

## Open Text Reports Fourth Quarter and Fiscal Year-End 2009 Financial Results

**Waterloo, ON, August 20, 2009** - Open Text(TM) Corporation (NASDAQ:OTEX) (TSX:OTC), a leading provider of Enterprise Content Management (ECM) software, today announced unaudited financial results for its fourth quarter and fiscal year ended June 30, 2009. (1)

Total revenue for the fourth quarter was \$203.4 million, up 2% compared to \$200.3 million for the same period in the prior fiscal year. License revenue in the fourth quarter was \$63.0 million, down 8% compared to \$68.2 million in the fourth quarter of the prior fiscal year.

Adjusted net income in the quarter was \$39.2 million or \$0.73 per share on a diluted basis, up 18% compared to \$33.3 million or \$0.63 per share on a diluted basis for the same period in the prior fiscal year. Net income in accordance with U.S. generally accepted accounting principles ("US GAAP") was \$19.5 million or \$0.36 per share on a diluted basis, compared to \$27.3 million or \$0.51 per share on a diluted basis for the same period in the prior fiscal year. (2)

Total revenue for fiscal year 2009 was \$785.7 million, up 8% compared to \$725.5 million for the previous fiscal year. License revenue for fiscal year 2009 was \$229.8 million, up 5% compared to \$219.1 million in the previous fiscal year.

Adjusted net income for fiscal year 2009 was \$132.8 million, or \$2.49 per share on a diluted basis, up 24% compared to adjusted net income for the previous fiscal year of \$107.0 million, or \$2.03 per share on a diluted basis. Net income for fiscal year 2009 in accordance with US GAAP was \$56.9 million, or \$1.07 per share on a diluted basis, compared to the prior fiscal year's net income of \$53.0 million, or \$1.01 per share on a diluted basis. (2)

Operating cash flow in the fourth quarter of fiscal 2009 was \$38.6 million, compared to \$44.6 million in the fourth quarter of the prior fiscal year. For the full 2009 fiscal year, Open Text generated \$176.2 million in operating cash flow compared to \$166.0 million in fiscal 2008.

The cash and cash equivalents balance as of June 30, 2009 was \$275.8 million. Accounts receivable as of June 30, 2009, totaled \$115.8 million, compared to \$134.4 million as of June 30, 2008, and Days Sales Outstanding (DSO) was 51 days in the fourth quarter of fiscal 2009, compared to 60 days in the fourth quarter of fiscal 2008.

"I am pleased that we achieved our bottom line target in this quarter and grew adjusted earnings by 24% for the year in this difficult economic environment," said John Shackleton, President and Chief Executive Officer of Open Text. "Driven by demand for compliance based solutions I remain confident in our future prospects."

On July 21, 2009 Open Text announced that it had completed the acquisition of all of the issued and outstanding shares of Vignette Corporation.

"With the acquisition of Vignette we solidify our ECM market leadership. We have gained a great customer base and enterprise-level technology that enhances our ECM suite," said Mr. Shackleton. "We are pleased with how the acquisition is progressing and to date the integration is tracking to plan."

Please see note (2) below for a reconciliation of non-US GAAP based financial measures used in this press release, to US GAAP based financial measures.

## Teleconference Call

Open Text will host a conference call on August 20, 2009 at 5:00 p.m. ET to discuss its final financial results.

**Date:** Thursday, August 20, 2009  
**Time:** 5:00 p.m. ET/2:00 p.m. PT  
**Length:** 60 minutes  
**Where:** 416-644-3415  
800-733-7571 (Toll Free)

Please dial-in approximately 10 minutes before the teleconference is scheduled to begin. A replay of the call will be available beginning August 20, 2009 at 7:00 p.m. ET through 11:59 p.m. on September 3, 2009 and can be accessed by dialing 416-640-1917 and using passcode 21310608 followed by the number sign.

For more information or to listen to the call via Web cast, please use the following link:

<http://www.opentext.com/events/wa-event.html?id=6638242>

## About Open Text

Open Text(TM) is the world's largest independent provider of Enterprise Content Management software. The company's solutions manage information for all types of business, compliance and industry requirements in large companies, government agencies and professional service firms. Open Text supports approximately 46,000 customers in 114 countries and 12 languages. For more information about Open Text, visit [www.opentext.com](http://www.opentext.com).

## Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

This press release contains forward-looking statements, including statements about the financial conditions, and results of operations and earnings for Open Text Corporation ("Open Text" or "the Company"). Forward-looking statements in this press release are not promises or guarantees of future performance and are subject to risks and uncertainties that could cause the Company's actual results to differ materially from those anticipated. The Company cautions you not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. The results included in this press release are unaudited and therefore are deemed to be forward-looking statements. Factors that may cause actual results or earnings to differ materially from such forward-looking statements include, among others, the following: (i) the future performance, financial and otherwise, of Open Text; (ii) the ability of Open Text to bring new products to market and to increase sales; (iii) the strength of the Company's product development pipeline; (iv) the Company's growth and profitability prospects; (v) the estimated size and growth prospects of the ECM market; (vi) the Company's competitive position in the ECM market and its ability to take advantage of future opportunities in this market; (vii) the benefits of the Company's products to be realized by customers; and (viii) the demand for the Company's product and the extent of deployment of the company's products in the ECM marketplace. Forward-looking statements may also include, without limitation, any statement relating to future events, conditions or circumstances. The risks and uncertainties that may affect forward-looking statements include, but are not limited to: (i) integration of acquisitions and related restructuring efforts, including the quantum of restructuring charges and the timing thereof; (ii) the possibility that the Company may be unable to meet its future reporting requirements under the Securities Exchange Act of 1934, as amended, and the rules promulgated thereunder; (iii) the risks associated with bringing new products to market; (iv) fluctuations in currency exchange rates; (v) delays in the purchasing decisions of the Company's customers; (vi) the competition the Company faces in its industry and/or marketplace; (vii) the possibility of technical, logistical or planning issues in connection with the deployment of the Company's products or services; (viii) the continuous commitment of the Company's customers; (ix) demand for the Company's products; and (x) other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission (SEC), including the Company's Annual Report on Form 10-K for the year ended June 30, 2008. Forward-looking statements are based on management's beliefs and opinions at the time the statements are made, and the Company does not undertake any obligation to update forward-looking statements should circumstances or management's beliefs or opinions change.

## Notes

(1) Based on comparison of historical revenue figures publicly disseminated by companies in the Enterprise Content Management (“ECM”) sector. All dollar amounts in this press release are in US Dollars unless otherwise indicated.

(2) In addition to these GAAP and adjusted results the Company has provided financial information that adds back maintenance revenue eliminated due to the impact of purchase accounting entries on deferred revenue and the impact of interest expense. Management believes that the furnishing of these adjustments provide a consistent basis for comparison between quarters and help to more accurately reflect Open Text’s underlying operating results.

(in millions of US dollars, except per-share data)	Three months ended June 30, 2009
GAAP Revenue	\$ 203.4
Maintenance revenue adjustment for purchase accounting	0.5
Non-GAAP revenue	<u>\$ 203.9</u>
Adjusted Income	\$ 39.2
Maintenance revenue adjustment for purchase accounting	0.5
Net Interest Expense	2.8
Income tax effect	(0.9)
Non-GAAP net income	<u>\$ 41.6</u>
Adjusted EPS Diluted	\$ 0.73
Non GAAP Adjustments (net of tax)	
- Maintenance	0.01
- Interest	0.04
Non-GAAP EPS	<u>\$ 0.78</u>

(in millions of US dollars, except per-share data)	Twelve months ended June 30, 2009
GAAP Revenue	\$ 785.7
Maintenance revenue adjustment for purchase accounting	1.5
Non-GAAP revenue	<u>\$ 787.2</u>
Adjusted Income	\$ 132.8
Maintenance revenue adjustment for purchase accounting	1.5
Net Interest Expense	13.6
Income tax effect	(4.2)
Non-GAAP net income	<u>\$ 143.7</u>
Adjusted EPS Diluted	\$ 2.49
Non GAAP Adjustments (net of tax)	
- Maintenance	0.02
- Interest	0.18
Non-GAAP EPS	<u>\$ 2.69</u>

### (3) Use of US Non-GAAP financial measures

In addition to reporting financial results in accordance with US GAAP, the Company provides certain non-US GAAP financial measures that are not in accordance with US GAAP. These non-US GAAP financial measures have certain limitations in that they do not have a standardized meaning and thus the Company's definition may be different from similar non-US GAAP financial measures used by other companies and/or analysts and may differ from period to period. Thus it may be more difficult to compare the Company's financial performance to that of other companies. However, the Company's management compensates for these limitations by providing the relevant disclosure of the items excluded in the calculation of adjusted net income and adjusted EPS both in its reconciliation to the US GAAP financial measures of net income and EPS and its consolidated financial statements, all of which should be considered when evaluating the Company's results. The Company uses the financial measures adjusted EPS and adjusted net income to supplement the information provided in its consolidated financial statements, which are presented in accordance with US GAAP. The presentation of adjusted net income and adjusted EPS is not meant to be a substitute for net income or net income per share presented in accordance with US GAAP, but rather should be evaluated in conjunction with and as a supplement to such US GAAP measures. Open Text strongly encourages investors to review its financial information in its entirety and not to rely on a single financial measure. The Company therefore believes that despite these limitations, it is appropriate to supplement the disclosure of the US GAAP measures with certain non-US GAAP measures for the reasons set forth below. Adjusted net income and adjusted EPS are calculated as net income or net income per share on a diluted basis, excluding, where applicable, the amortization of acquired intangible assets, other income (expense), share-based compensation, and restructuring, all net of tax. The Company's management believes that the presentation of adjusted net income and adjusted EPS provides useful information to investors because it excludes non-operational charges. The use of the term "non-operational charge" is defined by the Company as those that do not impact operating decisions taken by the Company's management and is based upon the way the Company's management evaluates the performance of the Company's business for use in the Company's internal reports. In the course of such evaluation and for the purpose of making operating decisions, the Company's management excludes certain items from its analysis, such as amortization of acquired intangibles, restructuring costs, share-based compensation, other income (expense) and the taxation impact of these items. These items are excluded based upon the manner in which management evaluates the business of the Company and are not excluded in the sense that they may be used under US GAAP. The Company believes the provision of supplemental non-US GAAP measures allows investors to evaluate the operational and financial performance of the Company's core business using the same evaluation measures that management uses, and is therefore a useful indication of Open Text's performance or expected performance of recurring operations and facilitates period-to-period comparison of operating performance. As a result, the Company considers it appropriate and reasonable to provide, in addition to US GAAP measures, supplementary non-US GAAP financial measures that exclude certain items from the presentation of its financial results in this press release. The following charts provide reconciliation (unaudited) of US GAAP based financial measures to non-US GAAP based financial measures referred to in this press release:

*Reconciliation (unaudited) of US GAAP based Net Income to Adjusted Net Income (in millions of US dollars) for the quarters ended June 30, 2009 and 2008:*

	Three months ended June 30, 2009	Three months ended June 30, 2008
GAAP based "Net Income"	\$19.5	\$27.3
Special Charges/(recovery)	1.2	(0.3)
Amortization of intangibles	17.3	18.4
Other (Income)/Expense	3.0	(11.3)
Share-based compensation	1.1	1.0
Tax Impact on Above	(2.9)	(1.8)
<hr/> Non-GAAP based "Adjusted Net Income"	<hr/> \$39.2	<hr/> \$33.3

Reconciliation (unaudited) of US GAAP based EPS to non-US GAAP based EPS (calculated on a diluted basis) for the quarters ended June 30, 2009 and 2008:

	Three months ended June 30, 2009	Three months ended June 30, 2008
GAAP based "Net Income"	\$0.36	\$0.51
Special Charges/(recovery)	0.02	(0.01)
Amortization of intangibles	0.32	0.35
Other (Income)/Expense	0.06	(0.21)
Share-based compensation	0.02	0.02
Tax Impact on Above	(0.05)	(0.03)
Non-GAAP based "Adjusted Net Income"	\$0.73	\$0.63

Reconciliation (unaudited) of US GAAP based Net Income to Adjusted Net Income (in millions of US dollars) for the fiscal years ended June 30, 2009 and 2008:

	Twelve months ended June 30, 2009	Twelve months ended June 30, 2008
GAAP based "Net Income"	\$ 56.9	\$53.0
Special Charges/(recovery)	14.4	(0.4)
Amortization of intangibles	81.0	72.3
Other (Income)/Expense	3.2	1.0
Share-based compensation	5.0	3.8
Tax Impact on Above	(27.7)	(22.7)
Non-GAAP based "Adjusted Net Income"	\$132.8	\$107.0

Reconciliation (unaudited) of US GAAP based EPS to non-US GAAP based EPS (calculated on a diluted basis) for the fiscal years ended June 30, 2009 and 2008:

	Twelve months ended June 30, 2009	Twelve months ended June 30, 2008
GAAP based "Net Income"	\$1.07	\$1.01
Special Charges/(recovery)	0.27	(0.01)
Amortization of intangibles	1.52	1.37
Other (Income)/Expense	0.06	0.02
Share-based compensation	0.09	0.07
Tax Impact on Above	(0.52)	(0.43)
Non-GAAP based "Adjusted Net Income"	\$2.49	\$2.03

- (4) The following table provides a composition of our major currencies for revenue and expenses, expressed as a percentage, for the fourth quarter of Fiscal 2009:

Currencies	% of Revenue	% of Expenses*
EURO .....	25%	27%
GBP .....	9%	8%
CHF .....	7%	4%
CAD .....	7%	24%
USD .....	45%	33%
Others.....	7%	4%
Total .....	100%	100%

- \* Expenses include all cost of revenues and operating expenses included within the Consolidated Statements of Income, except for amortization of intangible assets, share-based compensation and special charges.

- (5) Reconciliation of tax rate reduction on (unaudited) US GAAP based EPS to non-US GAAP based EPS (calculated on a diluted basis) for quarters ended September 30, 2008, December 31, 2008, March 31, 2009, June 30, 2009 and year-to-date June 30, 2009.

	Three months ended 9-30-2008	Three months ended 12-31-2008	Three months ended 3-31-2009	Three months ended 6-30-2009	Year to date Fiscal 2009
GAAP based "Net Income"	\$0.28	\$0.01	\$0.41	\$0.37*	\$1.07
Reported Non-GAAP based "Adjusted Net Income"	\$0.53	\$0.64	\$0.59	\$0.73	\$2.49
Quarterly impact of reduction in year to date tax rate adjustment reflected in Q4	0.01	0.02	0.01	(0.04)	
Comparable Non-GAAP based "Tax Rate Effected Adjusted Net Income"	\$0.54	\$0.66	\$0.60	\$0.69	\$2.49

\* - The Q4 amount is different from the number presented on the consolidated statements of income due to the rounding effect of the deferring amounts of weighted average number of common shares outstanding on a year-to-date basis compared to a quarter-to-date basis.

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