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Investor Presentation

NASDAQ: OTEX | TSX: OTEX

May 9, 2018

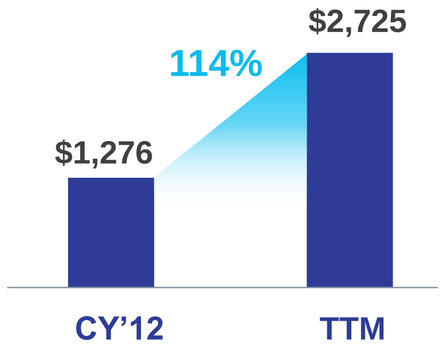
Safe Harbor Statement

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, total growth from acquisitions, innovation and organic initiatives, and distribution expansion, the focus on recurring revenues, improving efficiency, expanding cash flow and strengthening the business, adjusted operating income and cash flow, its financial condition, the adjusted operating margin target range, 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, scaling OpenText to new levels, 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) failure to comply with privacy laws and regulations that are extensive, open to various interpretations and complex to implement including General Data Protection Regulation (GDPR);
(vi) fluctuations in currency exchange rates; (vii) delays in the purchasing decisions of the Company's customers; (viii) the competition the Company faces in its industry and/or marketplace; (ix) the final determination of litigation, tax audits (including tax examinations in the United States and elsewhere) and other legal proceedings; (x) potential exposure to greater than anticipated tax liabilities or expenses, including with respect to changes in Canadian, U.S. or international tax regimes including the new tax reform legislation enacted through the Tax Cuts and Jobs Act in the United States; (xi) the possibility of technical, logistical or planning issues in connection with the deployment of the Company's products or services; (xii) the continuous commitment of the Company's customers; and (xiii) 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.

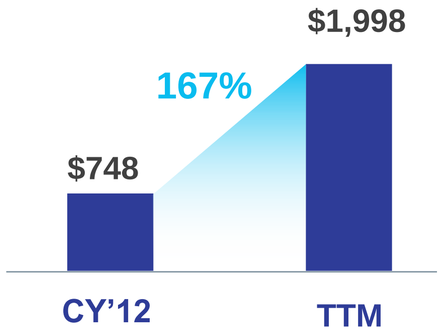
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Six years of significant, sustainable, profitable growth

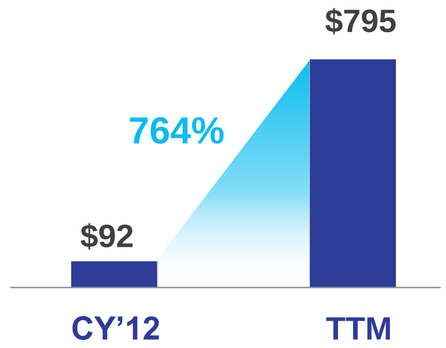
Total Revenue
($US M)



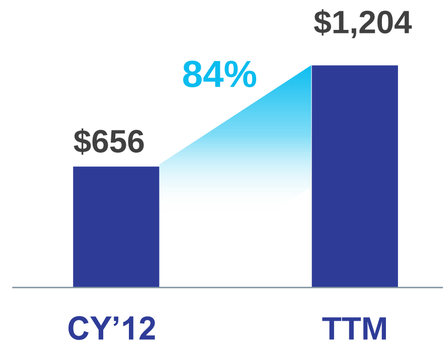
ARR[1]
($US M)



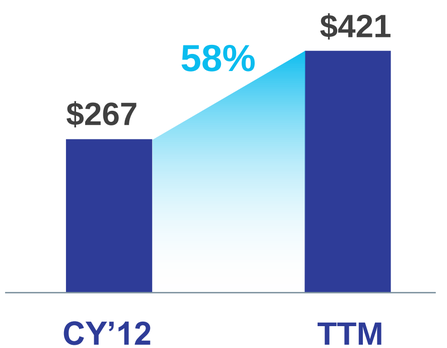
Cloud
($US M)



