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Investor Presentation

August 3, 2017

The Information Company™

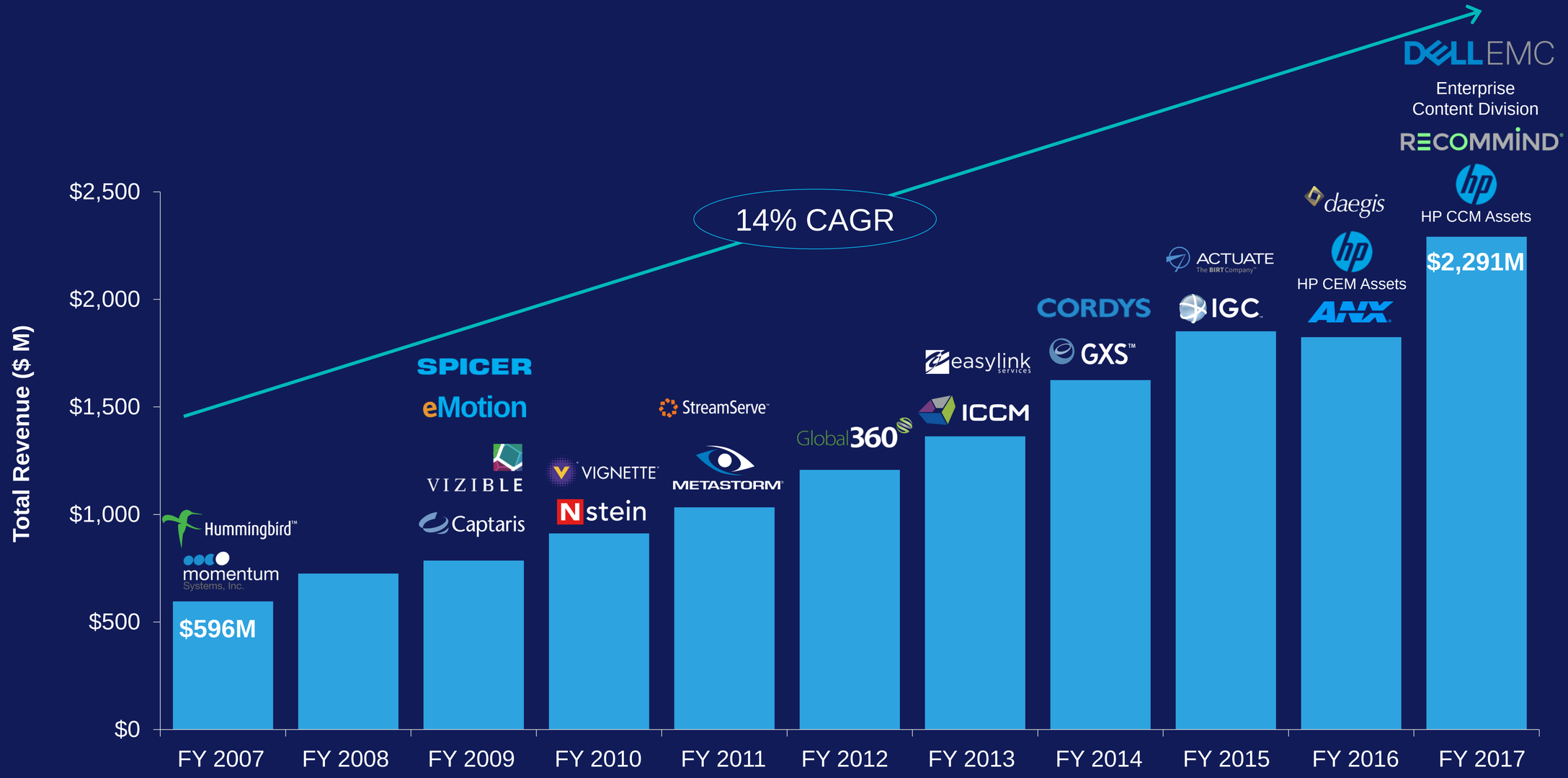
NASDAQ: OTEX | TSX: OTEX

Safe Harbor Statement

Certain statements in this presentation, including statements about the focus of Open Text Corporation (“OpenText” or “the Company”) in our fiscal year ending June 30, 2018 (Fiscal 2018) on growth in earnings and cash flows, creating value through investments in broader Enterprise Information Management (EIM) capabilities, distribution, the Company's presence in the cloud and in growth markets, expected growth in our revenue lines, expected ECD Business revenue contributions, adjusted operating income and cash flow, its financial condition, results of operations and earnings, announced acquisitions, ongoing tax matters, the integration of the acquired businesses, expected timing, charges and savings related to restructuring activities, declaration of quarterly dividends, future tax rates, new platform and product offerings and other matters, may contain words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "may", "could", "would", "might", "will" and variations of these words or similar expressions are considered forward-looking statements or information under applicable securities laws. In addition, any information or statements that refer to expectations, beliefs, plans, projections, objectives, performance or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking, and based on our current expectations, forecasts and projections about the operating environment, economies and markets in which we operate. Forward-looking statements reflect our current estimates, beliefs and assumptions, which are based on management's perception of historic trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances, such as certain assumptions about the economy, as well as market, financial and operational assumptions. Management's estimates, beliefs and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and, as such, are subject to change. We can give no assurance that such estimates, beliefs and assumptions will prove to be correct. Such forward-looking statements involve known and unknown risks, uncertainties and other factors and assumptions that may cause the actual results, performance or achievements to differ materially. Such factors include, but are not limited to: (i) the future performance, financial and otherwise, of OpenText; (ii) the ability of OpenText to bring new products and services 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 EIM market including expected growth in the Artificial Intelligence market; (vi) the Company's competitive position in the EIM market and its ability to take advantage of future opportunities in this market; (vii) the benefits of the Company's products and services to be realized by customers; (viii) the demand for the Company's products and services and the extent of deployment of the Company's products and services in the EIM marketplace; (ix) downward pressure on our share price and dilutive effect of future sales or issuances of equity securities (including in connection with future acquisitions); (x) the Company's financial condition and capital requirements; and (xi) statements about the impact of product releases. 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 potential for the incurrence of or assumption of debt in connection with acquisitions and the impact on the ratings or outlooks of rating agencies on the Company's outstanding debt securities; (iii) the possibility that the Company may be unable to meet its future reporting requirements under the U.S. Securities Exchange Act of 1934, as amended, and the rules promulgated thereunder, or applicable Canadian securities regulation; (iv) the risks associated with bringing new products and services to market; (v) fluctuations in currency exchange rates; (vi) delays in the purchasing decisions of the Company's customers; (vii) the competition the Company faces in its industry and/or marketplace; (viii) the final determination of litigation, tax audits (including tax examinations in the United States and elsewhere) and other legal proceedings; (ix) potential exposure to greater than anticipated tax liabilities or expenses, including with respect to changes in Canadian, U.S. or international tax regimes; (x) the possibility of technical, logistical or planning issues in connection with the deployment of the Company's products or services; (xi) the continuous commitment of the Company's customers; and (xii) demand for the Company's products and services. For additional information with respect to risks and other factors which could occur, see the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other securities filings with the Securities and Exchange Commission (SEC) and other securities regulators. Readers are cautioned not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. Unless otherwise required by applicable securities laws, the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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A Solid History of Revenue Growth

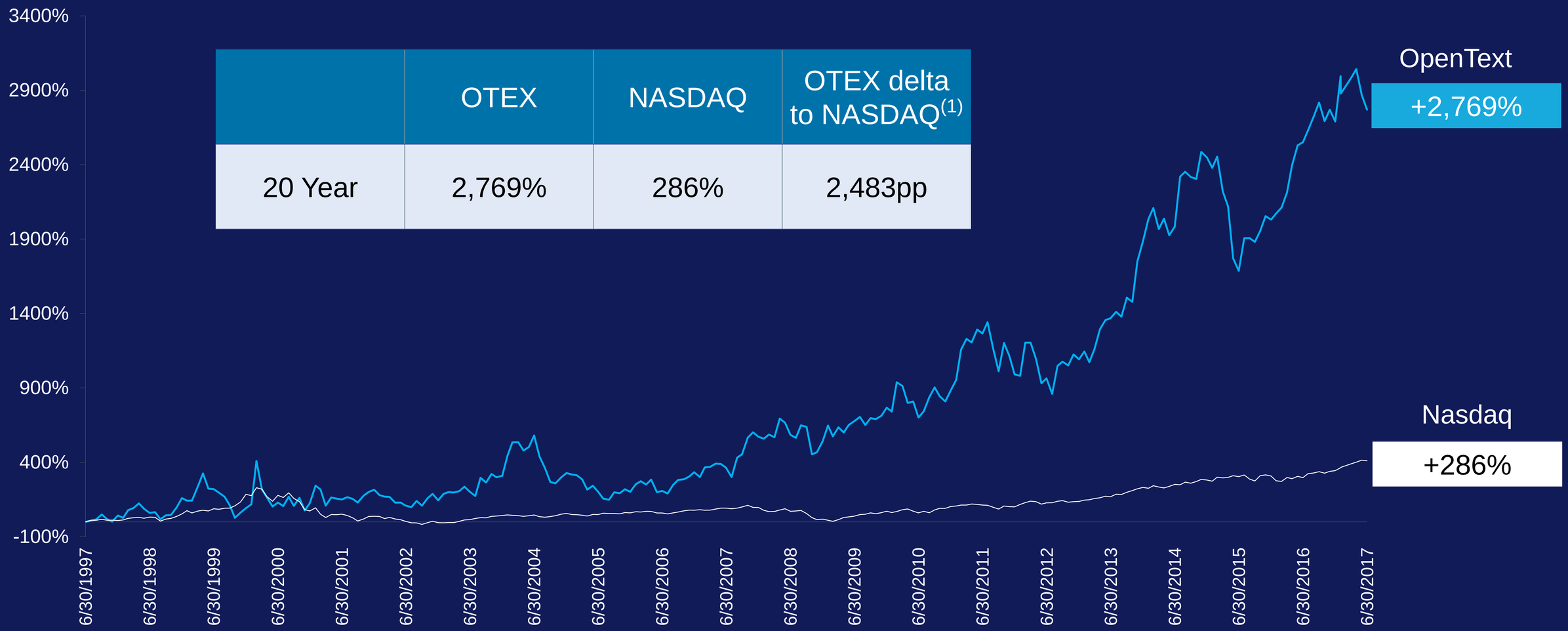


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20-Year Total Shareholder Return

OTEX v. NASDAQ

	OTEX	NASDAQ	OTEX delta to NASDAQ(1)
20 Year	2,769%	286%	2,483pp



(1) Source: NASDAQ (June 30, 2017)

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OpenText Overview

- Global leader in Enterprise Information Management (EIM) software and cloud services
- FY’17 Total Revenue of approx. $2.3 billion, 41% of sales outside Americas
- Listed on the Nasdaq (since 1996) and TSX (since 1998)
- Long track record of creating significant value for shareholders through the OpenText Business System
- Proven ability to deploy capital on value-enhancing acquisitions
- High-quality and expanding Annual Recurring Revenue (ARR) base(1)
- Committed to expanding Adjusted Operating Margin (AOM)(2)
- Strong, experienced management team

