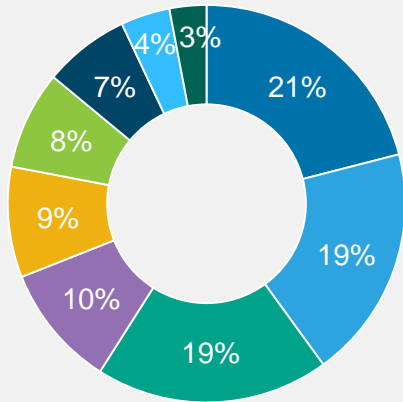
- \$73.5 million in operating cash flow, compared to \$92.7 million Y/Y
- Cash and cash equivalents \$834.9 million
- Total debt \$2,178.0 million as of Sept. 30 2016**

*See "Summary of Quarterly Results" within this presentation as well as reconciliation of GAAP to Non-GAAP measures at the end of this presentation.

** Includes \$8M current portion of long-term debt and excludes related debt issuance costs.

FY17 Q1 Revenue Breakdown

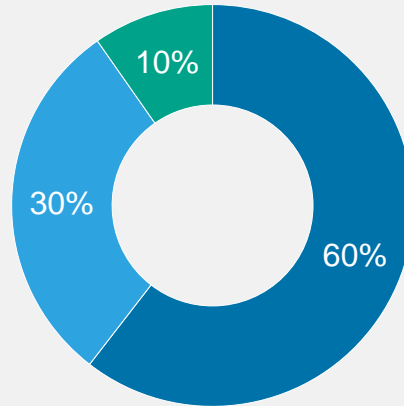
Q1 F17
License Revenue by Industry



- Services
- Financial
- Technology
- Public sector
- Consumer goods
- Basic materials*
- Healthcare
- Utilities
- Industrial goods

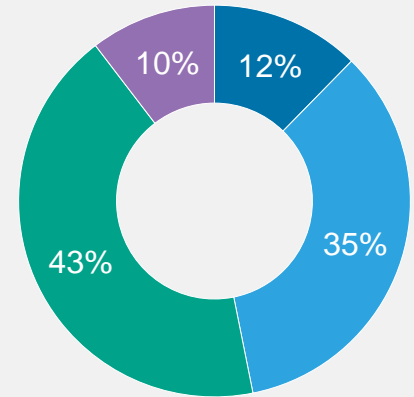
*Basic materials and Conglomerates

Q1 F17
Total Revenue by Geography



- Americas
- EMEA
- APJ

Q1 F17
Total Revenue Mix



- License
- Cloud services & subscriptions
- Customer support
- Professional service and other

Customer Wins

BMW Group

In order to address the increased number of regulatory requests, Axcelerate 5, an OpenText eDiscovery solution, was acquired by the BMW Group. It allows the BMW Group to be more efficient with regulatory requests, requiring fewer internal resources, while still maintaining high standards of responses.



House Foods Group Inc. manufactures and sells spices, seasonings and prepared foods, as well as food-service products in Japan. House Foods Group purchased OpenText Optimost to build an engaging corporate website and optimize its online presence. Optimost SaaS platform will enable the company to quickly create and run tests through an intuitive interface; segment, target and personalize online customer experiences; and improve its web operations with the ability to analyze results anytime and anywhere.



By combining real-world business expertise with the latest in technology, IntelliTek Systems is a full service consulting and custom software development company. IntelliTek purchased OpenText Media Management on Demand (MMOD) and OpenText Video Services (OTVS). The cloud based MMOD will enable IntelliTek to maintain their media files from a secure, central repository for improved collaboration, protection, and file storage. OTVS will give Intellitek the flexible video player they needed to grow their brand as video use grows.



Knorr-Bremse Group is the world's leading manufacturer of braking systems for rail and commercial vehicles. With OpenText's Analytics Information Hub (iHub) Platform, Knorr-Bremse IT has access to a highly scalable, embedded BI and data visualization platform that enables IT teams to design, deploy and manage secure, interactive reports and dashboards that users can access via the Knorr-Bremse iCOM solution.



Paychex, Inc., a leading provider of integrated human capital management solutions for payroll, HR, retirement, and insurance services, has extended its investment in OpenText Exstream for one of its disaster recovery data center sites.

Customer Wins



Gruppo Davide Campari-Milano bought OpenText B2B Managed Services to manage its Order to Cash Process and cover its EDI needs worldwide. The company also uses Electronic Invoices with Fiscal Compliance in order to comply with the fiscal rules in South America and south of Europe. Previous to OpenText, Campari was using many local EDI providers. The global SAP implementation and the shutdown of one of its main EDI providers were the triggers for the company to reach out to OpenText.