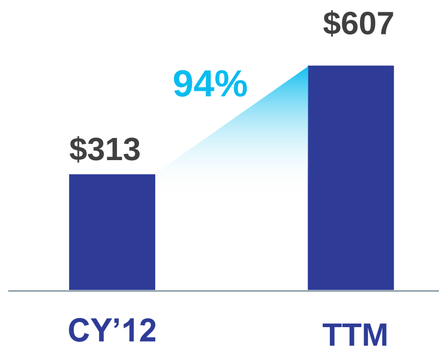
Customer Support
($US M)



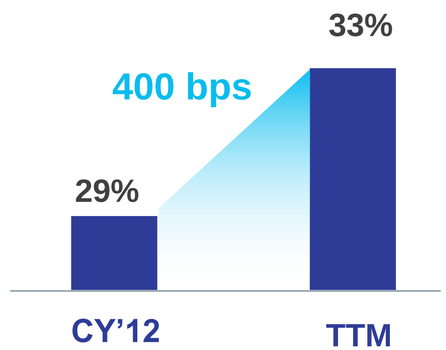
License
($US M)



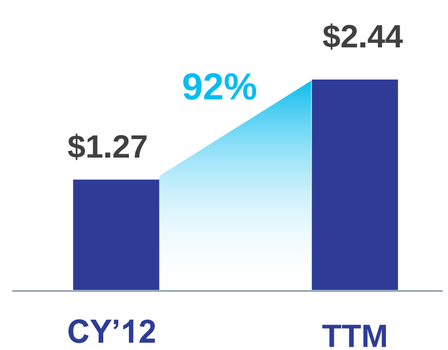
Operating Cash Flow
($US M)



Adj. Op. Margin[3]
(%)



Adj. EPS[2,3]
($US/sh)