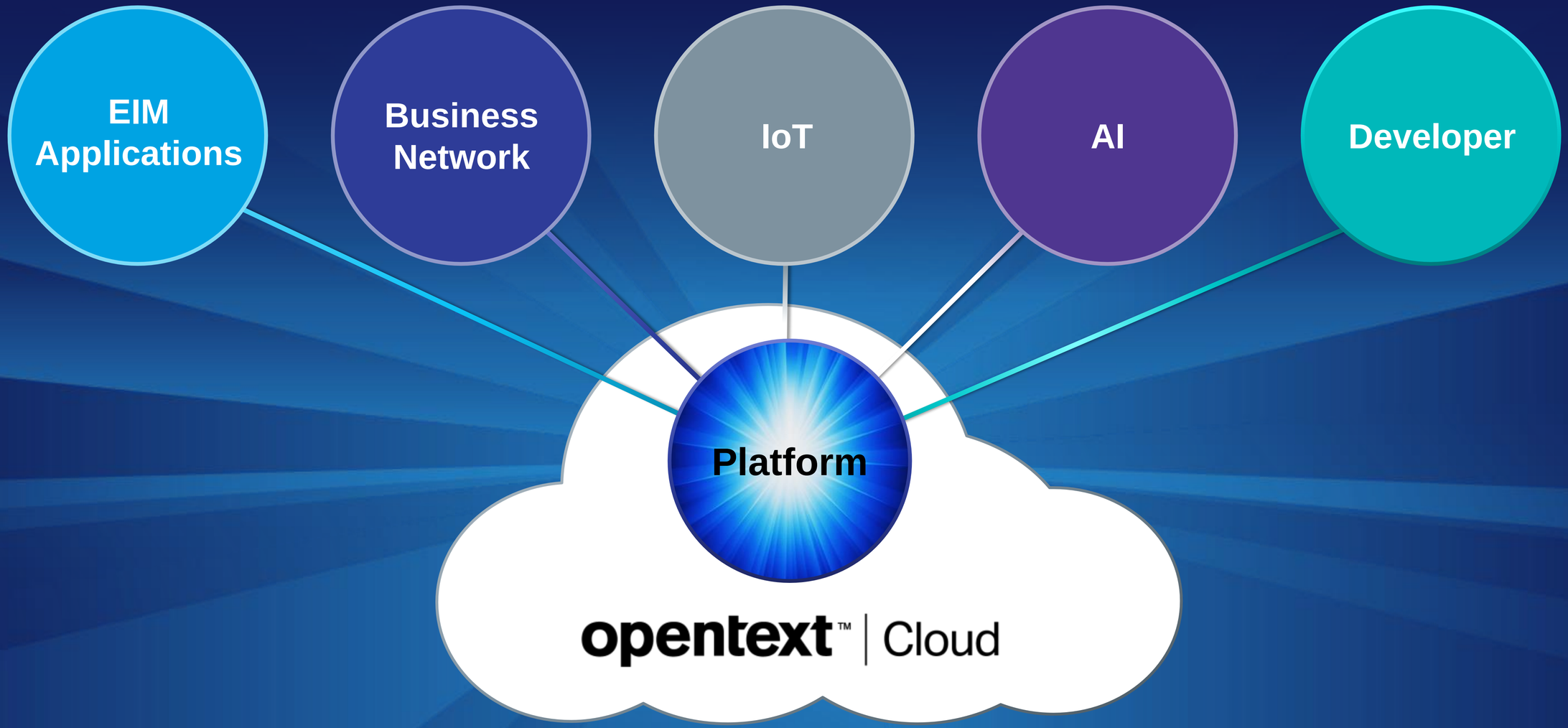
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(1) Annual Recurring Revenue is defined as the sum of cloud services and subscriptions revenue and customer support revenue.
(2) Please see reconciliation of GAAP-based measures to Non-GAAP-based measures at the end of this presentation.

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OpenText: The Information Company

Connect with your information in a whole new way



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Strong, Experienced Management Team



Mark J. Barrenechea
CEO & CTO



Muhi Majzoub
EVP, Engineering & IT



John Doolittle
EVP, CFO



Gordon Davies
EVP, CLO & Corporate Development



Adam Howatson
SVP, CMO



David Jamieson
SVP, CIO



Leslie Sarauer
SVP, Human Resources



Simon “Ted” Harrison
SVP, Enterprise Sales



George Schulze
SVP, Business Network Sales



James McGourlay
SVP, Global Technical Services



Prentiss Donohue
SVP, Professional Services



Gary Weiss
SVP, GM Discovery & Analytics



Doug Parker
SVP, Corporate Development

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Proven Growth Strategy



1. Data from various industry analyst reports including Forrester, Gartner, and others

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Operational Excellence

- Proven track record of Adjusted Operating Margin expansion
- We empower our leaders with clear financial goals, with systems to measure and monitor performance
- Scalable and cost efficient centers of excellence in India, the Philippines and Canada
- Opportunity to further “digitize” our operations
- A pay for performance corporate framework, while developing the potential of our workforce
- Utilize systems and tools including LEAN, Six Sigma, Global Sourcing

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Intelligent Growth: New Products

OpenText aligned to key customer drivers

Industry Analyst Comments

- >$1 trillion in IT spending will be affected by the shift to cloud by 2018(1)
- By 2018, over half of large organizations globally will compete using advanced analytics, causing the disruption of entire industries(2)
- By 2018, 20% of all business content will be authored by machines(2)
- By 2020, advanced algorithms will positively alter the behavior of over 1 billion global workers(3)

OpenText Response

Platform and Applications: Release 16 EP2 / EP3

B2B: OpenText Business Network

AI: OpenText Magellan

IoT: Covisint

Developer & Mobile: OpenText AppWorks

Managed Services: OpenText Cloud

Next Generation Platform: BANFF

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1. “Gartner Says by 2020 "Cloud Shift" Will Affect More Than $1 Trillion in IT Spending.” July 2016, http://www.gartner.com/newsroom/id/3384720
2. “100 Data and Analytics Predictions Through 2020”, Gartner, March 2016
3. “Predicts 2017: Boosting Business Results Through Personal Choice in the Digital Workplace”, Gartner, November 2016

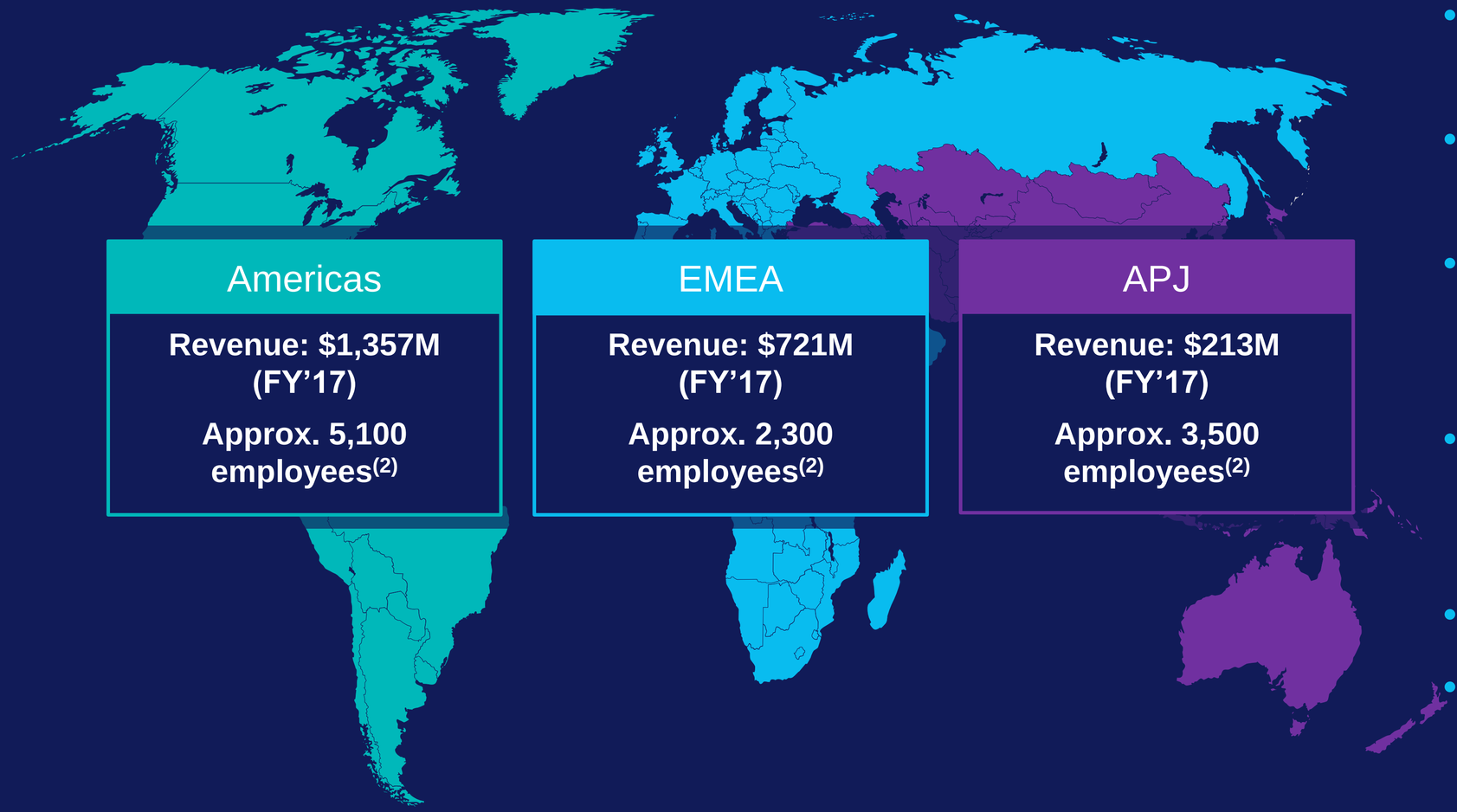
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Intelligent Growth

- Leverage opportunities through new brand and B2B digital practices
- Increase account coverage through management practices, capacity additions and global partners
- Promote install-base adoption through specific programs: upgrade to R16, Information Life-cycle Management (ILM), CEM, Discovery, competitive replacements (Lexmark, IBM)
- Focus on vertical capabilities and expertise (Financial Services, Life Sciences, Regulated Markets, Manufacturing, HealthCare, Auto and Transportation)
- Expand definition of EIM to include AI and IoT

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Intelligent Growth: Global Expansion



Americas	EMEA	APJ
Revenue: $1,357M (FY'17)	**Revenue: $721M (FY'17)**	**Revenue: $213M (FY'17)**
Approx. 5,100 employees(2)	**Approx. 2,300 employees(2)**	**Approx. 3,500 employees(2)**

