



# Investor Presentation

September 2010

# Disclaimer

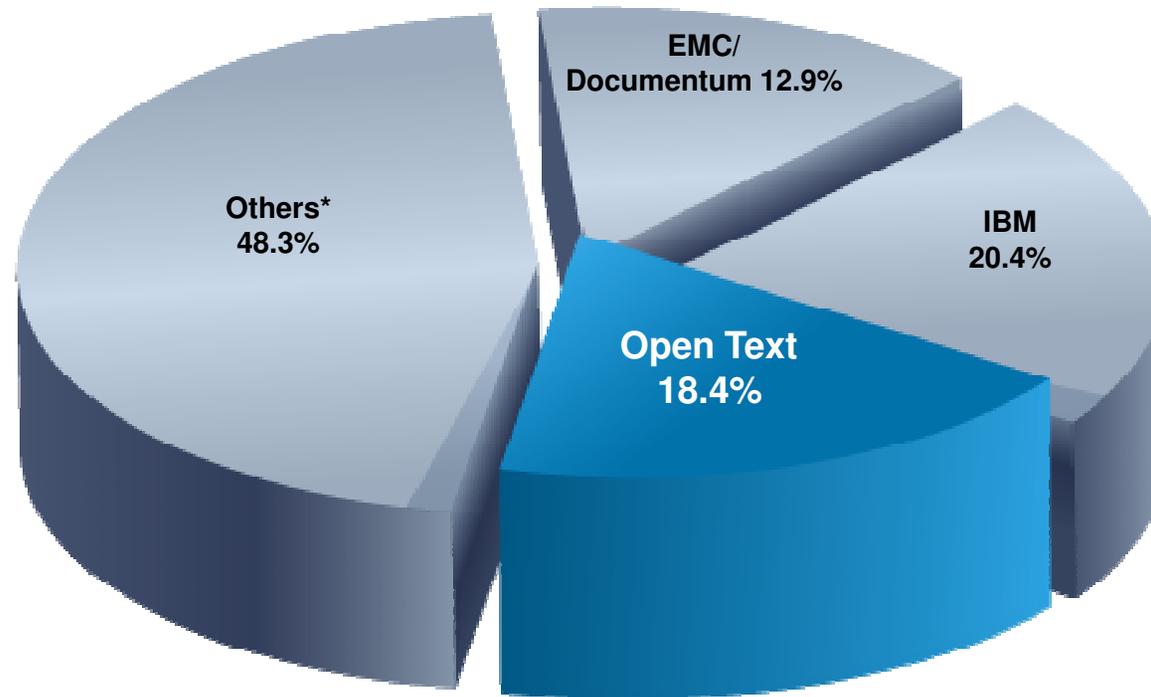
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# Who is Open Text?

- World's largest independent provider of Enterprise Content Management (ECM) software
- Key partnerships with SAP, MSFT and ORCL
- Focused on profitability



# Global ECM Market Share



\*Includes Microsoft SharePoint at 2.7%

*Market Share: Content Management Software, Worldwide, 2009, Tom Eid and Bianca Granetto  
13 April 2010 Gartner Inc.*

# What is Enterprise Content Management?

- ECM describes a collection of software applications that help organizations to manage electronic content



# What is ECM and Why is it Needed?

- ECM manages the entire lifecycle of unstructured data (e.g. Invoices, email, documents, spreadsheets, CAD, multimedia etc.)
- ECM solutions help corporations organize, control and access this vital business content
- ECM Market is driven by customers' needs for regulatory compliance
- ECM helps deliver fast ROI by streamlining business processes





## CONTENTS

- Document Management
- Email Management
- Records Management
- eDiscovery
- Digital Asset Management
- Contract Management
- Social Media
- Web Content Management
- Business Process Management
- Archiving
- Enterprise Portals
- etc...