The Crossrail project is the largest construction project in Europe. When operational in December 2018 London's newest railway will be known as the Elizabeth line. For the Elizabeth line, Transport for London has invested in a fully Managed Cloud Service from OpenText to manage technical documents and drawings for the new assets using OpenText Content Suite Platform.



Based in Greenwood, South Carolina, Self Regional Healthcare is a not-for-profit, regional referral hospital. After reviewing the capabilities of RightFax Connect, Self Regional realized they could consolidate and migrate all faxing across the enterprise to RightFax Connect, the fast and easy way to cloud-enable its RightFax Server environment. Keeping RightFax on site would allow them to easily integrate with future EMR applications, and take advantage of the flexible, scalable cloud faxing solution.



Qatar Foundation (QF) bought OpenText Process Suite platform when looking for a rich solution that could help the business take control and bring standardization, with the ability to re-use. OpenText Process Suite is used to build multiple applications and vertical solutions, for example, Support Services, Shared Services applications, equine management, and Legal Management. The content produced is archived in OpenText Content Suite for compliance and Records Management purposes.



BGL discovered OpenText Optimost when looking to optimize its website performance and personalize customer journeys. BGL is now a longstanding Optimost customer and recently extended the use of the software to their product teams, who are now validating product innovations through testing, before committing any IT resource in developing a full-fledged implementation. OpenText Optimost allows BGL to be more efficient, by going to market quicker with fully tested implementations, while saving time and money.

Key Financial Metrics

1. Foreign currency movements:

- Approximately 60% of total revenues are derived from Americas in Q1 F17
- At Q1 F17 constant currency, unfavourable FX impact of \$5.0M on total revenue and \$0.01 on adjusted EPS

2. Q1 F17 TTM growth rate on a constant currency basis*:

- Total revenue increased 2.7%; increased 5.4% on a constant currency basis
- Recurring revenue increased 2.8%; increased 5.4% on a constant currency basis
- Cloud services increased 4.0%; increased 5.9% on a constant currency basis
- Customer support revenue increased 5.1%; increased 7.9% on a constant currency basis
- Professional services revenue decreased 8.6%; decreased 4.8% on a constant currency basis
- License revenue increased 2.0%; increased 5.8% on a constant currency basis

3. Additional metrics:

- Adjusted tax rate for Q1 F17 is 15%**
- Interest and other related expense, net is \$27.3M for Q1 F17 and \$19.0M for Q1 F16.

*Calculated using reported revenues/expenses/earnings represented at the prior comparative period's foreign exchange rates.

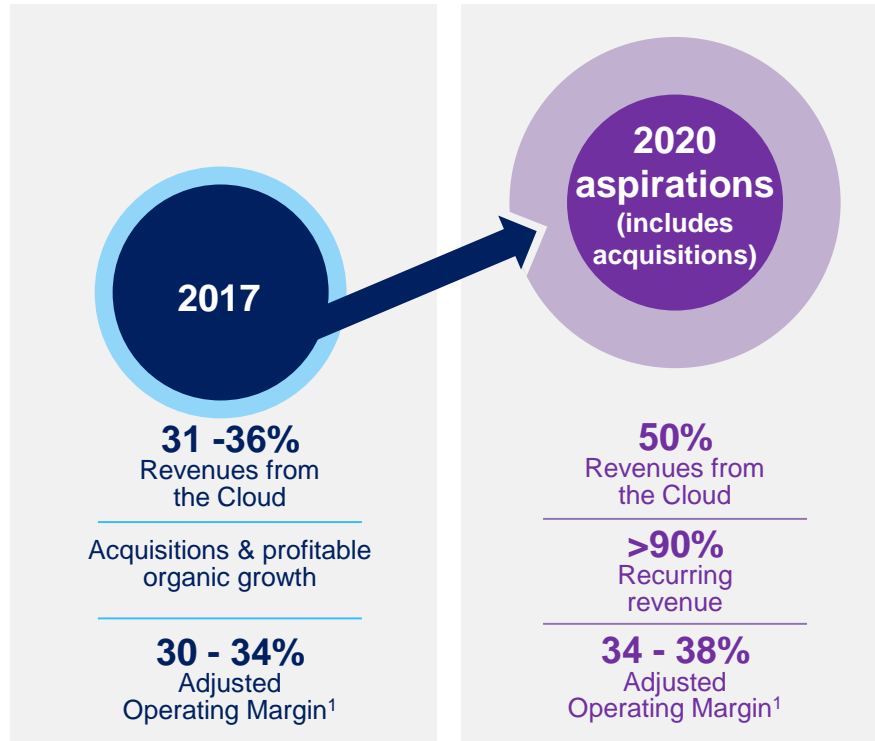
**See reconciliation of GAAP to Non-GAAP measures at the end of this presentation.