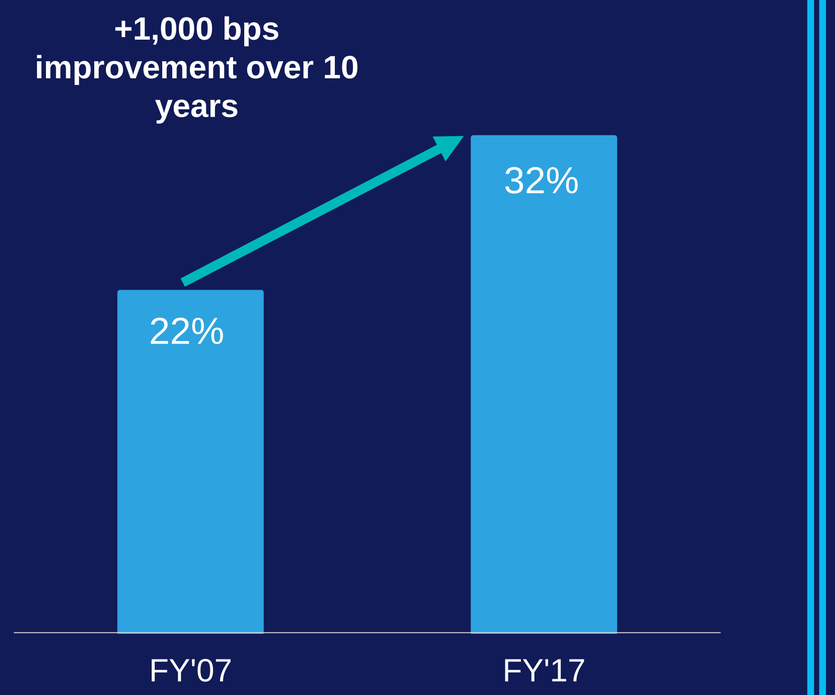
- 41% of OpenText sales in FY'17 comes from outside the Americas
- Significant opportunity in all geographies
- Increased non-Americas sales from $572 to $934M (+63%) over the last 5 years(1)
- Key operations in Canada, US, Brazil, UK, Germany, France, India, Philippines, Australia and Japan
- Direct sales force in 30 countries
- Global partners help extend our reach cost effectively

(1) From FY'12 to FY'17
(2) As of June 30, 2017

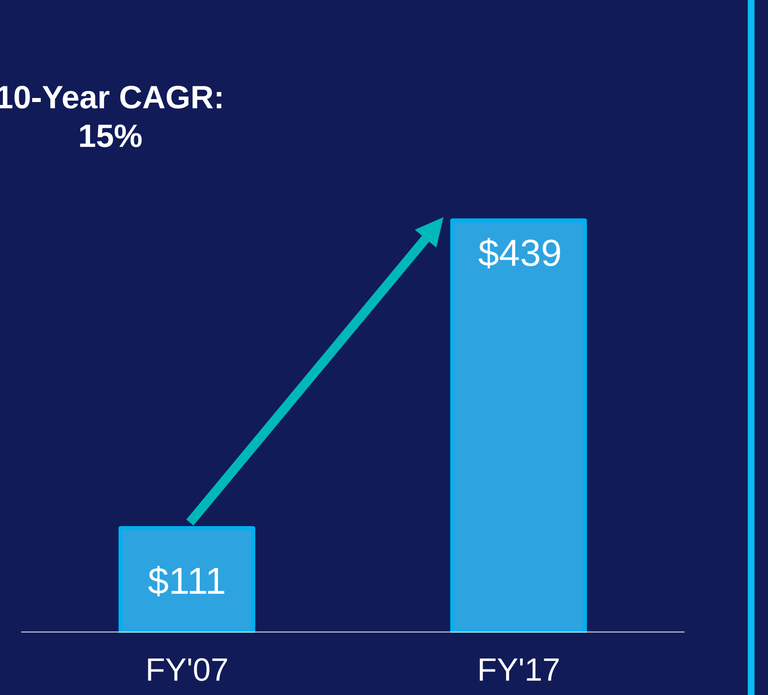
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Adjusted Operating Margin and Operating Cash Flow

Adjusted Operating Margin[(1)]



Operating Cash Flow ($M)



- +1,000 bps improvement in AOM over the past 10 years
- Significant long-term opportunity to increase AOM
- Expanding margins while reinvesting
- 15% OCF CAGR over 10 years

(1) See “Use of Non-GAAP Financial Measures” at the end of this presentation.

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Strategic Acquisitions

- M&A is OpenText's leading growth driver, complemented by organic growth initiatives
- Proven approach to M&A with 57 completed acquisitions(1)
- FY'18 will be the first full fiscal year of benefit from approximately $2.4 billion of deployed capital (ECD, HP CCM, HP CEM, ANX, Recommind)
- All recent acquisitions met operational targets to date
- Closed the acquisition of Covisint on July 26, 2017
- Announced the acquisition of Guidance Software on July 26, 2017

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(1) The Covisint acquisition closed subsequent to Q4F'17 on July 26, 2017 and is included in this count.
(2) Data from various industry analyst reports including Forrester, Gartner, and others

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History of Integration and Diversity[1]



(1) Timeline based on calendar year.

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ECD: A Compelling Acquisition

- Worldwide leader in Content Services (OpenText + ECD)
- Capture new opportunities in Information Lifecycle Management
- ECD brings 5,000 marquee customers + 2,000 information experts
- New relationships in life sciences, healthcare, global systems integrators, and alliances



Total Revenue (US$ M)	$80M	Focus on Scaling Performance			First full calendar year Look beyond initial synergies Increased innovation
Adjusted Operating Margin[1]	Low teens	→		On OpenText Target Model[2]	
Select Integration Notes	• Closed Jan 23'17 • Initiated ECD restructuring • TSA programs and expenses front loaded	• ECD's first full quarter inside OpenText	• OpenText proven incentive programs • People integration complete • New products	• Integration substantially complete	

(1) See "Use of Non-GAAP Financial Measures" at the end of this presentation.
(2) Expectation remains to be on OpenText operating model in the first 12 months from ECD closing

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Recent Acquisitions

GUIDANCE SOFTWARE

- On July 26, 2017, OpenText entered into a definitive agreement to acquire Guidance for approximately $240M
- Guidance provides forensic security and e-Discovery solutions that enable customers to search, collect and analyze electronically stored information to defend and secure organization's data assets
- Complements OpenText's e-Discovery portfolio and adds Information Security capabilities

covisint

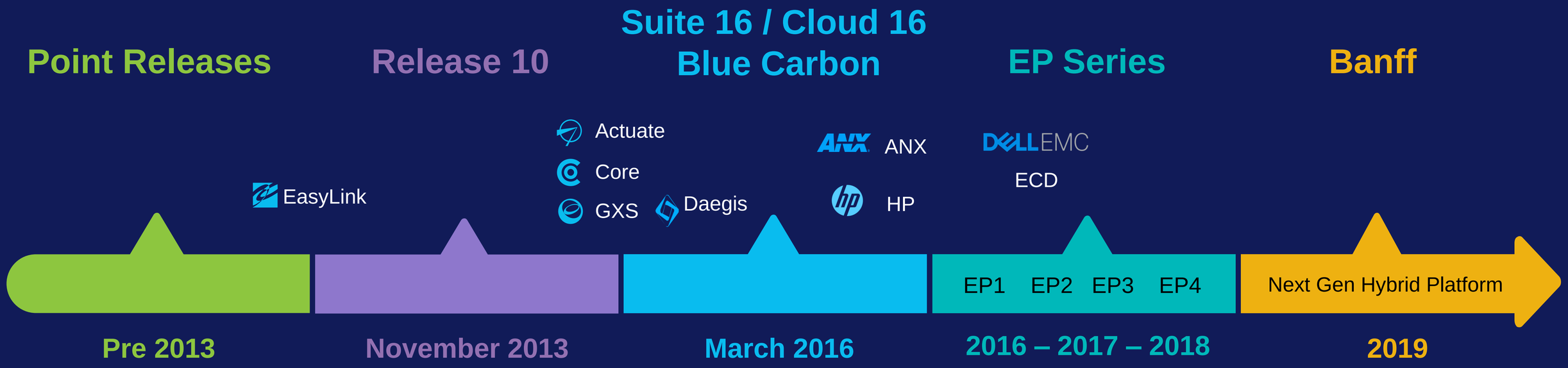
- Acquired by OpenText on July 26, 2017 for approximately $103M
- Expands the reach of OpenText into the EIM market with a cloud-based Internet of Things (IoT) platform
- Strengthens the OpenText Business Network's presence and reach into the Automotive industry
- First year revenues expected to be down approx. 25-30% due to usual PPA and integration disruptions
- Expect to be on OpenText cloud gross margin model immediately but not accretive until the second half of FY2018. Expect minimal revenue contribution from Covisint in Q1 FY2018.

DELL EMC
Enterprise
Content Division

- Acquired by OpenText on January 23, 2017 for approximately $1,620M
- Expands OpenText's EIM portfolio with the addition of Documentum, InfoArchive, and LEAP
- OpenText becomes the ECM market leader
- Strengthens geographic coverage and drives cross-sell to a larger base of customers and verticals
- Accretive to earnings and expected to be on the OpenText AOM model within twelve months after closing

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Committed to Innovation



- EIM investment in the past 5 years(1)
  - $1.0B in R&D spend
  - $4.7B in M&A
- We target between 11% and 13% of revenues for annual investment in R&D
- Approximately 3,800 employees in R&D and CS(2)

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(1) Represents the last five fiscal years ending June 30, 2017.
(2) As of June 30, 2017

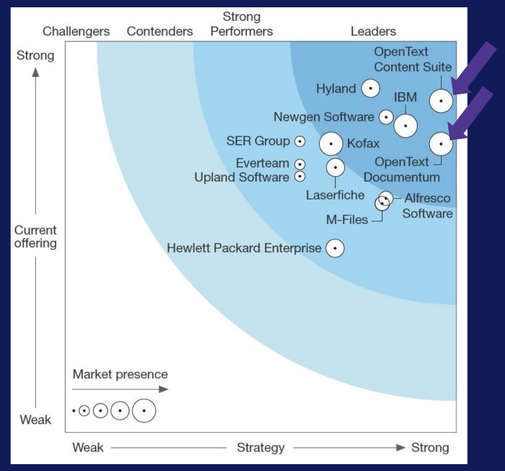
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OpenText Leadership Validated by Analysts

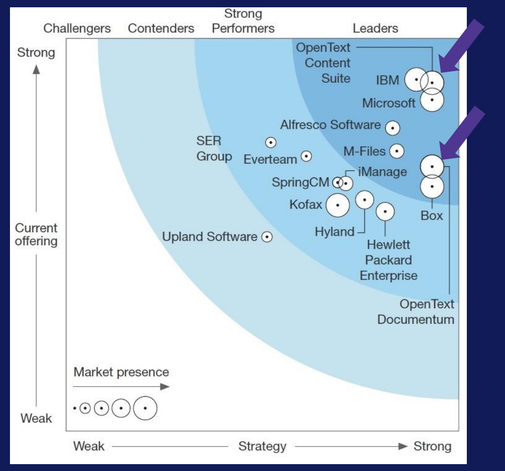
Enterprise Content Management[1]