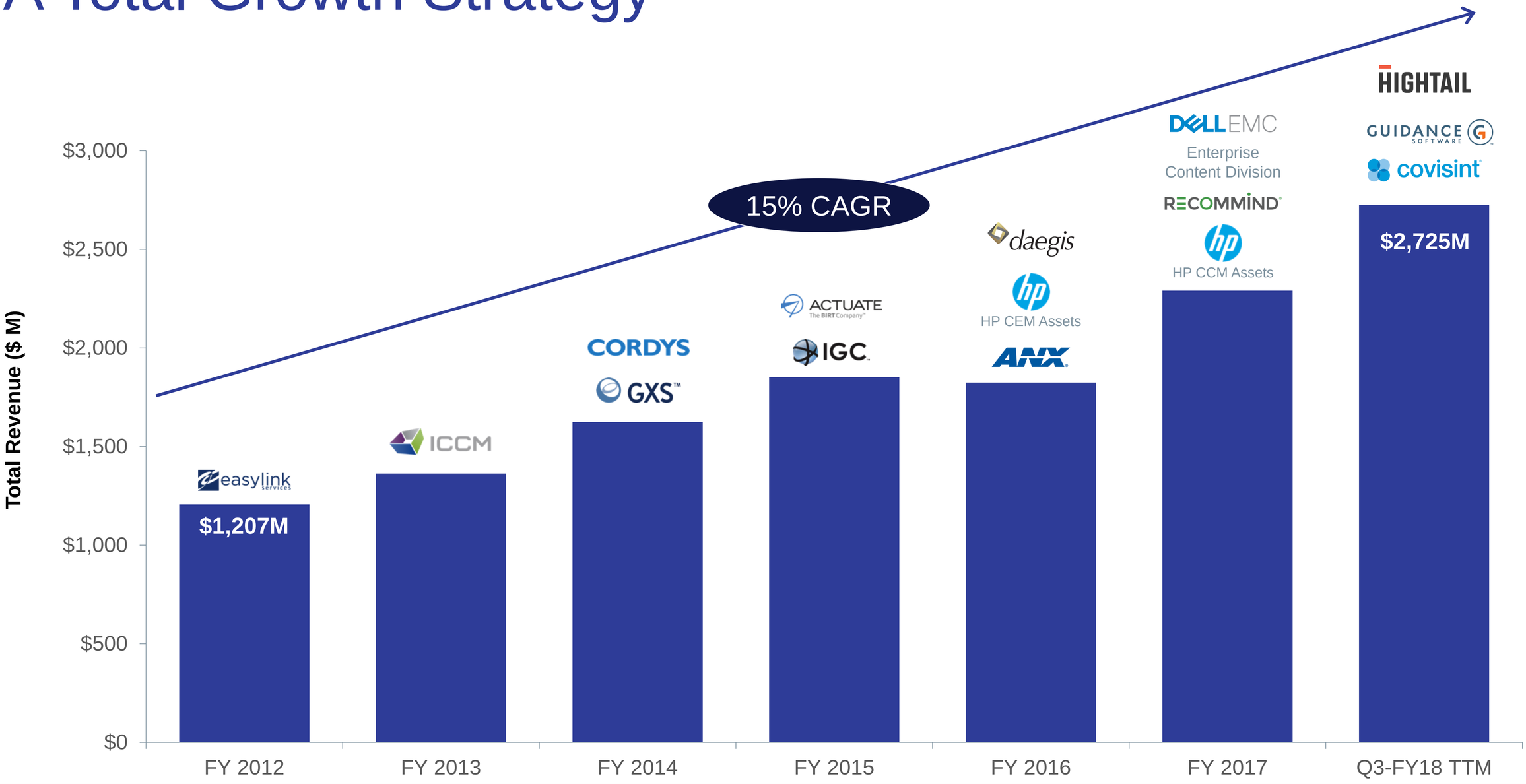


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1. ARR – Annual recurring revenue is defined as the sum of cloud services and subscriptions revenue and customer support revenue.
2. Adj. EPS for CY'12 and TTM is calculated using the weighted average number of common shares o.s. diluted of 234.936M and 266.954M, respectively
3. Please see reconciliation of GAAP to Non-GAAP measures at the end of this presentation and in our historical filings on Form 10Q and 10K

