



December 19, 2016

OpenText Announces the Closing of its Public Offering of Common Shares

WATERLOO, Ontario, Dec. 19, 2016 /CNW/ -- Open Text Corporation (NASDAQ: OTEX) (TSX: OTC) ("OpenText" or the "Company") announced today the closing of its underwritten public offering of 9,250,000 common shares of the Company at a public offering price of U.S. \$61.00 per share (the "Offering"). The Offering resulted in net proceeds of approximately U.S. \$546 million to the Company. The Company granted the underwriters a 30-day option to purchase up to an additional 1,387,500 common shares to cover over-allotments, if any.

With the closing of the Offering and the anticipated closing of the previously announced reopening of \$250 million aggregate principal amount of the Company's 5.875% senior unsecured notes due 2026 (the "Notes Reopening"), the Company has substantially completed the capital markets portion of the financing needed to fund the purchase price for its previously announced acquisition of Dell EMC's Enterprise Content Division (the "Acquisition"). The Notes Reopening is expected to close on December 20, 2016. OpenText expects to fund the balance of the purchase price for the Acquisition and pay related fees and expenses with cash on hand and/or borrowings under its new or existing credit facilities. If for any reason the Acquisition does not close, OpenText intends to use the net proceeds from the Offering for general corporate purposes, which may include the financing of future acquisitions and the repayment of existing indebtedness.

The Notes Reopening has not been registered under the Securities Act of 1933, as amended (the "Securities Act"), and has not closed yet. The notes and related guarantees offered in the Notes Reopening were sold to persons reasonably believed to be qualified institutional buyers in reliance on the exemption from registration provided by Rule 144A under the Securities Act and to certain persons in offshore transactions in reliance on Regulation S under the Securities Act. The notes were offered in Canada under available prospectus exemptions.

This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About OpenText

OpenText is the largest independent software provider of Enterprise Information Management (EIM).

Cautionary Statement Regarding Forward-Looking Statements

This press release contains forward-looking statements. These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, and created under the Securities Act and the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and applicable Canadian securities laws. All statements other than statements of historical facts are statements that could be deemed forward-looking statements. We have based those forward-looking statements on OpenText's current expectations and projections about future results.

When used in this press release, the words "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "may," "could," "would" and variations of these words or similar expressions, identify forward-looking statements. In addition, any statements or information 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 OpenText's current expectations, forecasts and projections about the operating environment, economies and markets in which we operate. Forward-looking statements in this press release include, but are not limited to, the anticipated closing of the Notes Reopening, and the completion of the Acquisition and financing thereof.

Forward-looking statements reflect OpenText's 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. Certain of these assumptions include, but are not limited to, the following: (i) countries continuing to implement and enforce existing and additional customs and security regulations relating to the provision of electronic information for imports and exports; (ii) our continued operation of a secure and reliable business network; (iii) the stability of general political, economic and market conditions, currency exchange rates, and interest rates; (iv) equity and debt markets continuing to provide us with access to capital; (v) our continued ability to identify and source attractive and executable business combination opportunities; and (vi) our continued compliance with third party intellectual property rights. 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 the Company; (ii) the ability of the Company to bring new products and services to market and to increase sales; (iii) the strength of the Company's product development pipeline; (iv) failure to secure and protect patents, trademarks and other proprietary rights; (v) infringement of third-party proprietary rights triggering indemnification obligations and resulting in significant expenses or restrictions on the Company's ability to provide its products or services; (vi) failure to comply with privacy laws and regulations that are extensive, open to various interpretations and complex to implement; (vii) growth and profitability prospects of the Company; (viii) the estimated size and growth prospects of the EIM market; (ix) the Company's competitive position in the EIM market and its ability to take advantage of future opportunities in this market; (x) the benefits of the Company's products and services to be realized by customers; (xi) the demand for the Company's products and services and the extent of deployment of its products and services in the EIM marketplace; (xii) financial condition and capital requirements of the Company; (xiii) system or network failures or information security breaches in connection with the Company's services and products; and (xiv) failure to attract and retain key personnel to develop and effectively manage the Company's business.

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 Exchange Act and the rules promulgated thereunder or applicable Canadian securities regulation; (iv) the risks associated with bringing new products and services to market; (v) fluctuations in currency exchange rates (including as a result of the impact of the June 23, 2016 referendum in the United Kingdom whereby British citizens voted to exit the European Union (the so-called "Brexit")); (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 or 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; (xii) demand for the Company's products; (xiii) increase in exposure to international business risks (including as a result of the impact of Brexit) as the Company continues to increase its international operations; (xiv) inability to raise capital at all or on not unfavorable terms in the future; (xv) downward pressure on our share price and dilutive effect of the Offering or future sales or issuances of equity securities (including in connection with the Acquisition and/or other future acquisitions); (xvi) potential changes in ratings or outlooks of rating agencies on the Company's outstanding debt securities; (xvii) the Company's ability to complete the Notes Reopening or borrow under its existing or new credit facilities to finance the Acquisition; and (xviii) successful closing of the Acquisition. 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 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.

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For more information, please contact:

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To view the original version on PR Newswire, visit: <http://www.prnewswire.com/news-releases/opentext-announces-the-closing-of-its-public-offering-of-common-shares-300381009.html>

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