

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

	<b>September 30, 2010</b>	<b>June 30, 2010</b>
	<b>(Unaudited)</b>	
<b>ASSETS</b>		
Cash and cash equivalents .....	\$ 384,692	\$ 326,192
Accounts receivable trade, net of allowance for doubtful accounts of \$5,062 as of September 30, 2010 and \$4,868 as of June 30, 2010 .....	104,442	132,143
Income taxes recoverable .....	23,702	44,509
Prepaid expenses and other current assets .....	25,831	21,086
Deferred tax assets .....	19,239	20,242
Total current assets .....	557,906	544,172
Capital assets.....	56,976	54,286
Goodwill .....	666,064	666,055
Acquired intangible assets .....	304,014	328,193
Deferred tax assets .....	27,025	30,420
Other assets .....	18,843	16,896
Deferred charges .....	58,923	27,558
Long-term income taxes recoverable.....	50,072	48,102
<b>Total assets</b> .....	<b>\$1,739,823</b>	<b>\$1,715,682</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable and accrued liabilities.....	\$ 96,738	\$ 119,604
Current portion of long-term debt .....	15,393	15,486
Deferred revenues.....	210,587	219,752
Income taxes payable .....	37,683	39,666
Deferred tax liabilities.....	37,816	28,384
Total current liabilities .....	398,217	422,892
Long-term liabilities:		
Accrued liabilities.....	10,826	15,755
Deferred credits .....	5,799	—
Pension liability .....	17,638	15,888
Long-term debt.....	284,278	285,026
Deferred revenues.....	11,603	10,085
Long-term income taxes payable .....	84,573	64,699
Deferred tax liabilities .....	3,274	13,459
Total long-term liabilities .....	417,991	404,912
Shareholders' equity:		
Share capital		
56,997,864 and 56,825,995 Common Shares issued and outstanding at September 30, 2010 and June 30, 2010, respectively; Authorized Common Shares: unlimited.....	606,363	602,868
Additional paid-in capital .....	64,278	61,298
Accumulated other comprehensive income.....	51,612	44,021
Retained earnings.....	215,362	193,691
Treasury stock, at cost (307,579 and 307,579 shares, respectively at September 30, 2010 and June 30, 2010) .....	(14,000)	(14,000)
Total shareholders' equity.....	923,615	887,878
<b>Total liabilities and shareholders' equity</b> .....	<b>\$1,739,823</b>	<b>\$1,715,682</b>

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

	Three months ended September 30,	
	2010	2009
Revenues:		
License .....	\$ 42,646	\$ 47,329
Customer support .....	129,757	123,649
Service and other .....	45,002	40,444
Total revenues .....	<u>217,405</u>	<u>211,422</u>
Cost of revenues:		
License .....	3,502	3,145
Customer support .....	19,356	20,939
Service and other .....	35,113	33,294
Amortization of acquired technology-based intangible assets .....	15,427	14,142
Total cost of revenues .....	<u>73,398</u>	<u>71,520</u>
Gross profit .....	<u>144,007</u>	<u>139,902</u>
Operating expenses:		
Research and development .....	30,963	31,542
Sales and marketing .....	44,180	50,690
General and administrative .....	19,810	21,225
Depreciation .....	4,875	4,147
Amortization of acquired customer-based intangible assets .....	8,801	8,917
Special charges .....	3,195	18,589
Total operating expenses .....	<u>111,824</u>	<u>135,110</u>
Income from operations .....	<u>32,183</u>	<u>4,792</u>
Other income, net .....	2,480	3,440
Interest expense, net .....	(4,135)	(3,046)
Income before income taxes .....	30,528	5,186
Provision for income taxes .....	8,857	3,456
Net income for the period .....	<u>\$ 21,671</u>	<u>\$ 1,730</u>
Net income per share—basic .....	<u>\$ 0.38</u>	<u>\$ 0.03</u>
Net income per share—diluted .....	<u>\$ 0.37</u>	<u>\$ 0.03</u>
Weighted average number of Common Shares outstanding—basic .....	<u>56,883</u>	<u>55,388</u>
Weighted average number of Common Shares outstanding—diluted .....	<u>57,922</u>	<u>56,469</u>

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

	Three months ended September 30,	
	2010	2009
Cash flows from operating activities:		
Net income for the period .....	\$ 21,671	\$ 1,730
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of intangible assets.....	29,103	27,206
Share-based compensation expense .....	2,600	3,690
Excess tax benefits on share-based compensation expense.....	(432)	(691)
Pension expense .....	123	192
Amortization of debt issuance costs.....	333	266
Unrealized gain on financial instruments.....	-	(2,390)
Release of unrealized gain on marketable securities to income .....	-	(4,353)
Deferred taxes .....	(181)	(2,957)
Changes in operating assets and liabilities:		
Accounts receivable .....	27,878	7,928
Prepaid expenses and other current assets.....	(2,528)	(3,218)
Income taxes .....	32,862	(4,787)
Deferred charges and credits.....	(27,725)	-
Accounts payable and accrued liabilities .....	(25,991)	(6,852)
Deferred revenue.....	(7,234)	(12,437)
Other assets .....	(1,545)	1,175
Net cash provided by operating activities .....	48,934	4,502
Cash flows from investing activities:		
Additions of capital assets-net .....	(6,943)	(7,665)
Purchase of Vignette Corporation, net of cash acquired .....	-	(90,600)
Purchase consideration for prior period acquisitions .....	(1,406)	(4,801)
Investments in marketable securities.....	(668)	-
Maturity of short-term investments.....	-	27,171
Net cash used in investing activities .....	(9,017)	(75,895)
Cash flow from financing activities:		
Excess tax benefits on share-based compensation expense.....	432	691
Proceeds from issuance of Common Shares .....	3,246	4,477
Repayment of long-term debt.....	(878)	(864)
Debt issuance costs .....	-	(1,024)
Net cash provided by financing activities .....	2,800	3,280
Foreign exchange gain on cash held in foreign currencies .....	15,783	4,484
Increase (decrease) in cash and cash equivalents during the period .....	58,500	(63,629)
Cash and cash equivalents at beginning of the period .....	326,192	275,819
Cash and cash equivalents at end of the period .....	\$ 384,692	\$ 212,190