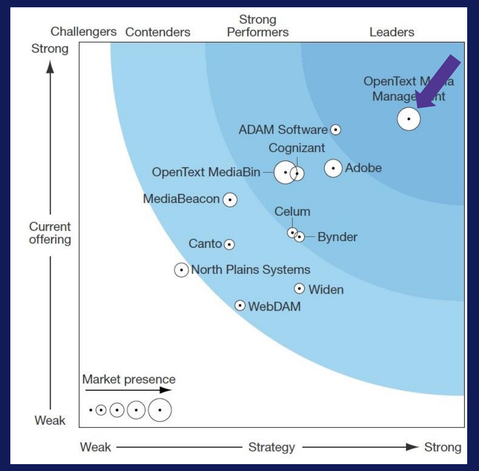
Enterprise Content Management[2]



Enterprise Content Management[3]



Digital Asset Management[4]



Customer Communications Management[5]



Customer Communications Management[6]



Enterprise BI Platforms[7]



1 – Gartner Enterprise Content Management MQ – Oct 16
2 – Forrester ECM - Transactional Content Services Wave – Apr 17
3 – Forrester ECM - Business Content Services Wave – Apr 17
4 – Forrester DAM for Customer Experience Wave – Aug 16
5 – Forrester Customer Communications Management Wave – Jun 16
6 – Gartner Customer Communications Management MQ – Jan 17
7 – Forrester Enterprise BI Platforms Wave – May 15

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Customer and Partner Success



- CS Renewal Rate in the low 90%’s and Best in Class
- Cloud Renewal Rate in the mid 90%’s and Best in Class
- Net Promoter Score as a benchmark for action and improvement

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Leadership in Key Verticals

Energy

- Southern California Edison — An EDISON INTERNATIONAL® Company
- uem
- acciona
- Terna — Rete Elettrica Nazionale
- edp
- ENGIE
- Exelon
- SMA
- Bruce Power

Public Sector

- Tennessee Comptroller of the Treasury
- Lincolnshire County Council
- Los Angeles County Department of Human Resources
- Defense Logistics Agency
- VITAL shared services
- New Brunswick Canada — Natural Resources
- Western Cape Government
- MND Singapore
- NASA

Manufacturing

- TATA STEEL
- esprinet
- KNORR-BREMSE
- BEKAERT — better together
- KUKA
- MAN
- HUTCHINSON
- Givaudan

Automotive

- HONDA — The Power of Dreams
- MITSUBISHI MOTORS
- MICHELIN
- BMW Group
- ADIENT
- Autoliv
- YAZAKI

Food/Beverage

- Constellation Brands
- GRUPPO CAMPARI
- SUGAR ILLOVO AFRICA — An AB Sugar company
- SUBWAY
- House
- FRONERI
- Cargill — Helping the world thrive

Technology

- DELL
- INTELLITEK SYSTEMS
- PHILIPS
- PFU — a Fujitsu company
- TORA
- CenturyLink
- SecureWorks
- SIEMENS
- Panasonic

Finance/Insurance

- Scotiabank
- RBC
- BANKERS INSURANCE GROUP
- The PrivateBank
- PACIFIC LIFE
- TRANSAMERICA REINSURANCE
- DEUTSCHE BUNDESBANK EUROSYSTEM
- LÄHITAPIOLA
- ING
- PAYCHEX

Healthcare

- NHS North Bristol NHS Trust
- Shield HealthCare
- B BRAUN SHARING EXPERTISE
- ALBERTA BLUE CROSS
- SELF REGIONAL HEALTHCARE
- astellas
- BSN medical
- Quest Diagnostics
- Anthem
- GENESIS

Transportation

- NMBS
- DPD
- TRANSPORT FOR LONDON — EVERY JOURNEY MATTERS
- New York City Transit
- KNIGHT TRANSPORTATION — Delivering More.™
- GTAA

Services

- IRON MOUNTAIN
- مؤسسة قطر Qatar Foundation
- LSC COMMUNICATIONS
- HATCH
- bgl group
- avenuelink
- PAYCHEX

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Customer Wins in Q4 F2017

Deutsche Bundesbank selected the OpenText Enterprise Content Management (ECM) suite to input, manage, process, track, store, and protect data. By deploying solutions specifically designed to improve functionality and information governance, users are now able to take advantage of increased levels of productivity and lowered administrative costs.

Hatch, a global engineering firm and a longstanding OpenText Engineering Document Management customer, extended its investment in OpenText with the purchase of OpenText InfoArchive to be used as the company retires its existing Content Server instance.

Maxim Lighting is a multi-generational brand built on ingenuity, passion, and dedication. After experiencing significant growth, Maxim Lighting decided to move to a new EDI provider and chose OpenText B2B Managed Services for a true strategic EDI partner to build out a solid B2B Integration program for their business.

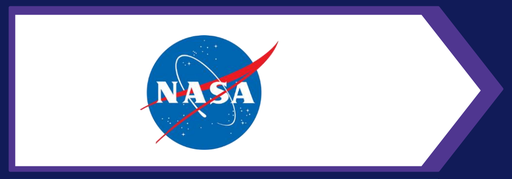
The Menarini Group, a global pharmaceutical company, selected OpenText Life Science Solution to cover their compliance requirements. The solution helps manage Quality & Manufacturing documents for the group's global subsidiaries and the Registration Dossier at corporate and local countries level.

Companhia de Electricidade de Macau, a public utility company in Macau, purchased OpenText Enterprise Content Management solutions including Content Suite, Brava!, Content Intelligence and Extended ECM for SAP® Solutions to store and manage all business content in a central repository for seamless collaboration.

The County of Los Angeles, Department of Human Resources selected Documentum with xCP Case Management to build a unified investigation case management solution to assist, record and track personnel investigation data. The OpenText software will help to streamline their business processes and expedite investigation findings and timelines.

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Customer Wins in Q4 F2017



The Center Operations Directorate (COD) at NASA Langley Research Center (LaRC) is expanding its use of Content Suite and adding OpenText Engineering Document Management and Brava!. The OpenText technologies will be used to store and integrate existing functions into a single content management system, ensuring the most current versions of the artifacts are available.



The State of Tennessee – Comptroller of the Treasury (COT) purchased OpenText Process Suite and OpenText Content Suite 16 Platforms including Brava! and Capture Center, to provide integrated capabilities to scan, store, process and apply records disposition authorizations to the content for all twelve Comptroller Divisions.



Lincolnshire County Council in England has invested in the OpenText Cloud as part of their drive to become digital and transform their internal and external services. OpenText will provide Lincolnshire with a fully Managed Service and the OpenText Content Suite platform on which to develop and deliver their digital strategy.



Qumu develops and deploys video solutions for organizations to create, manage, secure, deliver and measure the success of their videos. Qumu has integrated OpenText's Information Hub (iHub) analytic product in their Enterprise product to report critical information to users and stakeholders.



Panasonic, a global leader in dedicated business document scanners development and distribution, extended its partnership with OpenText by renewing its investment in Pixel Translation Image and Scanner Interface Specification (ISIS) drivers. Panasonic ships OpenText Pixel Translation ISIS drivers with their business scanners which provides connectivity to more than 90% of all applications that interface to document scanners.



MODEC, a general contractor specializing in floating production systems, is using OpenText Documentum and Documentum Capital Projects to ensure seamless collaboration for its global projects team. The OpenText repository provides MODEC with a single, authoritative source of truth, which enables the company to maintain compliance with government and industry regulations.

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Customer Wins in Q4 F2017

Singapore's Ministry of National Development selected OpenText Content Suite for their e-Registry which will provide a central electronic repository for managing electronic records/documents throughout their life cycle while retaining integrity, authenticity and accessibility.

Anthem, one of the leading health benefits companies, will leverage OpenText Exstream to enable the company to more effectively standardize communications on a single customer communications platform to reduce costs and improve time to market for new member communications.

LähiTapiola, a Finnish financial services and insurance company, selected OpenText Exstream Platform 16 to improve its customer communications platform. OpenText is collaborating with LähiTapiola to help them become the leading life long security provider in Finland.

The Natori Company, a women's fashion designer and manufacturer based in New York City, decided to move to an outsourced environment and selected OpenText B2B Managed Services to manage and migrate their EDI community.

Volkswagen Financial Services, the largest provider of financial services for the automotive industry in Europe, has chosen OpenText solutions to establish Records Management standards to meet current and future data protection requirements.

SecureWorks, a leading global cybersecurity company, selected OpenText Analytics Information Hub (iHub) and Interactive Viewer which are seamlessly embedded in their Counter Threat Platform. By aggregating and analyzing data from any source, SecureWorks prevents security breaches, detects malicious activity in real time, responds rapidly, and predicts emerging threats.

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Summary

- Proven and scalable growth strategy
- Increased customer interest in our solutions
- M&A continues to be a leading growth strategy
- Top organic opportunity is to expand install-base adoption (upgrades, cross sells, new markets)
- Attract new customers through global partners
- AI and IoT expands the market opportunity
- Strong, experienced management team to capture the market opportunity
- Annual Recurring Revenue (ARR), Adjusted Operating Margin (AOM) and Operating Cash Flow (OCF) are key barometers of the business(1)

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(1) See “Use of Non-GAAP Financial Measures” at the end of this presentation.

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Fourth Quarter and Year End 2017

August 3, 2017

The Information Company™

NASDAQ: OTEX | TSX: OTEX

Q4 and Fiscal Year 2017 Financial Highlights

	Q4 2017	FY2017
Annual Recurring Revenue	▪ Annual Recurring Revenue $471.4M up 35% Y/Y ▪ ARR consists of 71% of Total Revenue	▪ Annual Recurring Revenue $1,686.6M up 25% Y/Y ▪ ARR consists of 74% of Total Revenue
Adjusted EBITDA(1)	▪ Adj. EBITDA of $237.0M, up 37% Y/Y ▪ Adj. EBITDA Margin of 35.7%	▪ Adj. EBITDA of $792.5M, up 18% Y/Y ▪ Adj. EBITDA Margin of 34.6%
Non-GAAP Margin(1)	▪ Non-GAAP Gross Margin – 73.6% ▪ Non-GAAP Operating Margin – 33.1%	▪ Non-GAAP Gross Margin – 72.6% ▪ Non-GAAP Operating Margin – 31.8%
Operating Cash Flow	▪ $102.5M in operating cash flow, compared to $119.1M Y/Y	▪ $439.3M in operating cash flow, compared to $525.7M Y/Y ▪ Cash and cash equivalents $443.4M ▪ Total debt $2,597.1M as of June 30, 2017(2)

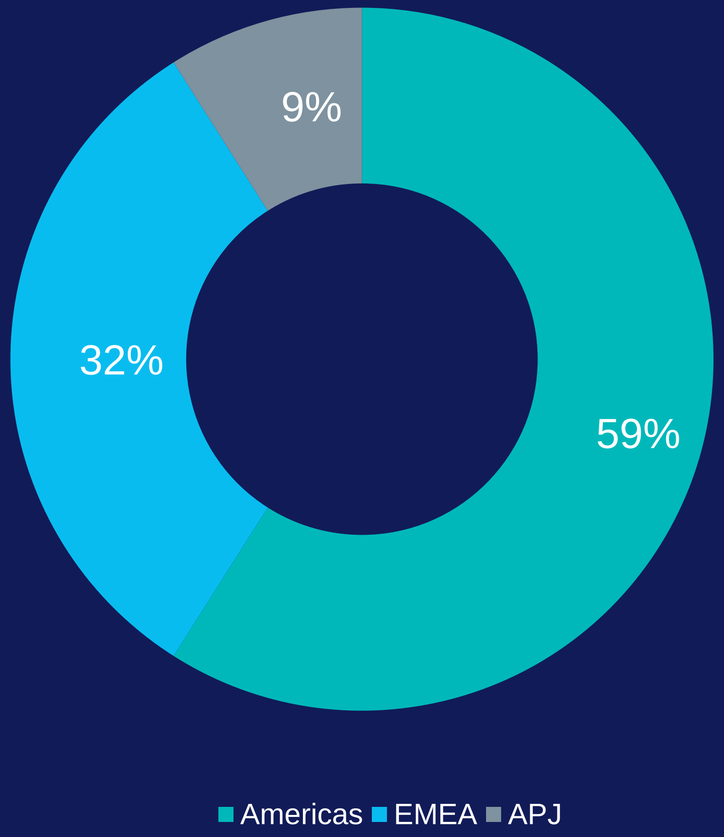
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(1) See “Summary of Quarterly Results” within this presentation as well as reconciliation of GAAP to Non-GAAP measures at the end of this presentation.
(2) Includes $183M current portion of long-term debt and excludes related premium and debt issuance costs.