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A Total Growth Strategy

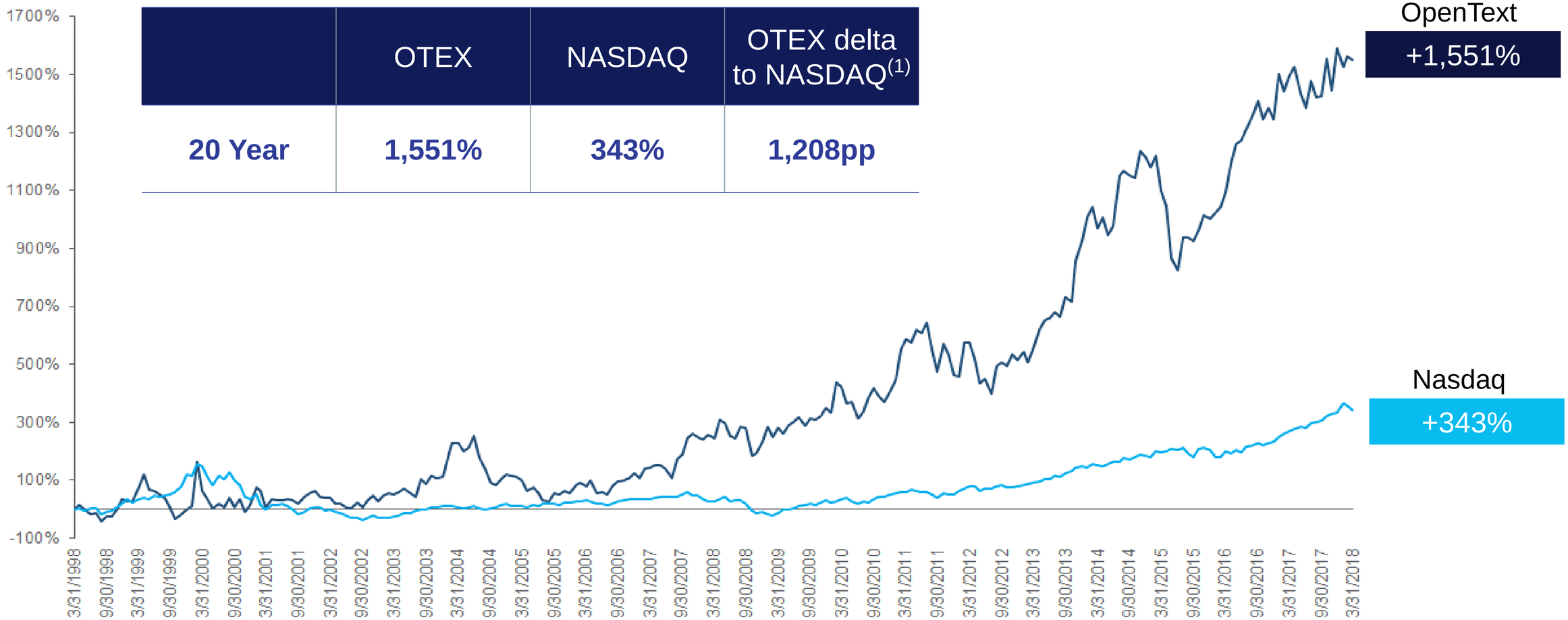


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20-Year Total Shareholder Return

OTEX v. NASDAQ

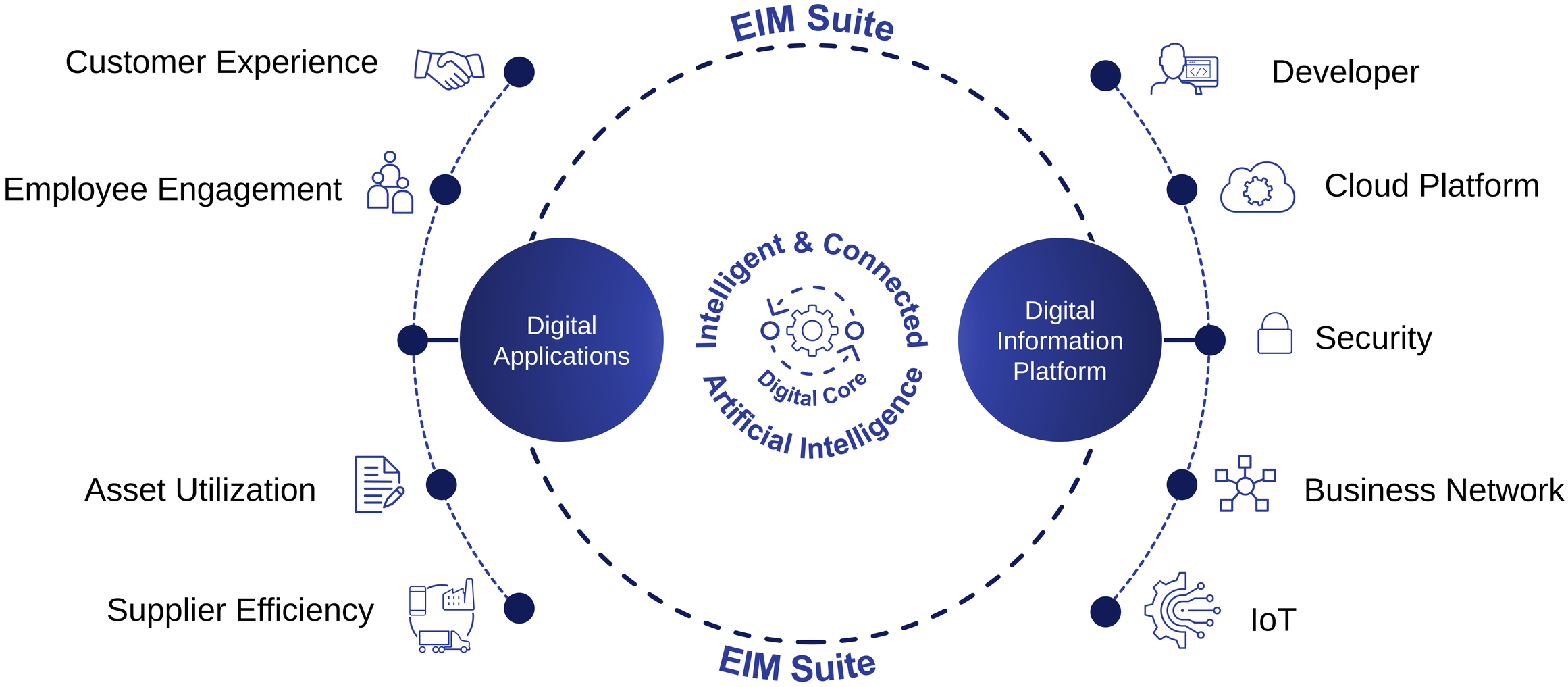
	OTEX	NASDAQ	OTEX delta to NASDAQ(1)
20 Year	**1,551%**	**343%**	**1,208pp**



