

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

ASSETS	March 31, 2009	June 30, 2008
	(unaudited)	
Current assets:		
Cash and cash equivalents	\$ 237,048	\$ 254,916
Accounts receivable trade, net of allowance for doubtful accounts of \$3,784 as of March 31, 2009 and \$3,974 as of June 30, 2008	111,731	134,396
Inventory	1,939	-
Income taxes recoverable	6,895	16,763
Prepaid expenses and other current assets	14,401	10,544
Deferred tax assets	16,838	13,455
Total current assets	<u>388,852</u>	<u>430,074</u>
Investments in marketable securities	6,656	-
Capital assets	39,202	43,582
Goodwill	564,018	564,648
Acquired intangible assets	354,743	281,824
Deferred tax assets	61,339	59,881
Other assets	11,245	10,491
Long-term income taxes recoverable	41,073	44,176
	<u>\$ 1,467,128</u>	<u>\$ 1,434,676</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 116,372	\$ 99,035
Current portion of long-term debt	3,407	3,486
Deferred revenues	193,676	176,967
Income taxes payable	1,705	13,499
Deferred tax liabilities	3,315	4,876
Total current liabilities	<u>318,475</u>	<u>297,863</u>
Long-term liabilities:		
Accrued liabilities	19,984	20,513
Pension liability	15,790	-
Long-term debt	299,174	304,301
Deferred revenues	7,305	2,573
Long-term income taxes payable	51,472	54,681
Deferred tax liabilities	136,776	109,912
Total long-term liabilities	<u>530,501</u>	<u>491,980</u>
Minority interest	-	8,672
Shareholders' equity:		
Share capital		
52,618,018 and 51,151,666 Common Shares issued and outstanding at March 31, 2009 and June 30, 2008, respectively; Authorized Common Shares: unlimited	456,278	438,471
Additional paid-in capital	50,991	39,330
Accumulated other comprehensive income	25,885	110,819
Retained earnings	84,998	47,541
Total shareholders' equity	<u>618,152</u>	<u>636,161</u>
	<u>\$ 1,467,128</u>	<u>\$ 1,434,676</u>

OPEN TEXT CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In thousands of U.S. Dollars, except per share data)
(Unaudited)

	Three months ended March 31,		Nine months ended March 31,	
	2009	2008	2009	2008
Revenues:				
License	\$ 51,919	\$ 51,534	\$ 166,845	\$ 150,952
Customer support	101,949	91,606	300,816	268,524
Service and other	38,167	35,622	114,648	105,787
Total revenues	<u>192,035</u>	<u>178,762</u>	<u>582,309</u>	<u>525,263</u>
Cost of revenues:				
License	4,496	3,093	12,670	11,296
Customer support	17,304	14,292	50,227	41,081
Service and other	30,288	28,856	89,898	86,552
Amortization of acquired technology-based intangible assets	11,625	10,440	34,171	30,900
Total cost of revenues	<u>63,713</u>	<u>56,681</u>	<u>186,966</u>	<u>169,829</u>
Gross profit	<u>128,322</u>	<u>122,081</u>	<u>395,343</u>	<u>355,434</u>
Operating expenses:				
Research and development	28,809	27,990	87,335	78,120
Sales and marketing	44,426	41,307	138,605	121,466
General and administrative	17,937	18,268	54,604	52,233
Depreciation	3,229	2,909	8,847	9,645
Amortization of acquired customer-based intangible assets	11,176	8,077	29,529	23,006
Special charges (recoveries)	1,788	(14)	13,234	(122)
Total operating expenses	<u>107,365</u>	<u>98,537</u>	<u>332,154</u>	<u>284,348</u>
Income from operations	<u>20,957</u>	<u>23,544</u>	<u>63,189</u>	<u>71,086</u>
Other income (expense), net	11,655	(6,831)	(148)	(12,341)
Interest expense, net	(2,431)	(6,684)	(10,772)	(22,123)
Income before income taxes	<u>30,181</u>	<u>10,029</u>	<u>52,269</u>	<u>36,622</u>
Provision for income taxes	8,146	2,594	14,761	10,448
Net income before minority interest	<u>22,035</u>	<u>7,435</u>	<u>37,508</u>	<u>26,174</u>
Minority interest	-	168	51	422
Net income for the period	<u>\$ 22,035</u>	<u>\$ 7,267</u>	<u>\$ 37,457</u>	<u>\$ 25,752</u>
Net income per share—basic	<u>\$ 0.42</u>	<u>\$ 0.14</u>	<u>\$ 0.72</u>	<u>\$ 0.51</u>
Net income per share—diluted	<u>\$ 0.41</u>	<u>\$ 0.14</u>	<u>\$ 0.71</u>	<u>\$ 0.49</u>
Weighted average number of Common Shares outstanding—basic	<u>52,312</u>	<u>50,979</u>	<u>51,825</u>	<u>50,666</u>
Weighted average number of Common Shares outstanding—diluted	<u>53,441</u>	<u>52,789</u>	<u>53,122</u>	<u>52,424</u>

