

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

	<u>September 30, 2007</u>	<u>June 30, 2007</u>
	<u>(Unaudited)</u>	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents.....	\$ 150,306	\$ 149,979
Accounts receivable trade, net of allowance for doubtful accounts of \$2,152 as of September 30, 2007 and \$2,089 as of June 30, 2007	117,038	128,781
Income taxes recoverable.....	27,834	31,060
Prepaid expenses and other current assets.....	10,765	10,368
Deferred tax assets .....	30,671	30,248
Total current assets.....	<u>336,614</u>	<u>350,436</u>
Capital assets .....	43,909	43,614
Goodwill .....	548,817	528,312
Acquired intangible assets .....	328,735	343,324
Deferred tax assets .....	44,063	42,078
Other assets.....	9,417	9,524
Investment tax recoverable .....	9,400	9,557
	<u>\$ 1,320,955</u>	<u>\$ 1,326,845</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable and accrued liabilities .....	\$ 93,473	\$ 100,211
Current portion of long-term debt .....	3,793	4,048
Deferred revenues .....	141,278	143,097
Income taxes payable .....	30,409	33,705
Deferred tax liabilities .....	1,840	1,601
Total current liabilities .....	<u>270,793</u>	<u>282,662</u>
Long-term liabilities:		
Accrued liabilities .....	23,386	22,516
Long-term debt .....	336,883	366,765
Deferred revenues .....	2,259	3,840
Deferred tax liabilities .....	120,178	120,019
Total long-term liabilities.....	<u>482,706</u>	<u>513,140</u>
Minority interest .....	7,373	6,975
Shareholders' equity:		
Share capital		
50,585,848 and 50,180,118 Common Shares issued and outstanding at September 30, 2007 and June 30, 2007, respectively; Authorized Common Shares: unlimited .....	432,075	426,188
Additional paid-in capital.....	36,771	35,311
Accumulated other comprehensive income .....	88,902	68,034
Accumulated deficit .....	2,335	(5,465)
Total shareholders' equity.....	<u>560,083</u>	<u>524,068</u>
	<u>\$ 1,320,955</u>	<u>\$ 1,326,845</u>

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

	Three months ended September 30,	
	2007	2006
Revenues:	(Unaudited)	(Unaudited)
License .....	\$ 44,260	\$ 28,825
Customer support .....	86,304	48,288
Service .....	33,403	24,042
Total revenues .....	163,967	101,155
Cost of revenues:		
License .....	3,554	2,800
Customer support .....	12,598	6,987
Service .....	27,504	20,300
Amortization of acquired technology intangible assets .....	10,152	4,846
Total cost of revenues .....	53,808	34,933
	110,159	66,222
Operating expenses:		
Research and development .....	23,732	14,218
Sales and marketing .....	38,110	24,872
General and administrative .....	17,010	11,219
Depreciation .....	2,984	2,992
Amortization of acquired intangible assets .....	7,415	2,382
Special charges (recoveries) .....	(61)	(468)
Total operating expenses .....	89,190	55,215
Income from operations .....	20,969	11,007
Other income (expense) .....	(1,827)	373
Interest income (expense), net .....	(7,872)	392
Income before income taxes .....	11,270	11,772
Provision for income taxes .....	3,343	4,334
Net income before minority interest .....	7,927	7,438
Minority interest .....	127	137
Net income for the period .....	\$ 7,800	\$ 7,301
Net income per share – basic .....	\$ 0.16	\$ 0.15
Net income per share – diluted .....	\$ 0.15	\$ 0.15
Weighted average number of Common Shares outstanding – basic .....	50,285	48,975
Weighted average number of Common Shares outstanding – diluted .....	51,618	50,219

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

	Three months ended September 30,	
	2007	2006
Cash flows from operating activities:	(Unaudited)	(Unaudited)
Net income for the period .....	\$ 7,800	\$ 7,301
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization .....	20,551	10,220
In-process research and development .....	500	—
Share-based compensation expense .....	1,063	1,267
Employee long-term incentive plan .....	185	—
Excess tax benefits on share-based compensation expense .....	(397)	(205)
Undistributed earnings related to minority interest .....	127	137
Amortization of debt issuance costs .....	290	—
Unrealized loss (gain) on financial instruments .....	1,407	—
Deferred taxes .....	(705)	1,714
Changes in operating assets and liabilities:		
Accounts receivable .....	10,502	(1,694)
Prepaid expenses and other current assets .....	(188)	617
Income taxes .....	174	(954)
Accounts payable and accrued liabilities .....	(5,496)	(5,523)
Deferred revenues .....	(3,773)	(2,962)
Other assets .....	174	(281)
Net cash provided by operating activities .....	<u>32,214</u>	<u>9,637</u>
Cash flows from investing activities:		
Acquisitions of capital assets .....	(1,216)	(2,785)
Purchase of IXOS, net of cash acquired .....	(176)	(333)
Purchase of assets constituting a business .....	(2,209)	—
Investments in marketable securities .....	—	(829)
Acquisition related costs .....	(8,029)	(2,448)
Net cash used in investing activities .....	<u>(11,630)</u>	<u>(6,395)</u>
Cash flows from financing activities:		
Excess tax benefits on share-based compensation expense .....	397	205
Proceeds from issuance of Common Shares .....	5,719	478
Repayment of long-term debt .....	(30,933)	(99)
Debt issuance costs .....	(349)	(21)
Net cash provided by (used in) financing activities .....	<u>(25,166)</u>	<u>563</u>
Foreign exchange gain on cash held in foreign currencies .....	4,909	65
Increase in cash and cash equivalents during the period .....	327	3,870
Cash and cash equivalents at beginning of period .....	149,979	107,354
Cash and cash equivalents at end of period .....	<u>\$ 150,306</u>	<u>\$ 111,224</u>