FY17 External Target Model*

- Expect to start in the low end of the non-GAAP operating margin range in Q1'17 and gradually increase toward the high end of the range by the end of the fiscal year
- Target model excludes Dell EMC ECD. Acquisition has yet to close.

	Fiscal 2016 Target Model	Fiscal 2016 Actuals	Fiscal 2017 Target Model
Revenue Type:			
Annual Recurring Revenue (ARR)	82 - 86%	84%	82 - 86%
License	14 - 18%	16%	14 - 18%
Cloud Services and Subscriptions	31 - 36%	33%	31 - 36%
Customer Support	39 - 42%	41%	39 - 42%
Professional Services and Other	8 - 13%	11%	8 - 13%
Non-GAAP Gross Margin:			
Product License	95 - 97%	96%	95 - 97%
Cloud Services	58 - 60%	60%	58 - 60%
Product Maintenance	86 - 88%	88%	86 - 88%
Professional Services	21 - 23%	20%	18 - 21%
Non-GAAP Gross Margin	70 - 72%	73%	71 - 73%
Non-GAAP Operating Expenses:			
Development	10 - 12%	10%	10 - 12%
Sales & Marketing	17 - 19%	18%	19 - 21%
General & Admin	7 - 8%	7%	7 - 8%
Depreciation	2 - 4%	3%	2 - 4%
Non-GAAP Operating Margin	30 - 34%	34%	30 - 34%
Interest Expense USD million	NA	\$ 76	\$105 - \$115
Adjusted Tax Rate**	20%	20%	15%

Path to 2020 with Target Model



- Continued focus on growing recurring revenue profile
- Unwavering focus on margin improvement to maximize value
- Ten year revenue growth CAGR of 16%
- Revenue growth led by acquisitions and augmented by profitable organic growth
- Accelerating growth through acquisitions

Appendix A

Use of Non-GAAP Financial Measures

In addition to reporting financial results in accordance with U.S. GAAP, the Company provides certain financial measures that are not in accordance with U.S. GAAP (Non-GAAP). These Non-GAAP financial measures have certain limitations in that they do not have a standardized meaning and thus the Company's definition may be different from similar Non-GAAP financial measures used by other companies and/or analysts and may differ from period to period. Thus it may be more difficult to compare the Company's financial performance to that of other companies. However, the Company's management compensates for these limitations by providing the relevant disclosure of the items excluded in the calculation of these Non-GAAP financial measures both in its reconciliation to the U.S. GAAP financial measures and its consolidated financial statements, all of which should be considered when evaluating the Company's results.

The Company uses these Non-GAAP financial measures to supplement the information provided in its consolidated financial statements, which are presented in accordance with U.S. GAAP. The presentation of Non-GAAP financial measures are not meant to be a substitute for financial measures presented in accordance with U.S. GAAP, but rather should be evaluated in conjunction with and as a supplement to such U.S. GAAP measures. OpenText strongly encourages investors to review its financial information in its entirety and not to rely on a single financial measure. The Company therefore believes that despite these limitations, it is appropriate to supplement the disclosure of the U.S. GAAP measures with certain Non-GAAP measures defined below. Non-GAAP-based net income and Non-GAAP-based EPS are calculated as net income or earnings per share on a diluted basis, after giving effect to the amortization of acquired intangible assets, other income (expense), share-based compensation, and Special charges (recoveries), all net of tax and any tax benefits/expense items unrelated to current period income, as further described in the tables below. Non-GAAP-based gross profit is the arithmetical sum of GAAP-based gross profit and the amortization of acquired technology-based intangible assets and share-based compensation within cost of sales. Non-GAAP-based gross margin is calculated as Non-GAAP-based gross profit expressed as a percentage of total revenue. Non-GAAP-based income from operations is calculated as income from operations, excluding the amortization of acquired intangible assets, Special charges (recoveries), and share-based compensation expense. Non-GAAP-based operating margin is calculated as Non-GAAP-based income from operations expressed as a percentage of total revenue.