# Enterprise Content

## Human Resources



Personnel Management

## Accounting



Accounts Payable

## Marketing



Corporate Web Site

## Legal



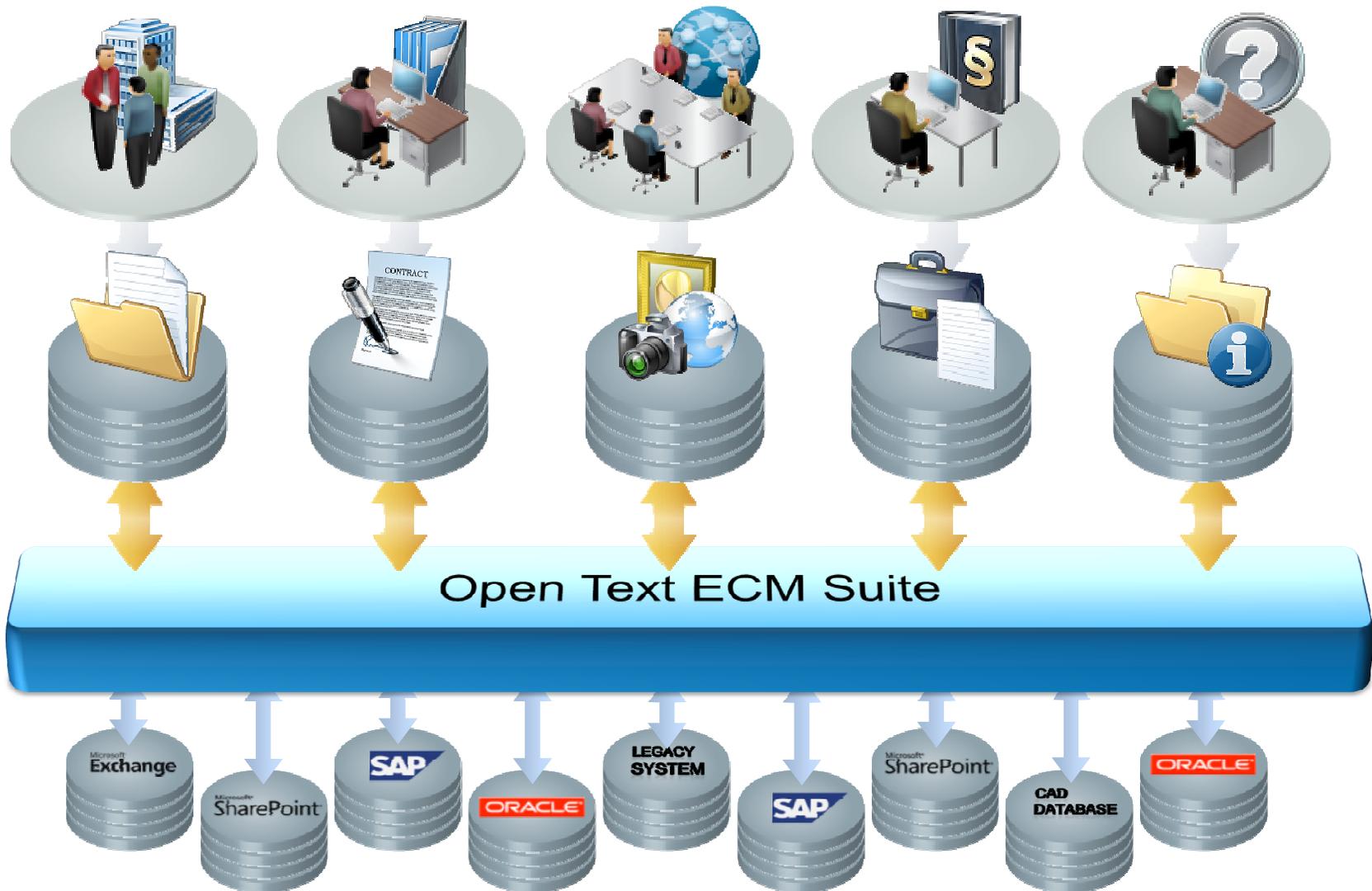
Contract Management

## Call Center



Case Management

# The Open Text ECM Suite



# Single Access for Users

The screenshot shows a Microsoft Outlook window titled "Inbox - Microsoft Outlook". The interface includes a "Folder List" on the left, an "Inbox" pane with a list of emails, and a main pane displaying an email titled "Query with regards to cost of monitor". The email content includes a greeting "Dear Sam," and a query about a recent purchase (PO Number: 8167 / customer number: 4130). It mentions an invoice (No. 90033157) and a contract (no 3245) with a 25% discount. The sender is identified as John Marquart from Compu Tech. An "Information Bridge" window is open on the right, displaying customer details for "Compu Tech" (Customer Number: 4130, Region: California, Address: 10001 Bay Avenue, San Francisco, United States). Below the customer details, there are sections for "Orders", "Deliveries", "Invoices" (listing SAP invoices), "Contracts", and "Projects" (listing customer complaints).