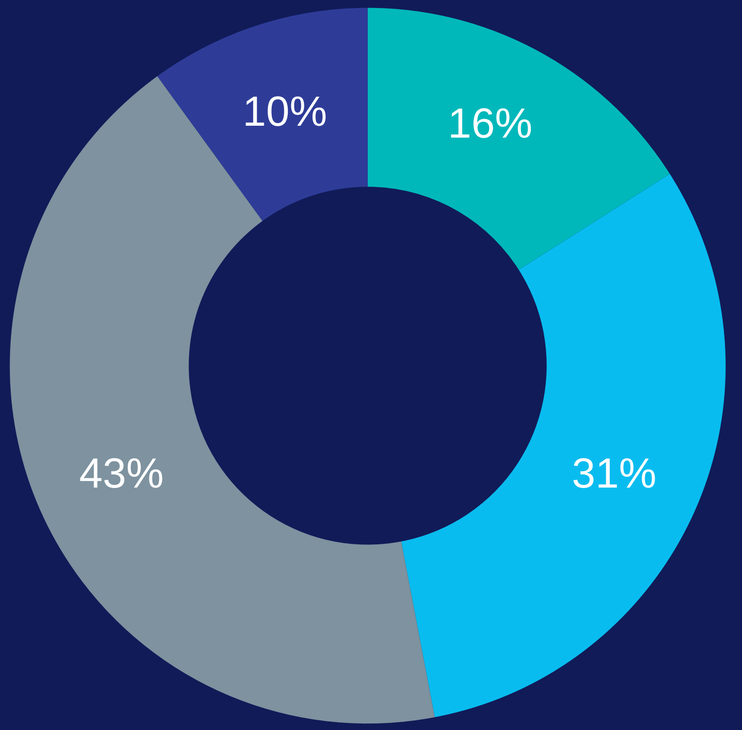
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FY17 Total Revenue Breakdown

FY17 – Revenue by Geography



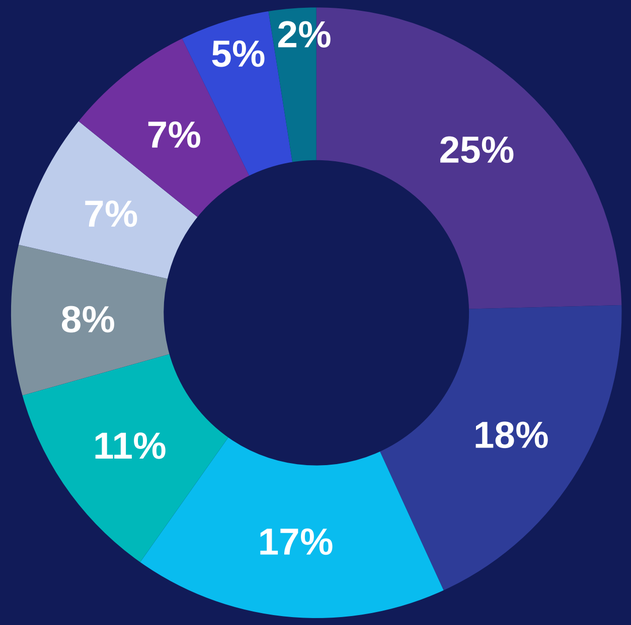
FY17 – Total Revenue Mix



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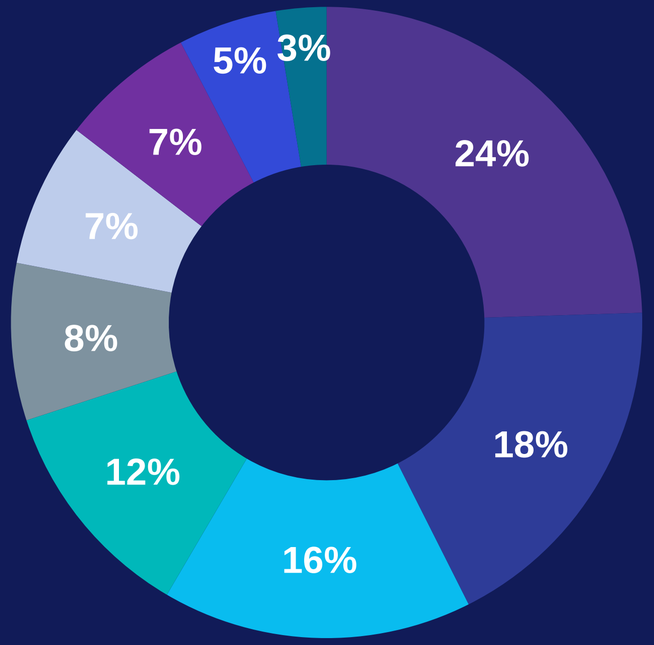
FY17 Annual Recurring Revenue Vertical Breakdown

Q4 F17 - ARR Revenue by Industry



- Financial
- Consumer goods
- Services
- Technology
- Public sector
- Healthcare
- Basic materials and conglomerates
- Industrial goods
- Utilities

F17 - ARR Revenue by Industry



- Financial
- Services
- Consumer goods
- Technology
- Public sector
- Healthcare
- Basic materials and conglomerates
- Industrial goods
- Utilities

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Liquidity Profile & Balance Sheet

Liquidity

Strong operating cash flow reflects high margins, superior earnings quality, and efficient working capital management

Balance Sheet

- Well diversified and solid liquidity profile
- Next major principal debt repayment in 2021
- Consolidated net leverage ratio of 2.4:1, well within our covenant of 4.0:1
- Favorable credit ratings and investment grade-like covenants provide flexibility

As of June 30, 2017 (US$M)	
Cash	$443M
Revolver – Undrawn Commitment	$275M(1)
Total Available & Committed Liquidity	$718M
Long-term Debt (2)	$2,597M

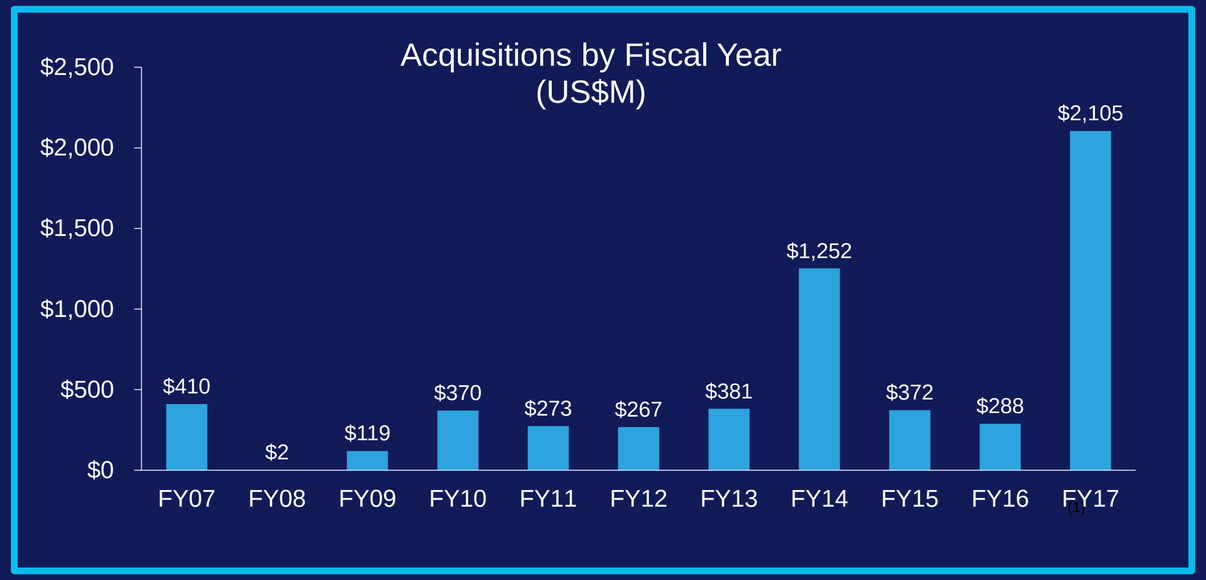
(1) Total revolver commitment before $175M drawdown is $450M
(2) Includes $183M current portion of long-term debt and excludes related premium and debt issuance costs

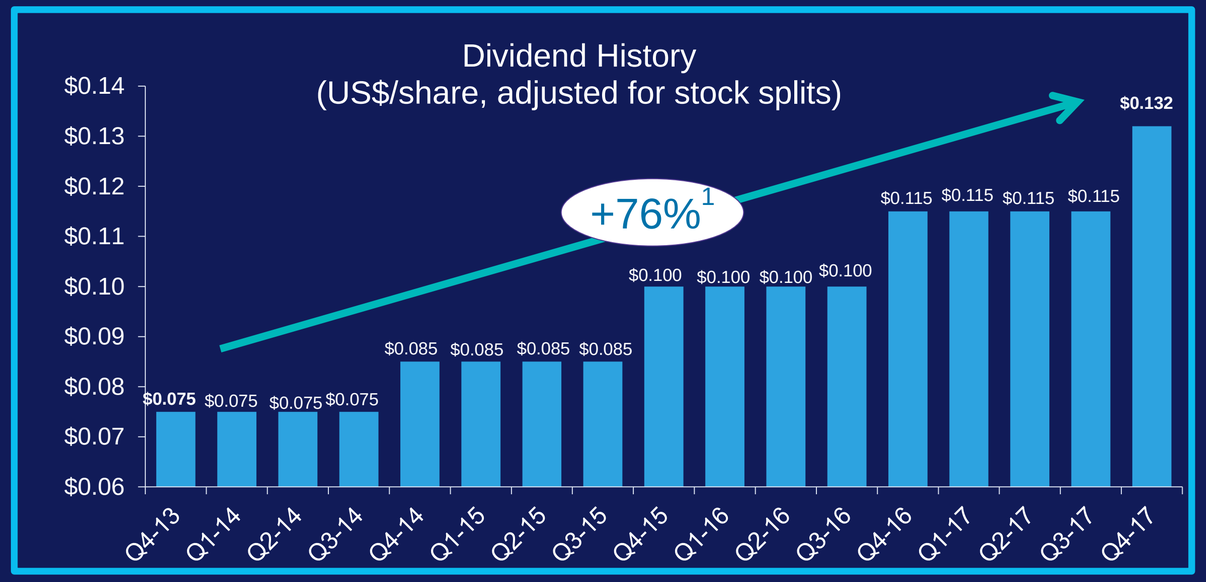
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Capital Allocation