1. Source: NASDAQ (March 31, 2018)

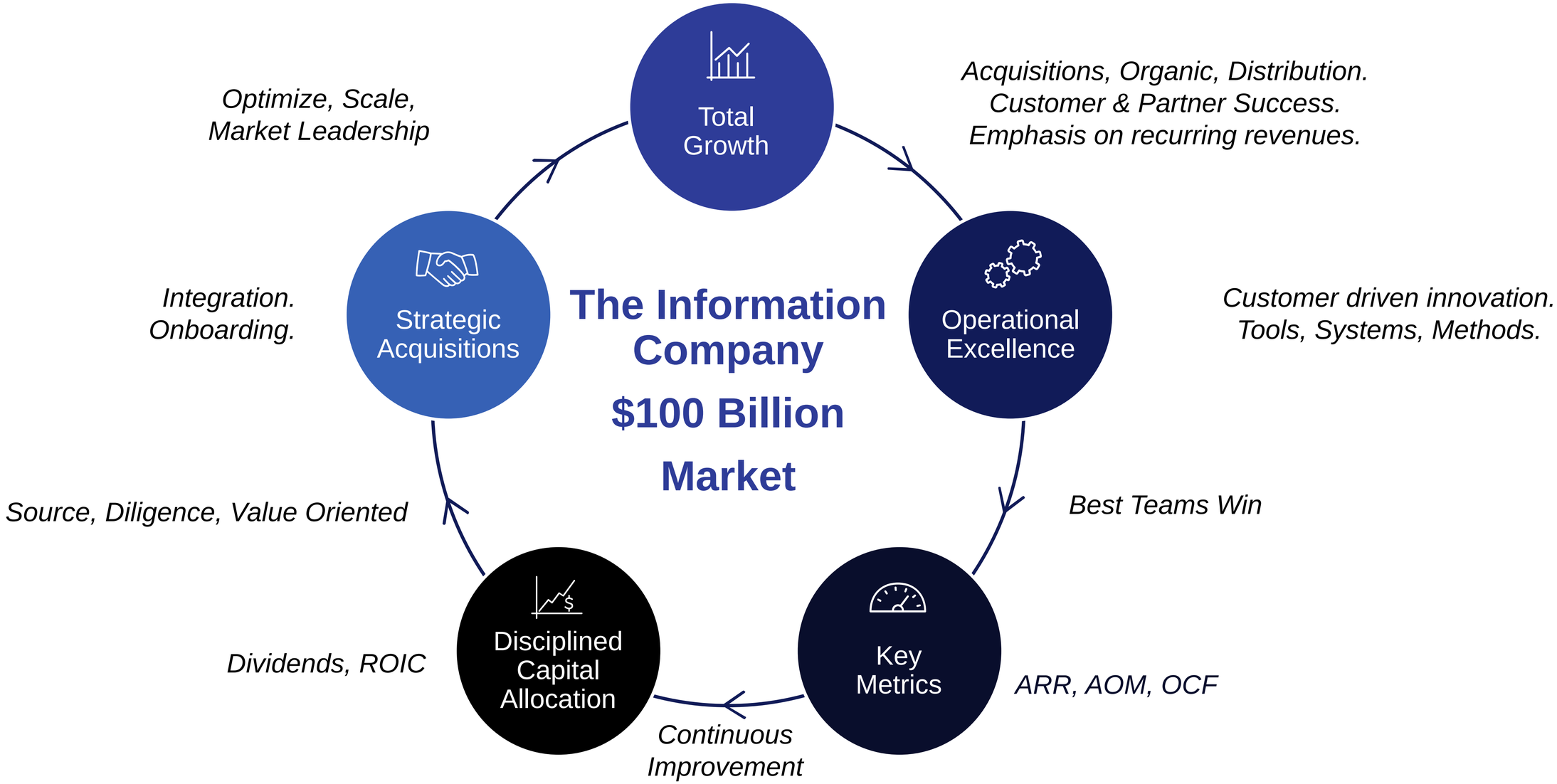
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Our Vision for the Intelligent and Connected Enterprise



