

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

	March 31, 2010	June 30, 2009
	(unaudited)	
ASSETS		
Cash and cash equivalents	\$ 321,328	\$ 275,819
Accounts receivable trade, net of allowance for doubtful accounts of \$5,207 as of March 31, 2010 and \$4,208 as of June 30, 2009.....	122,557	115,802
Income taxes recoverable.....	24,998	4,496
Prepaid expenses and other current assets	21,156	18,172
Deferred tax assets	16,765	20,621
Total current assets	506,804	434,910
Investments in marketable securities	—	13,103
Capital assets.....	54,835	45,165
Goodwill	699,833	576,111
Acquired intangible assets	334,770	315,048
Deferred tax assets	64,472	69,877
Other assets	17,760	13,064
Long-term income taxes recoverable.....	46,007	39,958
Total assets	\$ 1,724,481	\$ 1,507,236
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities.....	\$ 114,419	\$ 116,992
Current portion of long-term debt	15,782	3,449
Deferred revenues.....	212,655	189,397
Income taxes payable	13,083	10,356
Deferred tax liabilities	2,354	508
Total current liabilities	358,293	320,702
Long-term liabilities:		
Accrued liabilities.....	16,682	21,099
Pension liability	15,363	15,803
Long-term debt.....	285,774	299,234
Deferred revenues.....	11,151	7,914
Long-term income taxes payable.....	55,740	47,131
Deferred tax liabilities	118,961	108,889
Total long-term liabilities	503,671	500,070
Shareholders' equity:		
Share capital		
56,600,540 and 52,716,751 Common Shares issued and outstanding at March 31, 2010 and June 30, 2009, respectively; Authorized Common Shares: unlimited.....	593,397	457,982
Additional paid-in capital	58,623	52,152
Accumulated other comprehensive income.....	69,973	71,851
Retained earnings	140,524	104,479
Total shareholders' equity.....	862,517	686,464
Total liabilities and shareholders' equity	\$ 1,724,481	\$ 1,507,236

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,	
	2010	2009	2010	2009
Revenues:				
License	\$ 49,527	\$ 51,919	\$ 169,547	\$ 166,845
Customer support	124,443	101,949	378,375	300,816
Service and other	38,807	38,167	124,067	114,648
Total revenues	<u>212,777</u>	<u>192,035</u>	<u>671,989</u>	<u>582,309</u>
Cost of revenues:				
License	3,744	4,496	11,522	12,670
Customer support	20,777	17,304	63,209	50,227
Service and other	31,314	30,288	101,036	89,898
Amortization of acquired technology-based intangible assets.....	15,044	11,625	44,338	34,171
Total cost of revenues	<u>70,879</u>	<u>63,713</u>	<u>220,105</u>	<u>186,966</u>
Gross profit	<u>141,898</u>	<u>128,322</u>	<u>451,884</u>	<u>395,343</u>
Operating expenses:				
Research and development.....	31,654	28,809	97,543	87,335
Sales and marketing.....	45,983	44,426	150,564	138,605
General and administrative.....	18,405	17,937	62,007	54,604
Depreciation	4,437	3,229	12,982	8,847
Amortization of acquired customer-based intangible assets.....	8,910	11,176	26,562	29,529
Special charges.....	6,083	1,788	35,095	13,234
Total operating expenses.....	<u>115,472</u>	<u>107,365</u>	<u>384,753</u>	<u>332,154</u>
Income from operations	<u>26,426</u>	<u>20,957</u>	<u>67,131</u>	<u>63,189</u>
Other income (expense), net	(5,554)	11,655	(3,785)	(199)
Interest expense, net.....	(2,625)	(2,431)	(8,387)	(10,772)
Income before income taxes	18,247	30,181	54,959	52,218
Provision for income taxes.....	5,133	8,146	18,914	14,761
Net income for the period	<u>\$13,114</u>	<u>\$ 22,035</u>	<u>\$ 36,045</u>	<u>\$ 37,457</u>
Net income per share—basic	<u>\$ 0.23</u>	<u>\$ 0.42</u>	<u>\$ 0.64</u>	<u>\$ 0.72</u>
Net income per share—diluted	<u>\$ 0.23</u>	<u>\$ 0.41</u>	<u>\$ 0.63</u>	<u>\$ 0.71</u>
Weighted average number of Common Shares outstanding—basic	<u>56,537</u>	<u>52,312</u>	<u>56,106</u>	<u>51,825</u>
Weighted average number of Common Shares outstanding—diluted	<u>57,696</u>	<u>53,441</u>	<u>57,214</u>	<u>53,122</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,	
	2010	2009	2010	2009
Cash flows from operating activities:				
Net income for the period	\$ 13,114	\$ 22,035	\$ 36,045	\$ 37,457
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	28,391	26,030	83,882	72,547
In-process research and development	—	—	—	121
Share-based compensation expense	1,334	1,424	7,154	3,957
Excess tax benefits on share-based compensation expense ..	(207)	(1,729)	(904)	(8,382)
Pension expense	152	218	562	1,124
Amortization of debt issuance costs	330	281	1,064	831
Unrealized (gain) loss on financial instruments	2,994	(941)	(878)	(134)
Loss on sale and write down of capital assets	136	84	136	353
Release of unrealized gain on marketable securities	—	—	(4,353)	—
Deferred taxes	(2,414)	(7,492)	(3,714)	(3,577)
Impairment charges	378	—	830	—
Changes in operating assets and liabilities:				
Accounts receivable	22,566	15,107	23,953	47,897
Prepaid expenses and other current assets	2,017	(2,275)	(1,306)	(3,745)
Income taxes	(10,234)	3,187	(18,238)	9,656
Accounts payable and accrued liabilities	(4,932)	(5,489)	(11,466)	(18,730)
Deferred revenue	23,000	24,309	(1,029)	(1,304)
Other assets	1,376	(1,862)	3,233	(528)
Net cash provided by operating activities	78,001	72,887	114,971	137,543
Cash flows from investing activities:				
Additions of capital assets-net	(3,505)	(4,214)	(15,269)	(6,308)
Purchase of Vignette Corporation, net of cash acquired	—	—	(90,600)	—
Purchase of Captaris Inc., net of cash acquired	—	—	—	(101,033)
Purchase of eMotion LLC, net of cash acquired	—	—	(556)	(3,635)
Purchase of a division of Spicer Corporation	—	(601)	—	(11,437)
Purchase consideration for prior period acquisitions	(3,167)	(4,824)	(11,407)	(17,190)
Investments in marketable securities	—	(5,322)	—	(8,930)
Maturity of short-term investments	7,000	—	45,525	—
Net cash provided by (used in) investing activities	328	(14,961)	(72,307)	(148,533)
Cash flow from financing activities:				
Excess tax benefits on share-based compensation expense ..	207	1,729	904	8,382
Proceeds from issuance of Common Shares	2,795	11,635	8,937	17,674
Repayment of long-term debt	(873)	(849)	(2,607)	(2,570)
Debt issuance costs	—	—	(1,024)	—
Net cash provided by financing activities	2,129	12,515	6,210	23,486
Foreign exchange loss on cash held in foreign currencies	(6,760)	(6,263)	(3,365)	(30,364)
Increase (decrease) in cash and cash equivalents during the period	73,698	64,178	45,509	(17,868)
Cash and cash equivalents at beginning of the period	247,630	172,870	275,819	254,916
Cash and cash equivalents at end of the period	<u>\$ 321,328</u>	<u>\$ 237,048</u>	<u>\$ 321,328</u>	<u>\$ 237,048</u>