

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

	<u>September 30, 2013</u>	<u>June 30, 2013</u>
	(Unaudited)	
<b>ASSETS</b>		
Cash and cash equivalents	\$ 491,147	\$ 470,445
Accounts receivable trade, net of allowance for doubtful accounts of \$4,261 as of September 30, 2013 and \$4,871 as of June 30, 2013	153,449	174,927
Income taxes recoverable	23,027	17,173
Prepaid expenses and other current assets	47,537	43,464
Deferred tax assets	10,365	11,082
Total current assets	<u>725,525</u>	<u>717,091</u>
Property and equipment	91,254	88,364
Goodwill	1,267,317	1,246,872
Acquired intangible assets	349,651	363,615
Deferred tax assets	135,226	135,695
Other assets	27,619	25,082
Deferred charges	63,819	67,633
Long-term income taxes recoverable	10,461	10,465
<b>Total assets</b>	<u><u>\$ 2,670,872</u></u>	<u><u>\$ 2,654,817</u></u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 178,403	\$ 188,443
Current portion of long-term debt	55,473	51,742
Deferred revenues	268,020	282,387
Income taxes payable	17,535	4,184
Deferred tax liabilities	1,142	1,127
Total current liabilities	<u>520,573</u>	<u>527,883</u>
Long-term liabilities:		
Accrued liabilities	20,322	17,849
Deferred credits	13,460	11,608
Pension liability	25,489	24,509
Long-term debt	502,500	513,750
Deferred revenues	13,750	11,830
Long-term income taxes payable	144,210	140,508
Deferred tax liabilities	71,021	69,672
Total long-term liabilities	<u>790,752</u>	<u>789,726</u>
Shareholders' equity:		
Share capital		
59,087,746 and 59,028,886 Common Shares issued and outstanding at September 30, 2013 and June 30, 2013, respectively; Authorized Common Shares: unlimited	653,886	651,642
Additional paid-in capital	106,550	101,865
Accumulated other comprehensive income	42,391	39,890
Retained earnings	585,794	572,885
Treasury stock, at cost (610,878 shares at September 30, 2013 and at June 30, 2013, respectively)	(29,074)	(29,074)
Total shareholders' equity	<u>1,359,547</u>	<u>1,337,208</u>
<b>Total liabilities and shareholders' equity</b>	<u><u>\$ 2,670,872</u></u>	<u><u>\$ 2,654,817</u></u>

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

	Three Months Ended September 30,	
	2013	2012
Revenues:		
License	\$ 55,306	\$ 55,656
Cloud services	41,647	43,873
Customer support	168,440	162,096
Professional service and other	59,067	64,569
Total revenues	<u>324,460</u>	<u>326,194</u>
Cost of revenues:		
License	3,036	4,168
Cloud services	14,265	17,982
Customer support	22,170	25,823
Professional service and other	45,435	50,052
Amortization of acquired technology-based intangible assets	21,530	23,782
Total cost of revenues	<u>106,436</u>	<u>121,807</u>
Gross profit	<u>218,024</u>	<u>204,387</u>
Operating expenses:		
Research and development	40,216	39,906
Sales and marketing	69,413	64,515
General and administrative	28,886	26,964
Depreciation	6,458	6,109
Amortization of acquired customer-based intangible assets	17,277	17,252
Special charges	3,731	9,554
Total operating expenses	<u>165,981</u>	<u>164,300</u>
Income from operations	<u>52,043</u>	<u>40,087</u>
Other income (expense), net	1,926	(71)
Interest expense, net	(4,385)	(4,368)
Income before income taxes	49,584	35,648
Provision for (recovery of) income taxes	18,954	16,219
Net income for the period	<u>\$ 30,630</u>	<u>\$ 19,429</u>
Earnings per share—basic	<u>\$ 0.52</u>	<u>\$ 0.33</u>
Earnings per share—diluted	<u>\$ 0.52</u>	<u>\$ 0.33</u>
Weighted average number of Common Shares outstanding—basic	<u>59,063</u>	<u>58,424</u>
Weighted average number of Common Shares outstanding—diluted	<u>59,378</u>	<u>58,919</u>
Dividends declared per Common Share	<u>\$ 0.30</u>	<u>\$ —</u>

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

	Three Months Ended September 30,	
	2013	2012
Net income for the period	\$ 30,630	\$ 19,429
Other comprehensive income—net of tax:		
Net foreign currency translation adjustments	241	(476)
Unrealized gain (loss) on cash flow hedges		
Unrealized gain	1,520	2,500
(Gain) loss reclassified into net income	584	(556)
Actuarial gain (loss) relating to defined benefit pension plans		
Actuarial gain (loss)	83	(181)
Amortization of actuarial loss into net income	73	72
Total other comprehensive income, net, for the period	2,501	1,359
Total comprehensive income	\$ 33,131	\$ 20,788

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

	Three Months Ended September 30,	
	2013	2012
Cash flows from operating activities:		
Net income for the period	\$ 30,630	\$ 19,429
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of intangible assets	45,265	47,143
Share-based compensation expense	4,612	3,102
Excess tax benefits on share-based compensation expense	(73)	(352)
Pension expense	230	242
Amortization of debt issuance costs	525	537
Amortization of deferred charges and credits	2,967	2,929
Loss on sale and write down of property and equipment	21	2
Deferred taxes	(1,869)	861
Impairment and other non cash charges	—	—
Changes in operating assets and liabilities:		
Accounts receivable	28,778	19,442
Prepaid expenses and other current assets	(3,432)	3,024
Income taxes	7,502	4,373
Deferred charges and credits	2,700	(436)
Accounts payable and accrued liabilities	(17,970)	(20,255)
Deferred revenue	(18,560)	(18,070)
Other assets	(1,402)	(208)
Net cash provided by operating activities	<u>79,924</u>	<u>61,763</u>
Cash flows from investing activities:		
Additions of property and equipment	(8,315)	(5,038)
Purchase of EasyLink Services International Corporation, net of cash acquired	—	(315,331)
Purchase of Cordys Holding B.V., net of cash acquired	(30,588)	—
Purchase consideration for prior period acquisitions	(222)	(217)
Other investing activities	(1,500)	—
Net cash used in investing activities	<u>(40,625)</u>	<u>(320,586)</u>
Cash flows from financing activities:		
Excess tax benefits on share-based compensation expense	73	352
Proceeds from issuance of Common Shares	1,823	3,993
Repayment of long-term debt	(7,668)	(7,667)
Payments of dividends to shareholders	(17,721)	—
Net cash provided by (used in) financing activities	<u>(23,493)</u>	<u>(3,322)</u>
Foreign exchange gain (loss) on cash held in foreign currencies	4,896	4,633
Increase (decrease) in cash and cash equivalents during the period	20,702	(257,512)
Cash and cash equivalents at beginning of the period	470,445	559,747
Cash and cash equivalents at end of the period	<u>\$ 491,147</u>	<u>\$ 302,235</u>