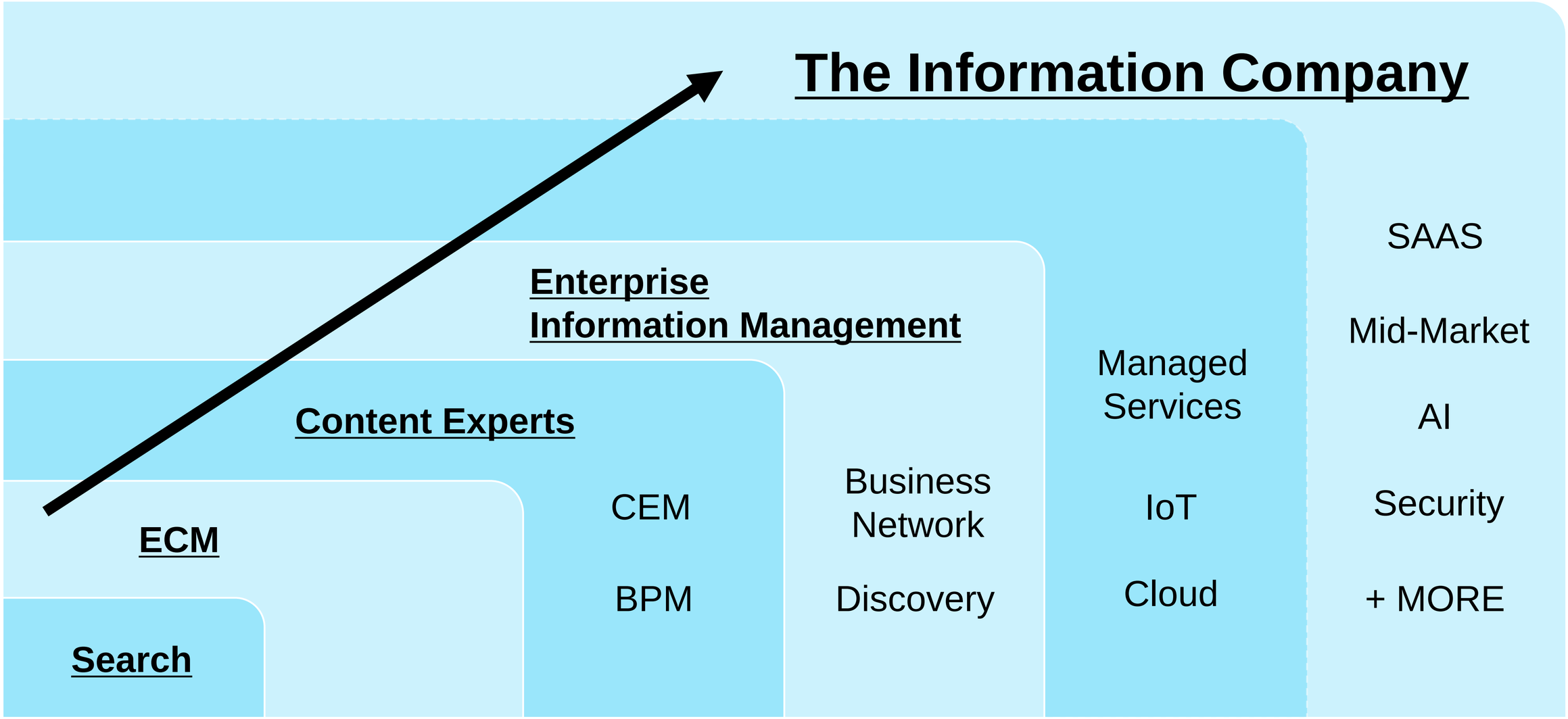
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The OpenText Business System



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$100 Billion Strategic Opportunity