The Company's management believes that the presentation of the above defined Non-GAAP financial measures provides useful information to investors because they portray the financial results of the Company before the impact of certain non-operational charges. The use of the term "non-operational charge" is defined for this purpose as an expense that does not impact the ongoing operating decisions taken by the Company's management and is based upon the way the Company's management evaluates the performance of the Company's business for use in the Company's internal reports. In the course of such evaluation and for the purpose of making operating decisions, the Company's management excludes certain items from its analysis, including amortization of acquired intangible assets, Special charges (recoveries), share-based compensation, other income (expense), and the taxation impact of these items. These items are excluded based upon the manner in which management evaluates the business of the Company and are not excluded in the sense that they may be used under U.S. GAAP.

The Company believes the provision of supplemental Non-GAAP measures allow investors to evaluate the operational and financial performance of the Company's core business using the same evaluation measures that management uses, and is therefore a useful indication of OpenText's performance or expected performance of future operations and facilitates period-to-period comparison of operating performance (although prior performance is not necessarily indicative of future performance). As a result, the Company considers it appropriate and reasonable to provide, in addition to U.S. GAAP measures, supplementary Non-GAAP financial measures that exclude certain items from the presentation of its financial results.

The following charts provide (unaudited) reconciliations of U.S. GAAP-based financial measures to Non-U.S. GAAP-based financial measures for the following periods presented:

Reconciliation of Selected Non-GAAP Measures | Q1 F17

Three Months Ended September 30, 2016

(in '000s USD)	GAAP	GAAP % of Total Revenue	Adjustments	FN	Non- GAAP	Non-GAAP % of Total Revenue
COST OF REVENUES						
Cloud services and subscriptions	\$ 70,292		\$ (360)	(1)	\$ 69,932	
Customer support	25,738		(235)	(1)	25,503	
Professional service and other	41,343		(445)	(1)	40,898	
Amortization of acquired technology-based intangible assets	23,135		(23,135)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	327,311	66.6%	24,175	(3)	351,486	71.5%
Operating expenses						
Research and development	58,572		(1,743)	(1)	56,829	
Sales and marketing	95,148		(2,820)	(1)	92,328	
General and administrative	38,197		(2,537)	(1)	35,660	
Amortization of acquired customer-based intangible assets	33,608		(33,608)	(2)	—	
Special charges (recoveries)	12,454		(12,454)	(4)	—	
GAAP-based income from operations and operating margin (%) / Non-GAAP-based income from operations and operating margin (%)	74,062	15.1%	77,337	(5)	151,399	30.8%
Other income (expense), net	6,699		(6,699)	(6)	—	
Provision for (recovery of) income taxes	(859,425)		878,017	(7)	18,592	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	912,884		(807,379)	(8)	105,505	
GAAP-based earnings per share / Non GAAP-based earnings per share-diluted, attributable to OpenText	\$ 7.46		\$ (6.60)	(8)	\$ 0.86	

Reconciliation of Selected Non-GAAP Measures | Q1 F17

FOOTNOTES

- 1 Adjustment relates to the exclusion of share based compensation expense from our Non-GAAP-based operating expenses as this expense is excluded from our internal analysis of operating results.
- 2 Adjustment relates to the exclusion of amortization expense from our Non-GAAP-based operating expenses as the timing and frequency of amortization expense is dependent on our acquisitions and is hence excluded from our internal analysis of operating results.
- 3 GAAP-based and Non-GAAP-based gross profit stated in dollars and gross margin stated as a percentage of total revenue.
- 4 Adjustment relates to the exclusion of Special charges (recoveries) from our Non-GAAP-based operating expenses as Special charges (recoveries) are generally incurred in the periods following the relevant acquisitions and include one-time, non-recurring charges or recoveries that are not indicative or related to continuing operations, and are therefore excluded from our internal analysis of operating results.
- 5 GAAP-based and Non-GAAP-based income from operations stated in dollars and operating margin stated as a percentage of total revenue.
- 6 Adjustment relates to the exclusion of Other income (expense) from our Non-GAAP-based operating expenses as Other income (expense) relates primarily to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results.
Adjustment relates to differences between the GAAP-based tax recovery rate of approximately 1,607% and a Non-GAAP-based tax rate of approximately 15%; these rate differences are due to the income tax effects of expenses that are excluded for the purpose of calculating Non-GAAP-based adjusted net income. Such excluded expenses include amortization, share-based compensation, Special charges (recoveries) and other income (expense), net. Also excluded are tax benefits/expense items unrelated to current period income such as changes in reserves for tax uncertainties and valuation allowance reserves, and "book to return" adjustments for tax return filings and tax assessments. Included is the amount of net tax benefits arising from the internal reorganization assumed to be allocable to the current period based on the forecasted utilization period. In arriving at our Non-GAAP-based tax rate of approximately 15%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense.
- 8 Reconciliation of GAAP-based net income to Non-GAAP-based net income:

	Three Months Ended September 30, 2016	
	Per share diluted	
GAAP-based net income, attributable to OpenText	\$ 912,884	\$ 7.46
Add:		
Amortization	56,743	0.46
Share-based compensation	8,140	0.07
Special charges (recoveries)	12,454	0.10
Other (income) expense, net	(6,699)	(0.05)
GAAP-based provision for (recovery of) income taxes	(859,425)	(7.02)
Non-GAAP based provision for income taxes	(18,592)	(0.16)
Non-GAAP-based net income, attributable to OpenText	\$ 105,505	\$ 0.86

Reconciliation of Selected Non-GAAP Measures | Q4 F16

Three Months Ended June 30, 2016

(in '000s USD)	GAAP	GAAP % of Total Revenue	Adjustments	FN	Non- GAAP	Non-GAAP % of Total Revenue
COST OF REVENUES						
Cloud services and subscriptions	\$ 64,889		\$ (312)	(1)	\$ 64,577	
Customer support	25,237		(269)	(1)	24,968	
Professional service and other	41,546		(540)	(1)	41,006	
Amortization of acquired technology-based intangible assets	17,994		(17,994)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	331,031	68.4%	19,115	(3)	350,146	72.4%
Operating expenses						
Research and development	53,747		(836)	(1)	52,911	
Sales and marketing	95,815		(3,026)	(1)	92,789	
General and administrative	33,330		(1,915)	(1)	31,415	
Amortization of acquired customer-based intangible assets	29,637		(29,637)	(2)	—	
Special charges (recoveries)	10,092		(10,092)	(4)	—	
GAAP-based income from operations and operating margin (%) / Non-GAAP-based income from operations and operating margin (%)	93,479	19.3%	64,621	(5)	158,100	32.7%
Other income (expense), net	409		(409)	(6)	—	
Provision for (recovery of) income taxes	(14,347)		41,644	(7)	27,297	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	86,390		22,568	(8)	108,958	
GAAP-based earnings per share / Non GAAP-based earnings per share-diluted, attributable to OpenText	\$ 0.71		\$ 0.18	(8)	\$ 0.89	

Reconciliation of Selected Non-GAAP Measures | Q4 F16

FOOTNOTES

- 1 Adjustment relates to the exclusion of share based compensation expense from our Non-GAAP-based operating expenses as this expense is excluded from our internal analysis of operating results.
- 2 Adjustment relates to the exclusion of amortization expense from our Non-GAAP-based operating expenses as the timing and frequency of amortization expense is dependent on our acquisitions and is hence excluded from our internal analysis of operating results.
- 3 GAAP-based and Non-GAAP-based gross profit stated in dollars and gross margin stated as a percentage of total revenue.
- 4 Adjustment relates to the exclusion of Special charges (recoveries) from our Non-GAAP-based operating expenses as Special charges (recoveries) are generally incurred in the periods following the relevant acquisitions and include one-time, non-recurring charges or recoveries that are not indicative or related to continuing operations, and are therefore excluded from our internal analysis of operating results.
- 5 GAAP-based and Non-GAAP-based income from operations stated in dollars and operating margin stated as a percentage of total revenue.
- 6 Adjustment relates to the exclusion of Other income (expense) from our Non-GAAP-based operating expenses as Other income (expense) relates primarily to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results.
Adjustment relates to differences between the GAAP-based tax recovery rate of approximately 20% and a Non-GAAP-based tax rate of approximately 20%; these rate differences are due to the income tax effects of expenses that are excluded for the purpose of calculating Non-GAAP-based adjusted net income. Such excluded expenses include amortization, share-based compensation, Special charges (recoveries) and other income (expense), net. Also excluded are tax expense items unrelated to current period income such as changes in reserves for tax uncertainties and valuation allowance reserves, and "book to return" adjustments for tax return filings and tax assessments. In arriving at our Non-GAAP-based tax rate of approximately 20%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense.
- 8 Reconciliation of GAAP-based net income to Non-GAAP-based net income:

	Three Months Ended June 30, 2016	
	Per share diluted	
GAAP-based net income, attributable to OpenText	\$ 86,390	\$ 0.71
Add:		
Amortization	47,631	0.39
Share-based compensation	6,898	0.06
Special charges (recoveries)	10,092	0.08
Other (income) expense, net	(409)	—
GAAP-based provision for (recovery of) income taxes	(14,347)	(0.12)
Non-GAAP based provision for income taxes	(27,297)	(0.23)
Non-GAAP-based net income, attributable to OpenText	\$ 108,958	\$ 0.89

Reconciliation of Selected Non-GAAP Measures | Q1 F16

Three Months Ended September 30, 2015

(in '000s USD)	GAAP	GAAP % of Total Revenue	Adjustments	FN	Non- GAAP	Non-GAAP % of Total Revenue
COST OF REVENUES						
Cloud services and subscriptions	\$ 58,916		\$ (281)	(1)	\$ 58,635	
Customer support	20,508		(158)	(1)	20,350	
Professional service and other	38,064		(453)	(1)	37,611	
Amortization of acquired technology-based intangible assets	19,883		(19,883)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	294,483	67.8%	20,775	(3)	315,258	72.6%
Operating expenses						
Research and development	46,440		(752)	(1)	45,688	
Sales and marketing	77,945		(3,115)	(1)	74,830	
General and administrative	35,569		(1,774)	(1)	33,795	
Amortization of acquired customer-based intangible assets	27,805		(27,805)	(2)	—	
Special charges (recoveries)	17,337		(17,337)	(4)	—	
GAAP-based income from operations and operating margin (%) / Non- GAAP-based income from operations and operating margin (%)	76,473	17.6%	71,558	(5)	148,031	34.1%
Other income (expense), net	(4,913)		4,913	(6)	—	
Provision for (recovery of) income taxes	11,202		14,569	(7)	25,771	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	41,286		61,902	(8)	103,188	
GAAP-based earnings per share / Non GAAP-based earnings per share- diluted, attributable to OpenText	\$ 0.34		\$ 0.50	(8)	\$ 0.84	

Reconciliation of Selected Non-GAAP Measures | Q1 F16

FOOTNOTES

- 1 Adjustment relates to the exclusion of share based compensation expense from our Non-GAAP-based operating expenses as this expense is excluded from our internal analysis of operating results.
- 2 Adjustment relates to the exclusion of amortization expense from our Non-GAAP-based operating expenses as the timing and frequency of amortization expense is dependent on our acquisitions and is hence excluded from our internal analysis of operating results.
- 3 GAAP-based and Non-GAAP-based gross profit stated in dollars and gross margin stated as a percentage of total revenue.
- 4 Adjustment relates to the exclusion of Special charges (recoveries) from our Non-GAAP-based operating expenses as Special charges (recoveries) are generally incurred in the periods following the relevant acquisitions and include one-time, non-recurring charges or recoveries that are not indicative or related to continuing operations, and are therefore excluded from our internal analysis of operating results.
- 5 GAAP-based and Non-GAAP-based income from operations stated in dollars and operating margin stated as a percentage of total revenue.
- 6 Adjustment relates to the exclusion of Other income (expense) from our Non-GAAP-based operating expenses as Other income (expense) relates primarily to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results.
Adjustment relates to differences between the GAAP-based tax rate of approximately 21% and a Non-GAAP-based tax rate of approximately 20%; these rate differences are due to the income tax effects of expenses that are excluded for the purpose of calculating Non-GAAP-based adjusted net income. Such excluded expenses include amortization, share-based compensation, Special charges (recoveries) and other income (expense), net. Also excluded are tax expense items unrelated to current period income such as changes in reserves for tax uncertainties and valuation allowance reserves, and "book to return" adjustments for tax return filings and tax assessments. In arriving at our Non-GAAP-based tax rate of approximately 20%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense.
- 8 Reconciliation of GAAP-based net income to Non-GAAP-based net income:

	Three Months Ended September 30, 2015	
	Per Share Diluted	
GAAP-based net income, attributable to OpenText	\$ 41,286	\$ 0.34
Add:		
Amortization	47,688	0.39
Share-based compensation	6,533	0.05
Special charges (recoveries)	17,337	0.14
Other (income) expense, net	4,913	0.04
GAAP-based provision for (recovery of) income taxes	11,202	0.09
Non-GAAP based provision for income taxes	(25,771)	(0.21)
Non-GAAP-based net income, attributable to OpenText	\$ 103,188	\$ 0.84