- Maintain financial flexibility – strong balance sheet, access to capital, preserve ratings
- CAPEX spending of $80M basis for FY'17
- Drive continuous working capital improvement
- Dividend per share has increased by ~76% since 2013(1)
- Target payout of approximately 20% of TTM operating cash flow





(1) Increase on a per share basis

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FY18 External Target Model(1)

	Fiscal 2017 Target Model	Fiscal 2017 Actuals	Fiscal 2018 Target Model
Revenue Type:			
Annual Recurring Revenue (ARR)(2)	70% - 78%	74%	71% - 75%
License	14% - 18%	16%	15% - 19%
Cloud Services and Subscriptions	31% - 36%	31%	26% - 30%
Customer Support	39% - 42%	43%	41% - 47%
Professional Services and Other	8% - 13%	10%	8% - 12%
Non-GAAP Gross Margin:			
Product License	95 - 97%	96%	95% - 97%
Cloud Services	58 - 60%	58%	58% - 60%
Product Maintenance	86 - 88%	88%	88% - 90%
Professional Services	18 - 21%	18%	18% - 20%
Non-GAAP Gross Margin	**71 - 73%**	**73%**	**73% - 75%**
Non-GAAP Operating Expenses:			
Development	10 - 12%	12%	11% - 13%
Sales & Marketing	19 - 21%	19%	18% - 20%
General & Admin	7 - 8%	7%	7% - 8%
Depreciation	2 - 4%	3%	2% - 4%
Non-GAAP Operating Margin (AOM)	**30 - 34%**	**32%**	**32% - 35%**
Interest Expense USD million	$115 - $120	$119	$125 - $130
Adjusted Tax Rate(3)	15%	15%	15%

- We expect to start at the low end of the AOM range with similar seasonality to Fiscal 2017

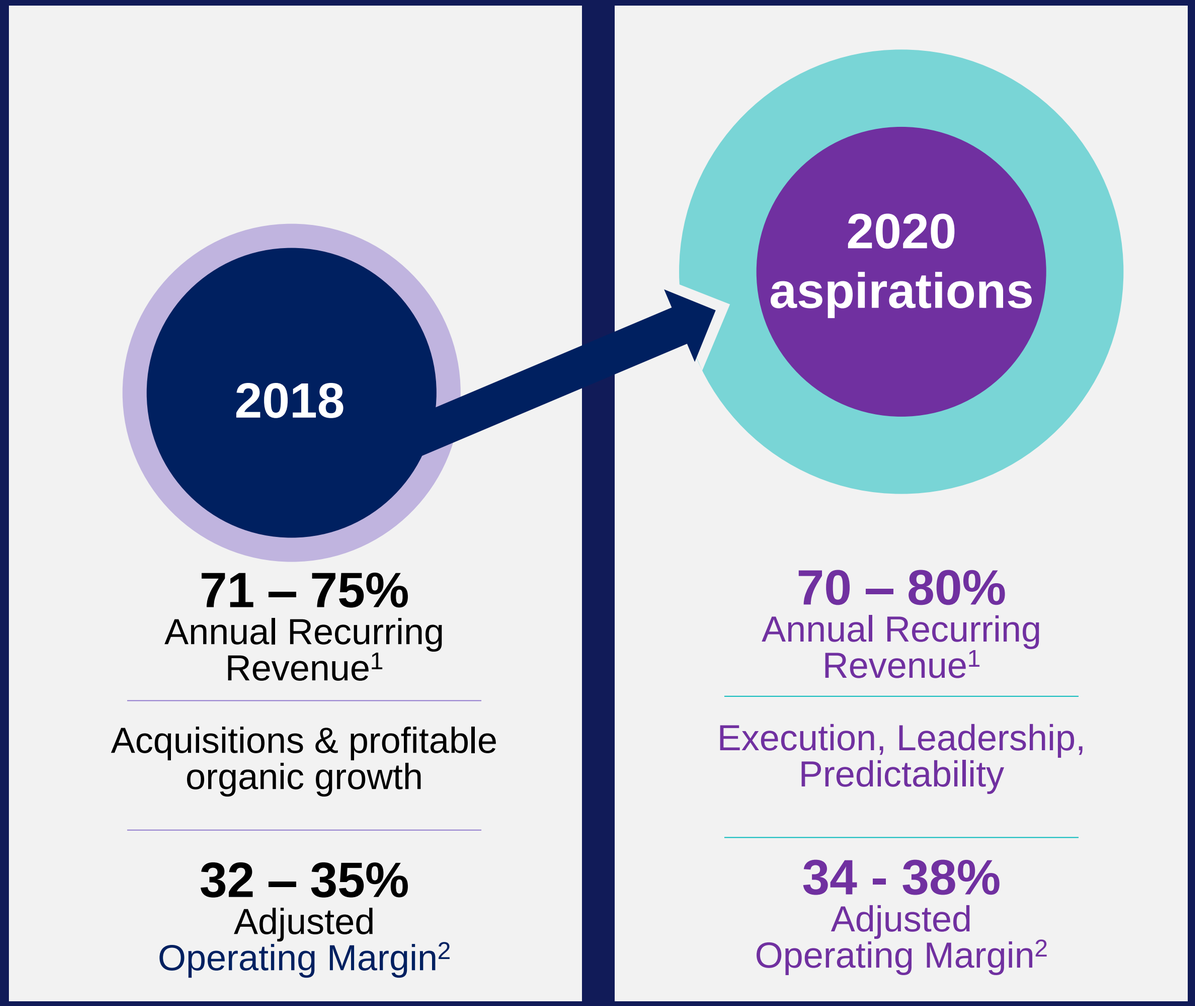
*This target model is not guidance.

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(1) Please see reconciliation of GAAP-based measures to Non-GAAP-based measures at the end of this presentation.
(2) Annual Recurring Revenue targets for Fiscal 2017 have been revised to exclude Professional Services & Other revenues
(3) Please refer to historical filings, including our form 10-K and form 10-Q, regarding the Company's adjusted tax rate.

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Path to 2020 with Target Model



- Continued focus on growing annual recurring revenue profile
- Unwavering focus on margin improvement to maximize value
- Ten year revenue growth CAGR of 14%
- Revenue growth led by acquisitions and augmented by profitable organic growth
- Accelerating growth through acquisitions

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1. Annual Recurring Revenue is defined as the sum of cloud services and subscriptions revenue and customer support revenue.
2. See “Use of Non-GAAP Financial Measures” at the end of this presentation.

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Deferred Revenue Waterfall

- Deferred revenue from the Dell-EMC Enterprise Content Division acquisition was $216M. After the purchase-price accounting (PPA) adjustments totaling $52M OpenText will recognize $164M over the life of the contracts which have terms up to three years
- License deferred revenue arises from prepaid royalty agreements, the majority of which have time based revenue recognition
- PPA adjustments for usage or service based contracts (such as Fixed Fee Professional Services or Usage Based License Fees) are shown in the Other category

	Estimated PPA Amortization								
in (US$ '000s)	**FQ3-17**	**FQ4-17**	**FQ1-18**	**FQ2-18**	**FQ3-18**	**FQ4-18**	**FQ1-19+**	**Other**	**Total**
Customer Support	($7,418)	($8,121)	($5,738)	($4,028)	($493)	($359)	($1,128)	-	($27,285)
Cloud Services & Subscriptions	($1,594)	($1,782)	($1,310)	($1,092)	($727)	($718)	($2,160)	-	($9,383)
Professional Services & Other	($121)	-	-	-	-	-	-	($253)	($374)
Subtotal - Recurring	($9,133)	($9,903)	($7,048)	($5,120)	($1,220)	($1,077)	($3,288)	($253)	($37,042)
License	($2,248)	($1,839)	($1,547)	($1,171)	($903)	($868)	($3,360)	($3,030)	($14,966)
Total	**($11,381)**	**($11,742)**	**($8,595)**	**($6,291)**	**($2,123)**	**($1,945)**	**($6,648)**	**($3,283)**	**($52,008)**

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Appendix A

Use of Non-GAAP Financial Measures

In addition to reporting financial results in accordance with U.S. GAAP, the Company provides certain financial measures that are not in accordance with U.S. GAAP (Non-GAAP).These Non-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-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 these Non-GAAP financial measures both in its reconciliation to the U.S. GAAP financial measures and its consolidated financial statements, all of which should be considered when evaluating the Company's results.

The Company uses these Non-GAAP financial measures to supplement the information provided in its consolidated financial statements, which are presented in accordance with U.S. GAAP. The presentation of Non-GAAP financial measures are not meant to be a substitute for financial measures presented in accordance with U.S. GAAP, but rather should be evaluated in conjunction with and as a supplement to such U.S. GAAP measures. OpenText 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 U.S. GAAP measures with certain Non-GAAP measures defined below.

Non-GAAP-based net income and Non-GAAP-based EPS, attributable to OpenText, are calculated as net income or earnings per share, attributable to OpenText, on a diluted basis, after giving effect to the amortization of acquired intangible assets, other income (expense), share-based compensation, and Special charges (recoveries), all net of tax and any tax benefits/expense items unrelated to current period income, as further described in the tables below. Non-GAAP-based gross profit is the arithmetical sum of GAAP-based gross profit and the amortization of acquired technology-based intangible assets and share-based compensation within cost of sales. Non-GAAP-based gross margin is calculated as Non-GAAP-based gross profit expressed as a percentage of total revenue. Non-GAAP-based income from operations is calculated as income from operations, excluding the amortization of acquired intangible assets, Special charges (recoveries), and share-based compensation expense. Non-GAAP-based operating margin is calculated as Non-GAAP-based income from operations expressed as a percentage of total revenue.

Adjusted earnings (loss) before interest, taxes, depreciation and amortization (Adjusted EBITDA) is calculated as net income, attributable to OpenText, excluding interest income (expense), provision for income taxes, depreciation and amortization of acquired intangible assets, other income (expense), share-based compensation and Special charges (recoveries).

The Company's management believes that the presentation of the above defined Non-GAAP financial measures provides useful information to investors because they portray the financial results of the Company before the impact of certain non-operational charges. The use of the term “non-operational charge” is defined for this purpose as an expense that does not impact the ongoing 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, including amortization of acquired intangible assets, Special charges (recoveries), 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 U.S. GAAP.

The Company believes the provision of supplemental Non-GAAP measures allow 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 OpenText's performance or expected performance of future operations and facilitates period-to-period comparison of operating performance (although prior performance is not necessarily indicative of future performance). As a result, the Company considers it appropriate and reasonable to provide, in addition to U.S. GAAP measures, supplementary Non-GAAP financial measures that exclude certain items from the presentation of its financial results.

