

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

	<u>March 31, 2013</u>	<u>June 30, 2012</u>
	(unaudited)	
ASSETS		
Cash and cash equivalents	\$ 446,911	\$ 559,747
Accounts receivable trade, net of allowance for doubtful accounts of \$5,858 as of March 31, 2013 and \$5,655 as of June 30, 2012	174,563	163,664
Income taxes recoverable	23,977	17,849
Prepaid expenses and other current assets	47,787	44,011
Deferred tax assets	15,727	4,003
Total current assets	708,965	789,274
Property and equipment	83,776	81,157
Goodwill	1,241,960	1,040,234
Acquired intangible assets	397,154	312,563
Deferred tax assets	141,501	115,128
Other assets	21,528	23,739
Deferred charges	58,598	68,653
Long-term income taxes recoverable	11,840	13,545
Total assets	\$ 2,665,322	\$ 2,444,293
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 199,501	\$ 131,734
Current portion of long-term debt	48,475	41,374
Deferred revenues	297,130	273,987
Income taxes payable	6,323	27,806
Deferred tax liabilities	1,188	1,612
Total current liabilities	552,617	476,513
Long-term liabilities:		
Accrued liabilities	19,109	14,247
Deferred credits	12,232	10,086
Pension liability	24,429	22,074
Long-term debt	525,000	555,000
Deferred revenues	10,824	12,653
Long-term income taxes payable	151,643	147,623
Deferred tax liabilities	71,972	26,705
Total long-term liabilities	815,209	788,388
Shareholders' equity:		
Share capital		
58,607,036 and 58,358,990 Common Shares issued and outstanding at March 31, 2013 and June 30, 2012, respectively; Authorized Common Shares: unlimited	643,296	635,321
Additional paid-in capital	96,159	95,026
Accumulated other comprehensive income	38,699	44,364
Retained earnings	548,416	442,068
Treasury stock, at cost (610,878 and 793,494 shares at March 31, 2013 and at June 30, 2012, respectively)	(29,074)	(37,387)
Total shareholders' equity	1,297,496	1,179,392
Total liabilities and shareholders' equity	\$ 2,665,322	\$ 2,444,293

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

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2013	2012	2013	2012
Revenues:				
License	\$ 69,035	\$ 60,957	\$ 200,816	\$ 215,688
Cloud Services	44,437	—	135,472	—
Customer support	166,573	166,057	493,327	493,440
Professional service and other	57,650	65,333	186,454	192,721
Total revenues	<u>337,695</u>	<u>292,347</u>	<u>1,016,069</u>	<u>901,849</u>
Cost of revenues:				
License	3,079	4,549	12,578	13,917
Cloud services	18,891	—	55,435	—
Customer support	27,497	27,987	81,597	82,724
Professional service and other	48,252	52,596	144,498	153,551
Amortization of acquired technology-based intangible assets	23,058	21,264	70,031	63,307
Total cost of revenues	<u>120,777</u>	<u>106,396</u>	<u>364,139</u>	<u>313,499</u>
Gross profit	<u>216,918</u>	<u>185,951</u>	<u>651,930</u>	<u>588,350</u>
Operating expenses:				
Research and development	43,003	41,738	121,627	127,848
Sales and marketing	77,327	69,572	209,819	202,903
General and administrative	27,061	21,999	85,199	72,886
Depreciation	6,064	5,427	18,278	16,319
Amortization of acquired customer-based intangible assets	17,149	13,462	51,548	39,948
Special charges	5,444	6,450	17,267	18,776
Total operating expenses	<u>176,048</u>	<u>158,648</u>	<u>503,738</u>	<u>478,680</u>
Income from operations	<u>40,870</u>	<u>27,303</u>	<u>148,192</u>	<u>109,670</u>
Other income (expense), net	237	(1,804)	1,707	10,145
Interest expense, net	(4,109)	(4,761)	(12,992)	(11,154)
Income before income taxes	<u>36,998</u>	<u>20,738</u>	<u>136,907</u>	<u>108,661</u>
Provision for (recovery of) income taxes	11,187	(14,036)	30,559	(8,542)
Net income for the period	<u>\$ 25,811</u>	<u>\$ 34,774</u>	<u>\$ 106,348</u>	<u>\$ 117,203</u>
Earnings per share—basic	<u>\$ 0.44</u>	<u>\$ 0.60</u>	<u>\$ 1.82</u>	<u>\$ 2.03</u>
Earnings per share—diluted	<u>\$ 0.44</u>	<u>\$ 0.59</u>	<u>\$ 1.80</u>	<u>\$ 2.00</u>
Weighted average number of Common Shares outstanding—basic	<u>58,596</u>	<u>58,038</u>	<u>58,514</u>	<u>57,765</u>
Weighted average number of Common Shares outstanding—diluted	<u>59,077</u>	<u>58,821</u>	<u>59,001</u>	<u>58,697</u>