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands of U.S. Dollars)
(Unaudited)

	Three months ended		Nine months ended	
	March 31,		March 31,	
	2009	2008	2009	2008
Cash flows from operating activities:				
Net income for the period	\$ 22,035	\$ 7,267	\$ 37,457	\$ 25,752
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	26,030	21,426	72,547	63,551
In-process research and development	—	—	121	500
Share-based compensation expense	1,424	1,077	3,957	2,795
Employee long-term incentive plan	(409)	733	2,396	1,490
Excess tax benefits from share-based compensation	(1,729)	(101)	(8,382)	(867)
Undistributed earnings related to minority interest	—	168	51	422
Pension accruals	218	—	1,124	—
Amortization of debt issuance costs	281	293	831	1,004
Unrealized (gain) loss on financial instruments	(941)	2,728	(134)	5,579
Loss on sale and write down of capital assets	84	—	353	—
Deferred taxes	(7,492)	(506)	(3,577)	(4,619)
Changes in operating assets and liabilities:				
Accounts receivable	15,107	(14,597)	47,897	(7,018)
Inventory	289	—	(320)	—
Prepaid expenses and other current assets	(2,564)	(1,811)	(3,425)	(2,008)
Income taxes	3,187	(2,662)	9,656	5,892
Accounts payable and accrued liabilities	(5,080)	(9,321)	(21,177)	(7,849)
Deferred revenue	24,309	44,938	(1,304)	36,055
Other assets	(1,862)	176	(528)	686
Net cash provided by operating activities	72,887	49,808	137,543	121,365
Cash flows from investing activities:				
Net (acquisitions)/disposals of capital assets	(4,214)	(2,028)	(6,308)	(5,414)
Purchase of a division of Spicer Corporation	(601)	—	(11,437)	—
Purchase of eMotion LLC, net of cash acquired	—	—	(3,635)	—
Purchase of Captaris Inc., net of cash acquired	—	—	(101,033)	—
Additional purchase consideration for prior period acquisitions	—	(12)	(4,612)	(451)
Purchase of an asset group constituting a business	—	—	—	(2,209)
Investments in marketable securities	(5,322)	—	(8,930)	—
Acquisition related costs	(4,824)	(3,065)	(12,578)	(14,907)
Net cash used in investment activities	(14,961)	(5,105)	(148,533)	(22,981)
Cash flows from financing activities:				
Excess tax benefits on share-based compensation expense	1,729	101	8,382	867
Proceeds from issuance of Common Shares	11,635	2,198	17,674	11,415
Repayment of long-term debt	(849)	(869)	(2,570)	(62,746)
Debt issuance costs	—	—	—	(349)
Net cash provided by (used in) financing activities	12,515	1,430	23,486	(50,813)
Foreign exchange gain (loss) on cash held in foreign currencies	(6,263)	9,920	(30,364)	18,212
Increase (decrease) in cash and cash equivalents during the period	64,178	56,053	(17,868)	65,783
Cash and cash equivalents at beginning of the period	172,870	159,709	254,916	149,979
Cash and cash equivalents at end of the period	\$ 237,048	\$ 215,762	\$ 237,048	\$ 215,762