

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

	December 31, 2012 (unaudited)	June 30, 2012
<b>ASSETS</b>		
Cash and cash equivalents	\$ 367,258	\$ 559,747
Accounts receivable trade, net of allowance for doubtful accounts of \$6,031 as of December 31, 2012 and \$5,655 as of June 30, 2012	168,073	163,664
Income taxes recoverable	19,845	17,849
Prepaid expenses and other current assets	45,157	44,011
Deferred tax assets	14,101	4,003
<b>Total current assets</b>	<b>614,434</b>	<b>789,274</b>
Property and equipment	83,135	81,157
Goodwill	1,212,657	1,040,234
Acquired intangible assets	428,361	312,563
Deferred tax assets	141,736	115,128
Other assets	22,659	23,739
Deferred charges	62,095	68,653
Long-term income taxes recoverable	12,128	13,545
<b>Total assets</b>	<b>\$ 2,577,205</b>	<b>\$ 2,444,293</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 177,979	\$ 131,734
Current portion of long-term debt	45,136	41,374
Deferred revenues	240,347	273,987
Income taxes payable	13,037	27,806
Deferred tax liabilities	1,203	1,612
<b>Total current liabilities</b>	<b>477,702</b>	<b>476,513</b>
Long-term liabilities:		
Accrued liabilities	19,144	14,247
Deferred credits	8,950	10,086
Pension liability	25,042	22,074
Long-term debt	536,250	555,000
Deferred revenues	12,218	12,653
Long-term income taxes payable	151,888	147,623
Deferred tax liabilities	75,672	26,705
<b>Total long-term liabilities</b>	<b>829,164</b>	<b>788,388</b>
Shareholders' equity:		
Share capital		
58,570,575 and 58,358,990 Common Shares issued and outstanding at December 31, 2012 and June 30, 2012, respectively; Authorized Common Shares: unlimited	641,684	635,321
Additional paid-in capital	92,463	95,026
Accumulated other comprehensive income	42,661	44,364
Retained earnings	522,605	442,068
Treasury stock, at cost (610,878 and 793,494 shares at December 31, 2012 and at June 30, 2012, respectively)	(29,074)	(37,387)
<b>Total shareholders' equity</b>	<b>1,270,339</b>	<b>1,179,392</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 2,577,205</b>	<b>\$ 2,444,293</b>

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

	Three Months Ended December 31,		Six Months Ended December 31,	
	2012	2011	2012	2011
<b>Revenues:</b>				
License	\$ 76,125	\$ 89,703	\$ 131,781	\$ 154,731
Cloud services	46,151	—	91,035	—
Customer support	164,658	165,386	326,754	327,383
Professional service and other	65,246	66,367	128,804	127,388
Total revenues	<u>352,180</u>	<u>321,456</u>	<u>678,374</u>	<u>609,502</u>
<b>Cost of revenues:</b>				
License	5,331	5,370	9,499	9,368
Cloud services	18,261	—	36,544	—
Customer support	28,277	28,468	54,100	54,737
Professional service and other	47,664	50,604	96,246	100,955
Amortization of acquired technology-based intangible assets	23,191	21,253	46,973	42,043
Total cost of revenues	<u>122,724</u>	<u>105,695</u>	<u>243,362</u>	<u>207,103</u>
Gross profit	<u>229,456</u>	<u>215,761</u>	<u>435,012</u>	<u>402,399</u>
<b>Operating expenses:</b>				
Research and development	38,718	42,652	78,624	86,110
Sales and marketing	67,977	68,451	132,492	133,331
General and administrative	30,005	25,126	58,138	50,887
Depreciation	6,105	5,634	12,214	10,892
Amortization of acquired customer-based intangible assets	17,147	13,445	34,399	26,486
Special charges	2,269	5,221	11,823	12,326
Total operating expenses	<u>162,221</u>	<u>160,529</u>	<u>327,690</u>	<u>320,032</u>
Income from operations	<u>67,235</u>	<u>55,232</u>	<u>107,322</u>	<u>82,367</u>
Other income (expense), net	1,541	2,637	1,470	11,949
Interest expense, net	(4,515)	(3,607)	(8,883)	(6,393)
Income before income taxes	<u>64,261</u>	<u>54,262</u>	<u>99,909</u>	<u>87,923</u>
Provision for income taxes	3,153	6,819	19,372	5,494
Net income for the period	<u>\$ 61,108</u>	<u>\$ 47,443</u>	<u>\$ 80,537</u>	<u>\$ 82,429</u>
Earnings per share—basic	<u>\$ 1.04</u>	<u>\$ 0.82</u>	<u>\$ 1.38</u>	<u>\$ 1.43</u>
Earnings per share—diluted	<u>\$ 1.04</u>	<u>\$ 0.81</u>	<u>\$ 1.37</u>	<u>\$ 1.41</u>
Weighted average number of Common Shares outstanding—basic	<u>58,503</u>	<u>57,846</u>	<u>58,473</u>	<u>57,642</u>
Weighted average number of Common Shares outstanding—diluted	<u>58,983</u>	<u>58,672</u>	<u>58,961</u>	<u>58,647</u>