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

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2013	2012	2013	2012
Net income for the period	\$ 25,811	\$ 34,774	\$ 106,348	\$ 117,203
Other comprehensive income—net of tax:				
Net foreign currency translation adjustments	(3,325)	845	(4,790)	(11,127)
Net unrealized gain (loss) on cash flow hedges	(833)	1,738	(342)	(332)
Net actuarial gain (loss) relating to defined benefit pension plans	196	(3,316)	(533)	(3,522)
Total other comprehensive income (loss), net, for the period	\$ (3,962)	\$ (733)	\$ (5,665)	\$ (14,981)
Total comprehensive income	<u>\$ 21,849</u>	<u>\$ 34,041</u>	<u>\$ 100,683</u>	<u>\$ 102,222</u>

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

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2013	2012	2013	2012
Cash flows from operating activities:				
Net income for the period	\$ 25,811	\$ 34,774	\$ 106,348	\$ 117,203
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization of intangible assets	46,271	40,153	139,857	119,574
Share-based compensation expense	3,877	5,165	10,153	13,406
Excess tax benefits on share-based compensation expense	(1)	(2,215)	(612)	(2,710)
Pension expense	222	171	692	477
Amortization of debt issuance costs	519	588	1,591	1,166
Amortization of deferred charges and credits	2,762	3,078	8,620	8,457
Loss on sale and write down of property and equipment	—	—	24	203
Deferred taxes	(6,210)	(14,134)	(7,362)	(21,092)
Impairment and other non cash charges	—	—	—	1,345
Changes in operating assets and liabilities:				
Accounts receivable	(5,019)	(9,237)	15,387	(9,264)
Prepaid expenses and other current assets	(3,445)	(11,148)	(2,061)	(3,107)
Income taxes	(1,019)	(3,833)	(14,907)	(950)
Deferred charges and credits	4,016	(9,425)	3,580	(24,078)
Accounts payable and accrued liabilities	(6,556)	(4,553)	(27,176)	(21,352)
Deferred revenue	54,930	66,303	18,192	8,497
Other assets	670	911	959	(1,131)
Net cash provided by operating activities	<u>116,828</u>	<u>96,598</u>	<u>253,285</u>	<u>186,644</u>
Cash flows from investing activities:				
Additions of property and equipment	(5,875)	(4,694)	(15,792)	(21,381)
Purchase of patents	—	—	—	(193)
Purchase of System Solutions Australia Pty Limited, net of cash acquired	—	(214)	(516)	(1,738)
Purchase of Operitel Corporation, net of cash acquired	—	(131)	—	(6,391)
Purchase of Global 360 Holding Corp., net of cash acquired	—	—	—	(245,653)
Purchase of EasyLink Services International Corporation, net of cash acquired	—	—	(315,331)	—
Purchase of Resonate KT Limited, net of cash acquired	(19,366)	—	(19,366)	—
Purchase consideration for prior period acquisitions	(222)	(317)	(653)	(926)
Net cash used in investing activities	<u>(25,463)</u>	<u>(5,356)</u>	<u>(351,658)</u>	<u>(276,282)</u>
Cash flows from financing activities:				
Excess tax benefits on share-based compensation expense	1	2,215	612	2,710
Proceeds from issuance of Common Shares	1,128	7,075	7,530	18,336
Proceeds from long-term debt and revolver	—	—	—	648,500
Repayment of long-term debt and revolver	(7,670)	(7,664)	(23,008)	(341,520)
Debt issuance costs	—	(525)	—	(9,834)
Net cash provided by (used in) financing activities	<u>(6,541)</u>	<u>1,101</u>	<u>(14,866)</u>	<u>318,192</u>
Foreign exchange gain (loss) on cash held in foreign currencies	<u>(5,171)</u>	<u>2,652</u>	<u>403</u>	<u>(3,788)</u>
Increase (decrease) in cash and cash equivalents during the period	79,653	94,995	(112,836)	224,766
Cash and cash equivalents at beginning of the period	<u>367,258</u>	<u>413,911</u>	<u>559,747</u>	<u>284,140</u>
Cash and cash equivalents at end of the period	<u>\$ 446,911</u>	<u>\$ 508,906</u>	<u>\$ 446,911</u>	<u>\$ 508,906</u>