See historical filings, including the Company’s Annual Reports on Form 10-K, for reconciliations of certain Non-GAAP measures to GAAP measures. The following charts provide (unaudited) reconciliations of U.S. GAAP-based financial measures to Non-U.S. GAAP-based financial measures for the following periods presented:

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Summary of Quarterly Results with Constant Currency

(in millions except per share data)	Q4 FY17	Q4 FY16	$ Change	% Change	Q4 FY17 in CC*	% Change in CC*
Revenues:						
Cloud services and subscriptions	$183.6	$156.6	$27.0	17.2 %	$186.3	18.9 %
Customer support	287.8	193.0	94.8	49.1 %	293.0	51.8 %
Total annual recurring revenues	**$471.4**	**$349.6**	**$121.8**	**34.9 %**	**$479.3**	**37.1 %**
License	123.5	86.1	37.4	43.4 %	125.6	45.8 %
Professional service and other	68.6	48.1	20.5	42.7 %	70.5	46.6 %
Total revenues	**$663.6**	**$483.8**	**$179.8**	**37.2 %**	**$675.4**	**39.6 %**
GAAP-based operating income	$106.5	$93.5	$13.0	13.9 %		
Non-GAAP-based operating income (1)	$219.9	$158.1	$61.8	39.1 %	$222.7	40.9 %
GAAP-based operating margin	16.0 %	19.3 %	n/a	(330) bps		
Non-GAAP-based operating margin(1)	33.1 %	32.7 %	n/a	40 bps	33.0 %	30 bps
GAAP-based EPS, diluted(2)	$0.17	$0.35	($0.18)	(51.4) %		
Non-GAAP-based EPS, diluted(1)(2)(3)	$0.60	$0.45	$0.15	33.3 %	$0.61	35.6 %
Net income, attributable to OpenText	$46.1	$86.4	($40.3)	(46.6) %		
Adjusted EBITDA(1)	$237.0	$173.1	$63.9	36.9 %		
Operating cash flows	$102.5	$119.1	($16.6)	(14.0) %		

(1) See reconciliation of GAAP-based measures to Non-GAAP-based measures at the end of this presentation
(2) As a result of the two-for-one share split, effected January 24, 2017 by way of a share sub-division, all current and historical period per share data are presented on a post share split basis.
(3) Please also see note 14 to the Company's Consolidated Financial Statements on Form 10-K. Reflective of the amount of net tax benefit arising from the internal reorganization assumed to be allocable to the current period based on the forecasted utilization period.
*CC: Constant currency for this purpose is defined as the current period reported revenues/expenses/earnings represented at the prior comparative period's foreign exchange rate.
Note: Individual line items in table may be adjusted by non-material amounts to enable totals to align to published financial statements.

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Summary of Annual Results with Constant Currency

(in millions except per share data)	FY17	FY16	$ Change	% Change	FY17 in CC*	% Change in CC*
Revenues:						
Cloud services and subscriptions	$705.5	$601.0	$104.5	17.4 %	$711.8	18.4 %
Customer support	981.1	746.4	234.7	31.4 %	993.5	33.1 %
Total annual recurring revenues	**$1,686.6**	**$1,347.4**	**$339.2**	**25.2 %**	**$1,705.3**	**26.6 %**
License	369.1	283.7	85.4	30.1 %	372.8	31.4 %
Professional service and other	235.3	193.1	42.2	21.9 %	239.5	24.0 %
Total revenues	**$2,291.1**	**$1,824.2**	**$466.8**	**25.6 %**	**$2,317.5**	**27.0 %**
GAAP-based operating income	$352.9	$368.6	($15.6)	(4.2) %		
Non-GAAP-based operating income (1)	$728.5	$616.8	$111.6	18.1 %	$736.0	19.3 %
GAAP-based operating margin	15.4 %	20.2 %	n/a	(480) bps		
Non-GAAP-based operating margin(1)	31.8 %	33.8 %	n/a	(200) bps	31.8 %	(200) bps
GAAP-based EPS, diluted(2)(3)	$4.01	$1.17	$2.84	242.7 %		
Non-GAAP-based EPS, diluted(1)(2)(4)	$2.02	$1.77	$0.25	14.1 %	$2.05	15.8 %
Net income, attributable to OpenText(3)	$1,025.7	$284.5	$741.2	260.5 %		
Adjusted EBITDA(1)	$792.5	$671.7	$120.8	18.0 %		
Operating cash flows	$439.3	$525.7	($86.5)	(16.4) %		

(1) See reconciliation of GAAP-based measures to Non-GAAP-based measures at the end of this presentation
(2) As a result of the two-for-one share split, effected January 24, 2017 by way of a share sub-division, all current and historical period per share data are presented on a post share split basis.
(3) Recorded a significant tax benefit in Q1 FY17 of $876.1 million which impacts the Company's Fiscal 2017 results. This significant tax benefit is specifically tied to the Company's internal reorganization and applied to Q1 FY17 only and as a result does not continue in future periods.
(4) Please also see note 14 to the Company's Consolidated Financial Statements on Form 10-K. Reflective of the amount of net tax benefit arising from the internal reorganization assumed to be allocable to the current period based on the forecasted utilization period.
*CC: Constant currency for this purpose is defined as the current period reported revenues/expenses/earnings represented at the prior comparative period's foreign exchange rate.
Note: Individual line items in table may be adjusted by non-material amounts to enable totals to align to published financial statements.

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Reconciliation of Selected Non-GAAP Measures | Q4 F17

(in '000s USD)	Three Months Ended June 30, 2017					
	GAAP	GAAP % of Total Revenue	Adjustments	FN	Non- GAAP	Non-GAAP % of Total Revenue
COST OF REVENUES						
Cloud services and subscriptions	$ 79,588		$ (390)	(1)	$ 79,198	
Customer support	35,224		(313)	(1)	34,911	
Professional service and other	58,028		(449)	(1)	57,579	
Amortization of acquired technology-based intangible assets	43,288		(43,288)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	444,038	66.9%	44,440	(3)	488,478	73.6%
Operating expenses						
Research and development	81,301		(1,777)	(1)	79,524	
Sales and marketing	129,541		(2,450)	(1)	127,091	
General and administrative	47,499		(2,755)	(1)	44,744	
Amortization of acquired customer-based intangible assets	42,594		(42,594)	(2)	—	
Special charges (recoveries)	19,461		(19,461)	(4)	—	
GAAP-based income from operations and operating margin (%) / Non-GAAP-based income from operations and operating margin (%)	106,452	16.0%	113,477	(5)	219,929	33.1%
Other income (expense), net	11,178		(11,178)	(6)	—	
Provision for (recovery of) income taxes	39,000		(10,731)	(7)	28,269	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	46,137		113,030	(8)	159,167	
GAAP-based earnings per share / Non GAAP-based earnings per share-diluted, attributable to OpenText	$ 0.17		$ 0.43	(8)	$ 0.60	

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Reconciliation of Selected Non-GAAP Measures | Q4 F17

FOOTNOTES	
1	Adjustment relates to the exclusion of share based compensation expense from our Non-GAAP-based operating expenses as this expense is excluded from our internal analysis of operating results.
2	Adjustment relates to the exclusion of amortization expense from our Non-GAAP-based operating expenses as the timing and frequency of amortization expense is dependent on our acquisitions and is hence excluded from our internal analysis of operating results.
3	GAAP-based and Non-GAAP-based gross profit stated in dollars and gross margin stated as a percentage of total revenue.
4	Adjustment relates to the exclusion of Special charges (recoveries) from our Non-GAAP-based operating expenses as Special charges (recoveries) are generally incurred in the periods relevant to an acquisition and include one-time, non-recurring charges or recoveries that are not indicative or related to continuing operations, and are therefore excluded from our internal analysis of operating results.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars and operating margin stated as a percentage of total revenue.
6	Adjustment relates to the exclusion of Other income (expense) from our Non-GAAP-based operating expenses as Other income (expense) relates primarily to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results. Other income (expense) also includes our share of income (losses) from our holdings in non-marketable securities investments as a limited partner. We do not actively trade equity securities in these privately held companies nor do we plan our ongoing operations based around any anticipated fundings or distributions from these investments. We exclude gains and losses on these investments as we do not believe they are reflective of our ongoing business and operating results.
7	Adjustment relates to differences between the GAAP-based tax provision rate of approximately 46% and a Non-GAAP-based tax rate of approximately 15%; these rate differences are due to the income tax effects of expenses that are excluded for the purpose of calculating Non-GAAP-based adjusted net income. Such excluded expenses include amortization, share-based compensation, Special charges (recoveries) and other income (expense), net. Also excluded are tax benefits/expense items unrelated to current period income such as changes in reserves for tax uncertainties and valuation allowance reserves, and “book to return” adjustments for tax return filings and tax assessments. Included is the amount of net tax benefits arising from the internal reorganization assumed to be allocable to the current period based on the forecasted utilization period. In arriving at our Non-GAAP-based tax rate of approximately 15%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense.
8	Reconciliation of GAAP-based net income to Non-GAAP-based net income:

	Three Months Ended June 30, 2017	
		Per share diluted
GAAP-based net income, attributable to OpenText	$ 46,137	$ 0.17
Add:		
Amortization	85,882	0.32
Share-based compensation	8,134	0.03
Special charges (recoveries)	19,461	0.07
Other (income) expense, net	(11,178)	(0.04)
GAAP-based provision for (recovery of) income taxes	39,000	0.15
Non-GAAP based provision for income taxes	(28,269)	(0.10)
Non-GAAP-based net income, attributable to OpenText	$ 159,167	$ 0.60

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Reconciliation of Selected Non-GAAP Measures | Fiscal 2017

(in '000s USD)	Year Ended June 30, 2017					
	GAAP	GAAP % of Total Revenue	Adjustments	FN	Non- GAAP	Non-GAAP % of Total Revenue
COST OF REVENUES						
Cloud services and subscriptions	$ 300,255		$ (1,229)	(1)	$ 299,026	
Customer support	122,753		(1,079)	(1)	121,674	
Professional service and other	195,195		(1,451)	(1)	193,744	
Amortization of acquired technology-based intangible assets	130,556		(130,556)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	1,528,666	66.7%	134,315	(3)	1,662,981	72.6%
Operating expenses						
Research and development	281,680		(7,149)	(1)	274,531	
Sales and marketing	444,838		(9,680)	(1)	435,158	
General and administrative	170,438		(9,919)	(1)	160,519	
Amortization of acquired customer-based intangible assets	150,842		(150,842)	(2)	—	
Special charges (recoveries)	63,618		(63,618)	(4)	—	
GAAP-based income from operations and operating margin (%) / Non-GAAP-based income from operations and operating margin (%)	352,932	15.4%	375,523	(5)	728,455	31.8%
Other income (expense), net	15,743		(15,743)	(6)	—	
Provision for (recovery of) income taxes	(776,364)		867,764	(7)	91,400	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	1,025,659		(507,984)	(8)	517,675	
GAAP-based earnings per share / Non GAAP-based earnings per share-diluted, attributable to OpenText	$ 4.01		$ (1.99)	(8)	$ 2.02	

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Reconciliation of Selected Non-GAAP Measures | Fiscal 2017

