

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

	<u>March 31,</u> <u>2008</u>	<u>June 30,</u> <u>2007</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 215,762	\$ 149,979
Accounts receivable trade, net of allowance for doubtful accounts of \$3,629 as of March 31, 2008 and \$2,089 as of June 30, 2007.....	135,715	128,781
Income taxes recoverable	15,273	31,060
Prepaid expenses and other current assets	12,377	10,368
Deferred tax assets	31,081	30,248
Total current assets	<u>410,208</u>	<u>350,436</u>
Capital assets	41,951	43,614
Goodwill	567,418	528,312
Acquired intangible assets	300,368	343,324
Deferred tax assets	24,950	42,078
Other assets	10,691	9,524
Long-term income taxes recoverable	38,789	9,557
	<u>\$ 1,394,375</u>	<u>\$ 1,326,845</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 94,117	\$ 100,211
Current portion of long-term debt	3,473	4,048
Deferred revenues	179,273	143,097
Income taxes payable	3,839	33,705
Deferred tax liabilities	1,039	1,601
Total current liabilities.....	<u>281,741</u>	<u>282,662</u>
Long-term liabilities:		
Accrued liabilities	21,120	22,516
Long-term debt	304,980	366,765
Deferred revenues	2,665	3,840
Long-term income taxes payable	42,661	—
Deferred tax liabilities	98,147	120,019
Total long-term liabilities	<u>469,573</u>	<u>513,140</u>
Minority interest.....	8,158	6,975
Shareholders' equity:		
Share capital		
51,094,919 and 50,180,118 Common Shares issued and outstanding at March 31, 2008 and June 30, 2007, respectively; Authorized Common Shares: unlimited.....	437,771	426,188
Additional paid-in capital	38,973	35,311
Accumulated other comprehensive income	137,872	68,034
Retained earnings (deficit).....	20,287	(5,465)
Total shareholders' equity	<u>634,903</u>	<u>524,068</u>
	<u>\$ 1,394,375</u>	<u>\$ 1,326,845</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,	
	2008	2007	2008	2007
Revenues:				
License.....	\$ 51,534	\$ 43,032	\$ 150,952	\$ 123,282
Customer support.....	91,606	79,042	268,524	205,352
Service	35,622	33,978	105,787	91,834
Total revenues	<u>178,762</u>	<u>156,052</u>	<u>525,263</u>	<u>420,468</u>
Cost of revenues:				
License.....	3,093	3,515	11,296	9,637
Customer support.....	14,292	12,431	41,081	32,077
Service	28,856	28,042	86,552	77,450
Amortization of acquired technology-based intangible assets	10,440	10,433	30,900	25,675
Total cost of revenues	<u>56,681</u>	<u>54,421</u>	<u>169,829</u>	<u>144,839</u>
	<u>122,081</u>	<u>101,631</u>	<u>355,434</u>	<u>275,629</u>
Operating expenses:				
Research and development	27,711	21,176	77,367	57,989
Sales and marketing.....	41,586	39,069	122,219	107,765
General and administrative	18,268	15,947	52,233	42,640
Depreciation.....	2,909	3,626	9,645	10,525
Amortization of acquired customer-based intangible assets ..	8,077	7,396	23,006	17,147
Special charges (recoveries)	(14)	878	(122)	5,253
Total operating expenses	<u>98,537</u>	<u>88,092</u>	<u>284,348</u>	<u>241,319</u>
Income from operations	23,544	13,539	71,086	34,310
Other income (expense)	(6,831)	(98)	(12,341)	604
Interest income (expense), net	(6,684)	(7,550)	(22,123)	(14,670)
Income before income taxes.....	10,029	5,891	36,622	20,244
Provision for income taxes	2,594	1,914	10,448	6,421
Net income before minority interest.....	7,435	3,977	26,174	13,823
Minority interest.....	168	124	422	392
Net income for the period.....	<u>\$ 7,267</u>	<u>\$ 3,853</u>	<u>\$ 25,752</u>	<u>\$ 13,431</u>
Net income per share—basic	<u>\$ 0.14</u>	<u>\$ 0.08</u>	<u>\$ 0.51</u>	<u>\$ 0.27</u>
Net income per share—diluted	<u>\$ 0.14</u>	<u>\$ 0.08</u>	<u>\$ 0.49</u>	<u>\$ 0.26</u>
Weighted average number of Common Shares outstanding—basic	<u>50,979</u>	<u>49,490</u>	<u>50,666</u>	<u>49,203</u>
Weighted average number of Common Shares outstanding—diluted	<u>52,789</u>	<u>51,134</u>	<u>52,424</u>	<u>50,703</u>

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

	Three months ended March 31,		Nine months ended March 31,	
	2008	2007	2008	2007
Cash flows from operating activities:				
Net income for the period.....	\$ 7,267	\$ 3,853	\$ 25,752	\$ 13,431
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	21,426	21,455	63,551	53,347
In-process research and development.....	—	—	500	—
Share-based compensation expense	1,077	1,261	2,795	3,861
Employee long-term incentive plan.....	733	—	1,490	—
Excess tax benefits from share-based compensation	(101)	(381)	(867)	(1,122)
Undistributed earnings related to minority interest ..	168	124	422	392
Amortization of debt issuance costs	293	274	1,004	531
Unrealized loss on financial instrument	2,728	364	5,579	576
Deferred taxes	(506)	(14,270)	(4,619)	(23,194)
Changes in operating assets and liabilities:				
Accounts receivable	(14,597)	3,550	(7,018)	27,047
Prepaid expenses and other current assets	(1,811)	(212)	(2,008)	682
Income taxes.....	(2,662)	1,554	5,892	(2,259)
Accounts payable and accrued liabilities	(9,321)	(4,777)	(7,849)	(9,690)
Deferred revenues	44,938	28,326	36,055	14,889
Other assets	176	221	686	3,916
Net cash provided by operating activities.....	49,808	41,342	121,365	82,407
Cash flows from investing activities:				
Acquisitions of capital assets	(2,028)	(729)	(5,414)	(4,620)
Additional purchase consideration for prior period acquisitions	(12)	(4,295)	(451)	(6,018)
Purchase of Hummingbird, net of cash acquired	—	—	—	(384,761)
Purchase of an asset group constituting a business.....	—	—	(2,209)	—
Investments in marketable securities	—	—	—	(829)
Acquisition related costs.....	(3,065)	(8,049)	(14,907)	(28,249)
Net cash used in investing activities.....	(5,105)	(13,073)	(22,981)	(424,477)
Cash flows from financing activities:				
Excess tax benefits from share-based compensation	101	381	867	1,122
Proceeds from issuance of Common Shares	2,198	6,365	11,415	8,829
Repayment of long-term debt	(869)	(1,071)	(62,746)	(2,244)
Proceeds from long-term debt.....	—	—	—	390,000
Debt issuance costs	—	—	(349)	(7,433)
Net cash provided by (used in) financing activities.....	1,430	5,675	(50,813)	390,274
Foreign exchange gain on cash held in foreign currencies	9,920	1,338	18,212	4,125
Increase in cash and cash equivalents during the period	56,053	35,282	65,783	52,329
Cash and cash equivalents at beginning of period.....	159,709	124,401	149,979	107,354
Cash and cash equivalents at end of period.....	\$ 215,762	\$ 159,683	\$ 215,762	\$ 159,683