Logos and arrows pointing to the screenshot:

- Microsoft Exchange Server**: Arrow points to the Outlook application window.
- Microsoft Office**: Arrow points to the Outlook interface.
- ORACLE**: Arrow points to the "Information Bridge" window.
- SAP**: Arrow points to the "Invoices" section in the "Information Bridge" window.
- OPEN TEXT The Content Experts™**: Arrow points to the "Complaints" section in the "Information Bridge" window.

# Diverse Customer Base

**Government**

**Energy**

**Pharmaceutical**

**Financial**

**Telecoms**

**Manufacturing**

**Legal**

**AEC/Engineering**

**Automotive**

**Insurance**

# Mobility and Social Media for the Enterprise



# FY2010 Q4 Highlights

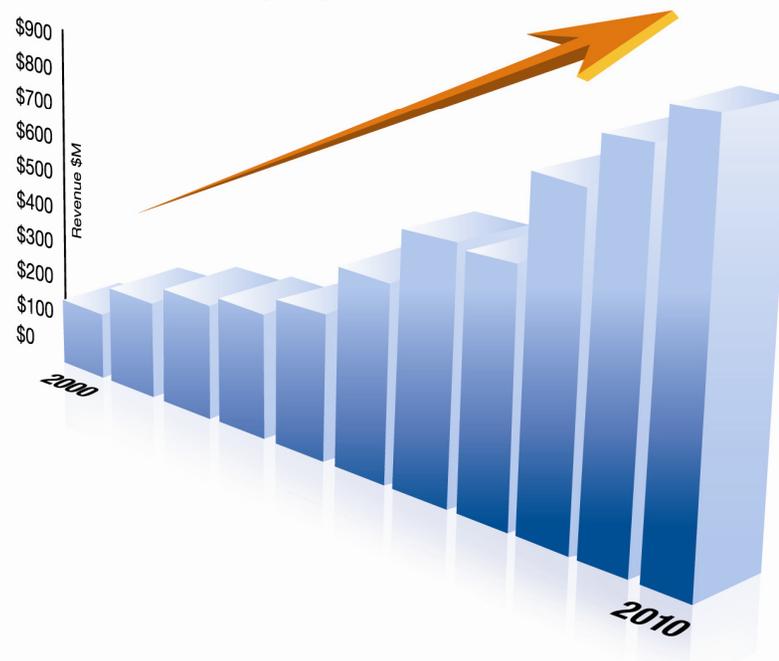
- Total revenue \$240.0 million, up 18% (4Q10 vs.4Q09)
- License revenue \$68.5 million, up 9% (4Q10 vs.4Q09)
- Adjusted EPS \$0.95, up 30% (4Q10 vs.4Q09)\*
- Pre-tax adjusted operating margin 32.2%, up from 26.6% (4Q10 vs. 4Q09)\*\*
- Operating cash flow \$65.2 million
- Cash and cash equivalents: \$326.2 million

\* See reconciliation of Non-GAAP measures to GAAP measures at the end of this presentation