1. Referencing Industry Analyst reports for EIM technologies, AI and IoT.

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Total Growth



- **EIM Market leader and expanded portfolio to include Security, AI and IoT**
- **Focus on select verticals : FinServ, Life Sciences, Manufacturing, Auto, Healthcare, Government**

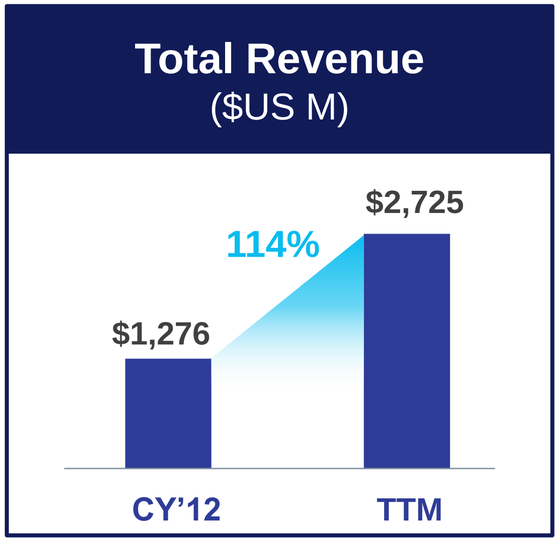
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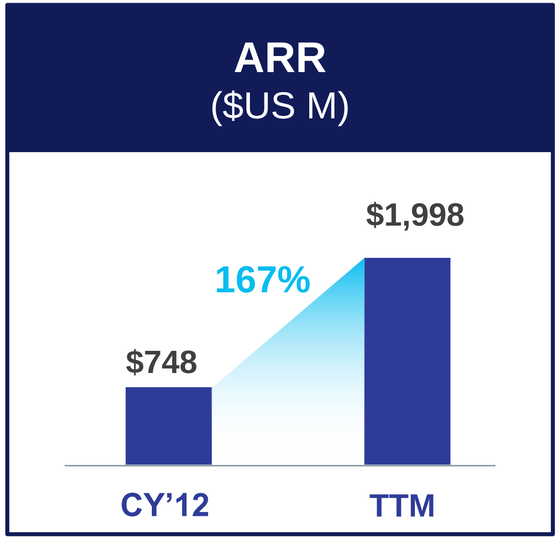
Total Growth: Customer and Partner Success

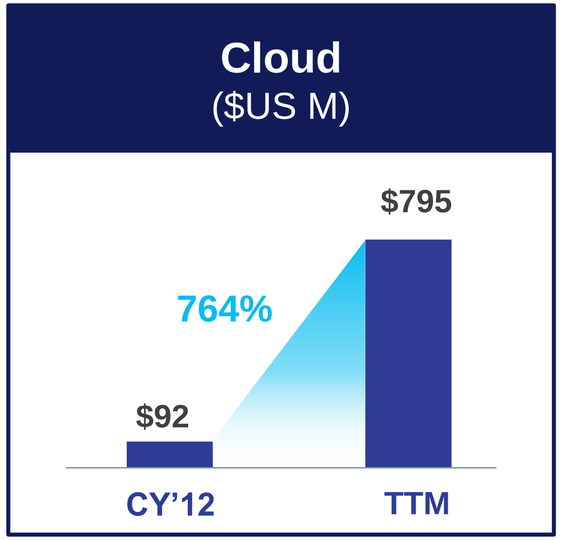
Ecosystem	SAP, SAP SuccessFactors, SAP Hybris, Microsoft, Oracle, salesforce
Strategic Alliances	accenture, Capgemini, Cognizant, Wipro, Deloitte., Atos, CGI, EY, TATA Consultancy Services
Channel Partners	aiimi, Alitek, DELL EMC, iam consulting, delaware, DXC.technology, KONICA MINOLTA