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

	Three Months Ended December 31,		Six Months Ended December 31,	
	2012	2011	2012	2011
Net income for the period	\$ 61,108	\$ 47,443	\$ 80,537	\$ 82,429
Other comprehensive income—net of tax:				
Net foreign currency translation adjustments	(989)	(1,354)	(1,465)	(11,972)
Net unrealized gain (loss) on cash flow hedges	(1,453)	3,132	491	(2,070)
Net actuarial gain (loss) relating to defined benefit pension plans	(620)	342	(729)	(206)
Total other comprehensive income (loss), net, for the period	\$ (3,062)	\$ 2,120	\$ (1,703)	\$ (14,248)
Total comprehensive income	<u>\$ 58,046</u>	<u>\$ 49,563</u>	<u>\$ 78,834</u>	<u>\$ 68,181</u>

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

	Three Months Ended December 31,		Six Months Ended December 31,	
	2012	2011	2012	2011
Cash flows from operating activities:				
Net income for the period	\$ 61,108	\$ 47,443	\$ 80,537	\$ 82,429
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization of intangible assets	46,443	40,332	93,586	79,421
Share-based compensation expense	3,174	3,397	6,276	8,241
Excess tax benefits on share-based compensation expense	(259)	(163)	(611)	(495)
Pension expense	228	169	470	306
Amortization of debt issuance costs	535	248	1,072	578
Amortization of deferred charges and credits	2,929	2,707	5,858	5,379
Loss on sale and write down of property and equipment	22	34	24	203
Deferred taxes	(2,013)	7,891	(1,152)	(6,958)
Impairment and other non cash charges	—	2,700	—	1,345
Changes in operating assets and liabilities:				
Accounts receivable	964	(21,681)	20,406	(27)
Prepaid expenses and other current assets	(1,640)	2,199	1,384	8,041
Income taxes	(18,261)	(12,141)	(13,888)	2,883
Deferred charges and credits	—	(5,607)	(436)	(14,653)
Accounts payable and accrued liabilities	(365)	4,608	(20,620)	(16,799)
Deferred revenue	(18,668)	(24,808)	(36,738)	(57,806)
Other assets	497	(2,630)	289	(2,042)
Net cash provided by operating activities	<u>74,694</u>	<u>44,698</u>	<u>136,457</u>	<u>90,046</u>
Cash flows from investing activities:				
Additions of property and equipment	(4,879)	(8,785)	(9,917)	(16,687)
Purchase of patents	—	(193)	—	(193)
Purchase of System Solutions Australia Pty Limited, net of cash acquired	(516)	(1,524)	(516)	(1,524)
Purchase of Operitel Corporation, net of cash acquired	—	—	—	(6,260)
Purchase of Global 360 Holding Corp., net of cash acquired	—	2,058	—	(245,653)
Purchase of EasyLink Services International Corporation, net of cash acquired	—	—	(315,331)	—
Purchase consideration for prior period acquisitions	(214)	(335)	(431)	(609)
Net cash used in investing activities	<u>(5,609)</u>	<u>(8,779)</u>	<u>(326,195)</u>	<u>(270,926)</u>
Cash flows from financing activities:				
Excess tax benefits on share-based compensation expense	259	163	611	495
Proceeds from issuance of Common Shares	2,409	3,424	6,402	11,261
Purchase of Treasury Stock	—	—	—	—
Proceeds from long-term debt and revolver	—	600,000	—	648,500
Repayment of long-term debt and revolver	(7,671)	(332,940)	(15,338)	(333,856)
Debt issuance costs	—	(9,309)	—	(9,309)
Net cash provided by (used in) financing activities	<u>(5,003)</u>	<u>261,338</u>	<u>(8,325)</u>	<u>317,091</u>
Foreign exchange gain (loss) on cash held in foreign currencies	941	(2,640)	5,574	(6,440)
Increase (decrease) in cash and cash equivalents during the period	65,023	294,617	(192,489)	129,771
Cash and cash equivalents at beginning of the period	<u>302,235</u>	<u>119,294</u>	<u>559,747</u>	<u>284,140</u>
Cash and cash equivalents at end of the period	<u>\$ 367,258</u>	<u>\$ 413,911</u>	<u>\$ 367,258</u>	<u>\$ 413,911</u>