\*\*before taxes and interest expense

# FY2010 Highlights

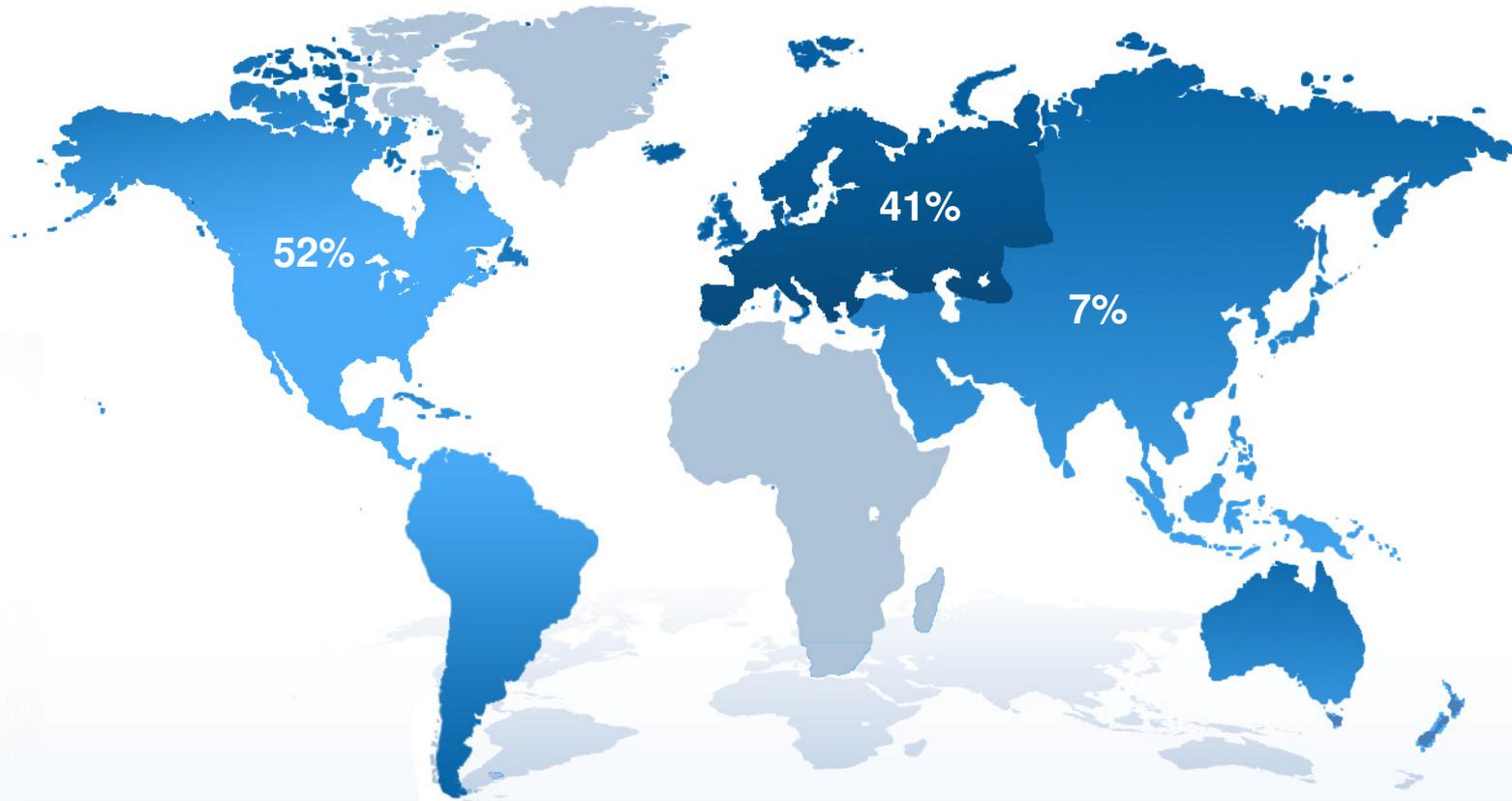
- Total revenue \$912.0 M up 16% yr/yr
- License revenue \$238.1 M up 4% yr/yr
- Adjusted EPS \$3.10 up 24% yr/yr\*
- Adjusted operating margin 27.9% up from 25.2% yr/yr\*\*
- Operating cash flow \$180.2 M



\* See reconciliation of Non-GAAP measures to GAAP measures at the end of this presentation

\*\*before taxes and interest expense

# FY2010 Global Revenue Mix



**North America – 52%**

**Europe – 41%**

**Asia Pac/Other – 7%**

# Revenue Mix & Margin Target Model

## Revenue Type

■ Product License	25-30%
■ Product Maintenance	52-57%
■ Professional Services	18-23%

## Overall Gross Margin

■ Development	14-16%
■ Sales & Marketing	21-23%
■ General & Admin	8-10%
■ Depreciation	2%