FOOTNOTES	
1	Adjustment relates to the exclusion of share based compensation expense from our Non-GAAP-based operating expenses as this expense is excluded from our internal analysis of operating results.
2	Adjustment relates to the exclusion of amortization expense from our Non-GAAP-based operating expenses as the timing and frequency of amortization expense is dependent on our acquisitions and is hence excluded from our internal analysis of operating results.
3	GAAP-based and Non-GAAP-based gross profit stated in dollars and gross margin stated as a percentage of total revenue.
4	Adjustment relates to the exclusion of Special charges (recoveries) from our Non-GAAP-based operating expenses as Special charges (recoveries) are generally incurred in the periods relevant to an acquisition and include one-time, non-recurring charges or recoveries that are not indicative or related to continuing operations, and are therefore excluded from our internal analysis of operating results.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars and operating margin stated as a percentage of total revenue.
6	Adjustment relates to the exclusion of Other income (expense) from our Non-GAAP-based operating expenses as Other income (expense) relates primarily to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results. Other income (expense) also includes our share of income (losses) from our holdings in non-marketable securities investments as a limited partner. We do not actively trade equity securities in these privately held companies nor do we plan our ongoing operations based around any anticipated fundings or distributions from these investments. We exclude gains and losses on these investments as we do not believe they are reflective of our ongoing business and operating results.
7	Adjustment relates to differences between the GAAP-based tax recovery rate of approximately 311% and a Non-GAAP-based tax rate of approximately 15%; these rate differences are due to the income tax effects of expenses that are excluded for the purpose of calculating Non-GAAP-based adjusted net income. Such excluded expenses include amortization, share-based compensation, Special charges (recoveries) and other income (expense), net. Also excluded are tax benefits/expense items unrelated to current period income such as changes in reserves for tax uncertainties and valuation allowance reserves, and “book to return” adjustments for tax return filings and tax assessments. Included is the amount of net tax benefits arising from the internal reorganization assumed to be allocable to the current period based on the forecasted utilization period. In arriving at our Non-GAAP-based tax rate of approximately 15%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense.
8	Reconciliation of GAAP-based net income to Non-GAAP-based net income:

	Year Ended June 30, 2017	
		Per Share Diluted
GAAP-based net income, attributable to OpenText	$ 1,025,659	$ 4.01
Add:		
Amortization	281,398	1.10
Share-based compensation	30,507	0.12
Special charges (recoveries)	63,618	0.25
Other (income) expense, net	(15,743)	(0.06)
GAAP-based provision for (recovery of) income taxes	(776,364)	(3.03)
Non-GAAP based provision for income taxes	(91,400)	(0.37)
Non-GAAP-based net income, attributable to OpenText	$ 517,675	$ 2.02

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Reconciliation of Selected Non-GAAP Measures | Q4 F16

(in '000s USD)	Three Months Ended June 30, 2016					
	GAAP	GAAP % of Total Revenue	Adjustments	FN	Non- GAAP	Non-GAAP % of Total Revenue
COST OF REVENUES						
Cloud services and subscriptions	$ 64,889		$ (312)	(1)	$ 64,577	
Customer support	25,237		(269)	(1)	24,968	
Professional service and other	41,546		(540)	(1)	41,006	
Amortization of acquired technology-based intangible assets	17,994		(17,994)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	331,031	68.4%	19,115	(3)	350,146	72.4%
Operating expenses						
Research and development	53,747		(836)	(1)	52,911	
Sales and marketing	95,815		(3,026)	(1)	92,789	
General and administrative	33,330		(1,915)	(1)	31,415	
Amortization of acquired customer-based intangible assets	29,637		(29,637)	(2)	—	
Special charges (recoveries)	10,092		(10,092)	(4)	—	
GAAP-based income from operations and operating margin (%) / Non-GAAP-based income from operations and operating margin (%)	93,479	19.3%	64,621	(5)	158,100	32.7%
Other income (expense), net	409		(409)	(6)	—	
Provision for (recovery of) income taxes	(14,347)		41,644	(7)	27,297	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	86,390		22,568	(8)	108,958	
GAAP-based earnings per share / Non GAAP-based earnings per share-diluted, attributable to OpenText	$ 0.35		$ 0.10	(8)	$ 0.45	

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Reconciliation of Selected Non-GAAP Measures | Q4 F16

FOOTNOTES	
1	Adjustment relates to the exclusion of share based compensation expense from our Non-GAAP-based operating expenses as this expense is excluded from our internal analysis of operating results.
2	Adjustment relates to the exclusion of amortization expense from our Non-GAAP-based operating expenses as the timing and frequency of amortization expense is dependent on our acquisitions and is hence excluded from our internal analysis of operating results.
3	GAAP-based and Non-GAAP-based gross profit stated in dollars and gross margin stated as a percentage of total revenue.
4	Adjustment relates to the exclusion of Special charges (recoveries) from our Non-GAAP-based operating expenses as Special charges (recoveries) are generally incurred in the periods relevant to an acquisition and include one-time non-recurring charges or recoveries that are not indicative or related to continuing operations, and are therefore excluded from our internal analysis of operating results.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars and operating margin stated as a percentage of total revenue.
6	Adjustment relates to the exclusion of Other income (expense) from our Non-GAAP-based operating expenses as Other income (expense) relates primarily to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results.
7	Adjustment relates to differences between the GAAP-based tax provision rate of approximately 20% and a Non-GAAP-based tax rate of approximately 20%; these rate differences are due to the income tax effects of expenses that are excluded for the purpose of calculating Non-GAAP-based adjusted net income. Such excluded expenses include amortization, share-based compensation, Special charges (recoveries) and other income (expense), net. Also excluded are tax expense items unrelated to current period income such as changes in reserves for tax uncertainties and valuation allowance reserves and “book to return” adjustments for tax return filings and tax assessments. In arriving at our Non-GAAP-based tax rate of approximately 20%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense.
8	Reconciliation of GAAP-based net income to Non-GAAP-based net income:

	Three Months Ended June 30, 2016	
		Per Share Diluted
GAAP-based net income, attributable to OpenText	$ 86,390	$ 0.35
Add:		
Amortization	47,631	0.20
Share-based compensation	6,898	0.03
Special charges (recoveries)	10,092	0.04
Other (income) expense, net	(409)	—
GAAP-based provision for (recovery of) income taxes	(14,347)	(0.06)
Non-GAAP based provision for income taxes	(27,297)	(0.11)
Non-GAAP-based net income, attributable to OpenText	$ 108,958	$ 0.45

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Reconciliation of Selected Non-GAAP Measures | Fiscal 2016

(in '000s USD)	Year Ended June 30, 2016					
	GAAP	GAAP % of Total Revenue	Adjustments	FN	Non- GAAP	Non-GAAP % of Total Revenue
COST OF REVENUES						
Cloud services and subscriptions	$ 244,021		$ (953)	(1)	$ 243,068	
Customer support	89,861		(900)	(1)	88,961	
Professional service and other	155,584		(1,626)	(1)	153,958	
Amortization of acquired technology-based intangible assets	74,238		(74,238)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	1,250,228	68.5%	77,717	(3)	1,327,945	72.8%
Operating expenses						
Research and development	194,057		(2,824)	(1)	191,233	
Sales and marketing	344,235		(12,069)	(1)	332,166	
General and administrative	140,397		(7,606)	(1)	132,791	
Amortization of acquired customer-based intangible assets	113,201		(113,201)	(2)	—	
Special charges (recoveries)	34,846		(34,846)	(4)	—	
GAAP-based income from operations and operating margin (%) / Non-GAAP-based income from operations and operating margin (%)	368,563	20.2%	248,263	(5)	616,826	33.8%
Other income (expense), net	(1,423)		1,423	(6)	—	
Provision for (recovery of) income taxes	6,282		101,793	(7)	108,075	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	284,477		147,893	(8)	432,370	
GAAP-based earnings per share / Non GAAP-based earnings per share-diluted, attributable to OpenText	$ 1.17		$ 0.60	(8)	$ 1.77	

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Reconciliation of Selected Non-GAAP Measures | Fiscal 2016

FOOTNOTES	
1	Adjustment relates to the exclusion of share based compensation expense from our Non-GAAP-based operating expenses as this expense is excluded from our internal analysis of operating results.
2	Adjustment relates to the exclusion of amortization expense from our Non-GAAP-based operating expenses as the timing and frequency of amortization expense is dependent on our acquisitions and is hence excluded from our internal analysis of operating results.
3	GAAP-based and Non-GAAP-based gross profit stated in dollars and gross margin stated as a percentage of total revenue.
4	Adjustment relates to the exclusion of Special charges (recoveries) from our Non-GAAP-based operating expenses as Special charges (recoveries) are generally incurred in the periods relevant to an acquisition and include one-time non-recurring charges or recoveries that are not indicative or related to continuing operations, and are therefore excluded from our internal analysis of operating results.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars and operating margin stated as a percentage of total revenue.
6	Adjustment relates to the exclusion of Other income (expense) from our Non-GAAP-based operating expenses as Other income (expense) relates primarily to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results.
7	Adjustment relates to differences between the GAAP-based tax provision rate of approximately 2% and a Non-GAAP-based tax rate of 20%; these rate differences are due to the income tax effects of expenses that are excluded for the purpose of calculating Non-GAAP-based adjusted net income. Such excluded expenses include amortization, share-based compensation, Special charges (recoveries) and other income (expense), net. Also excluded are tax expense items unrelated to current period income such as changes in reserves for tax uncertainties and valuation allowance reserves and “book to return” adjustments for tax return filings and tax assessments. In arriving at our Non-GAAP-based tax rate of 20%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense.
8	Reconciliation of GAAP-based net income to Non-GAAP-based net income:

	Year Ended June 30, 2016	
		Per Share Diluted
GAAP-based net income, attributable to OpenText	$ 284,477	$ 1.17
Add:		
Amortization	187,439	0.77
Share-based compensation	25,978	0.10
Special charges (recoveries)	34,846	0.14
Other (income) expense, net	1,423	0.01
GAAP-based provision for (recovery of) income taxes	6,282	0.03
Non-GAAP based provision for income taxes	(108,075)	(0.45)
Non-GAAP-based net income, attributable to OpenText	$ 432,370	$ 1.77

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Reconciliation of Adjusted EBITDA

(in '000s USD)	FY17	Q4 FY17	FY16	Q4 FY16
Net income attributable to OpenText	$ 1,025,659	$ 46,137	$ 284,477	$ 86,390
Add:				
Provision for (recovery of) income taxes	(776,364)	39,000	6,282	(14,347)
Interest and other related expense, net	119,124	32,372	76,363	21,902
Amortization of acquired technology-based intangible assets	130,556	43,288	74,238	17,994
Amortization of acquired customer-based intangible assets	150,842	42,594	113,201	29,637
Depreciation	64,318	17,190	54,929	14,931
Share-based compensation	30,507	8,134	25,978	6,898
Special charges (recoveries)	63,618	19,461	34,846	10,092
Other (income) expense, net	(15,743)	(11,178)	1,423	(409)
Adjusted EBITDA	$ 792,517	$ 236,998	$ 671,737	$ 173,088

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