## Pre-tax Adj. Ops Margin

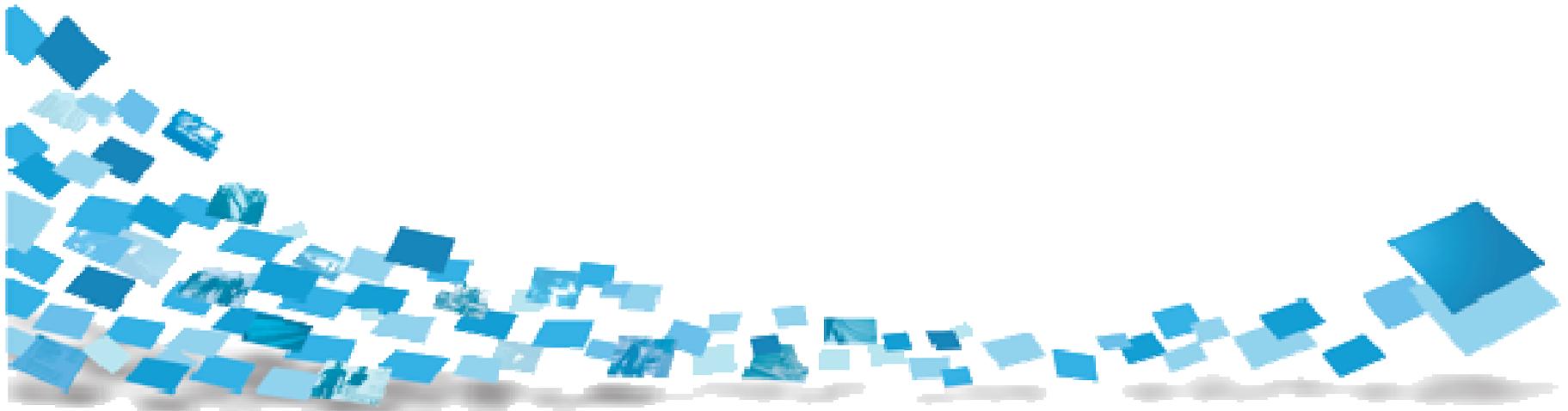
**25-30%**

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# OPEN TEXT

The Content Experts™

**Thank You**



# Reconciliation of Adjusted Operating Margin to GAAP Net Income\*

(in millions USD)	FY 2009	FY 2010	4Q09	4Q10
Non GAAP adjusted operating margin (25.2%, 27.9%, 26.6% and 32.2%, respectively)	\$ 198.0	\$ 254.3	\$ 54.1	\$ 77.2
Less:				
Amortization	81.0	96.4	17.3	25.5
Share-based compensation expense	5.0	6.6**	1.1	2.6
Special charges	14.4	43.7	1.2	8.6
Other expense, net	3.2	8.3	3.0	4.6
Interest expense, net	13.6	10.4	2.8	2.0
Provision for (recovery of) income taxes	23.9	1.3	9.2	(17.6)
GAAP Net income for the period	\$ 56.9	\$ 87.6	\$ 19.5	\$ 51.5

\*Amounts may differ from those shown on the face of the financial statements due to non-material rounding adjustments

\*\* In addition \$3.2 million of share-based compensation is included within special charges

For more details see our fourth quarter and Fiscal year 2010 earnings release, posted on our website under Investor Relations at [www.opentext.com](http://www.opentext.com)

# Reconciliation of GAAP based EPS to Non GAAP based EPS (on a diluted basis)\*

	FY 2009	FY2010	4Q09	4Q10
Non GAAP-based adjusted EPS	\$ 2.49	\$ 3.10	\$ 0.73	\$ 0.95
Less:				
Amortization	1.52	1.68	0.32	0.44
Share-based compensation expense	0.09	0.11	0.02	0.04
Special charges	0.27	0.76	0.02	0.15
Other expense, net	0.06	0.14	0.06	0.08
GAAP based provision for (recovery of) income taxes	0.45	0.02	0.17	(0.30)
Tax on non-GAAP based adjusted net income	(0.97)	(1.14)	(0.22)	(0.35)
GAAP based EPS	\$ 1.07	\$ 1.53	\$ 0.36	\$ 0.89

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