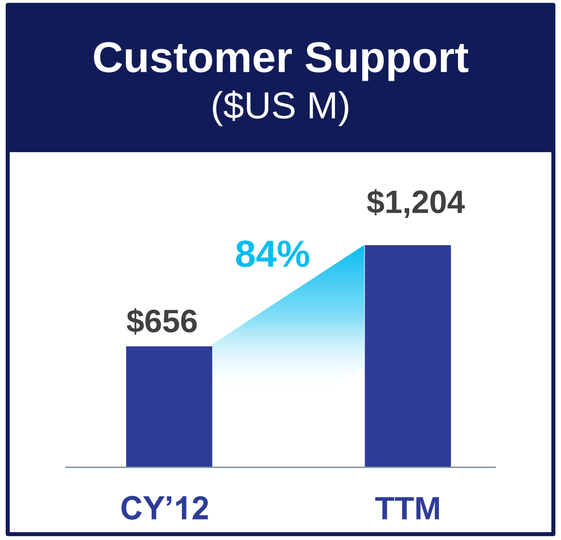
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Total Growth: Annual Recurring Revenue









Revenue
114% Growth

ARR
167% Growth

Cloud
764% Growth

Customer Support
84% Growth

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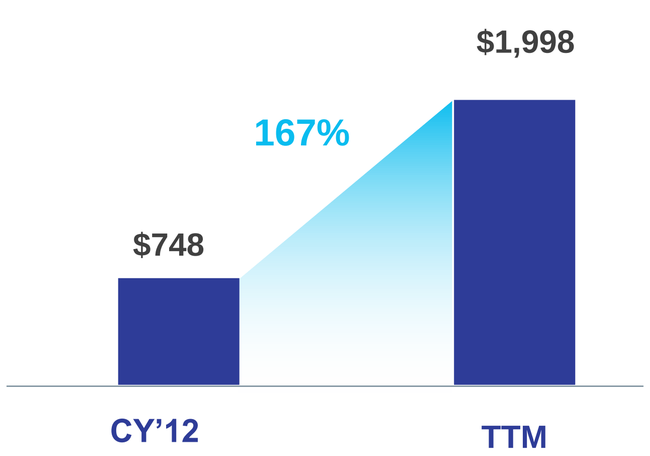
Operational Excellence

- Proven track record of margin expansion and acquisition onboarding
- Leadership empowerment through clear financial objectives, systems and tools to monitor performance
- Pay for performance culture
- Scalable and cost effective centers of excellence in Canada, India, and Philippines
- Global procurement leverage
- Non-linear growth of expenses through digitization and AI

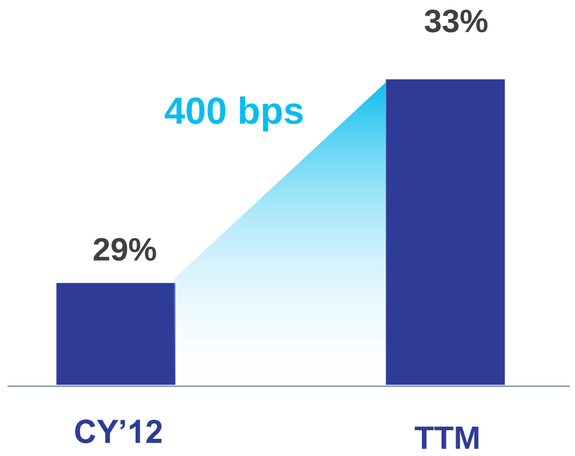
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Key Metrics

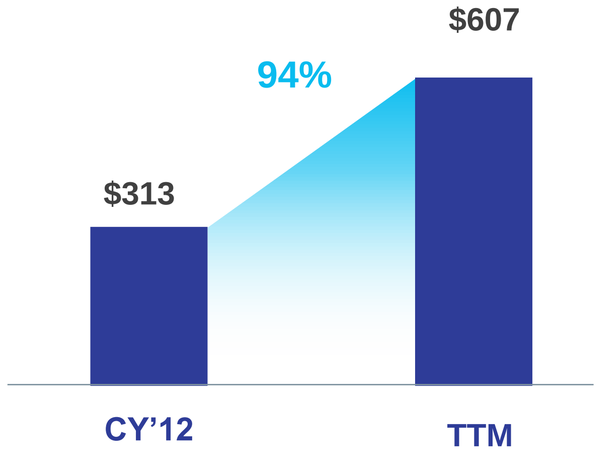
ARR
($US M)



Adjusted Operating Margin
(%)



Operating Cash Flow
($US M)



ARR
167% Growth

AOM[(1)]
400 bps Growth

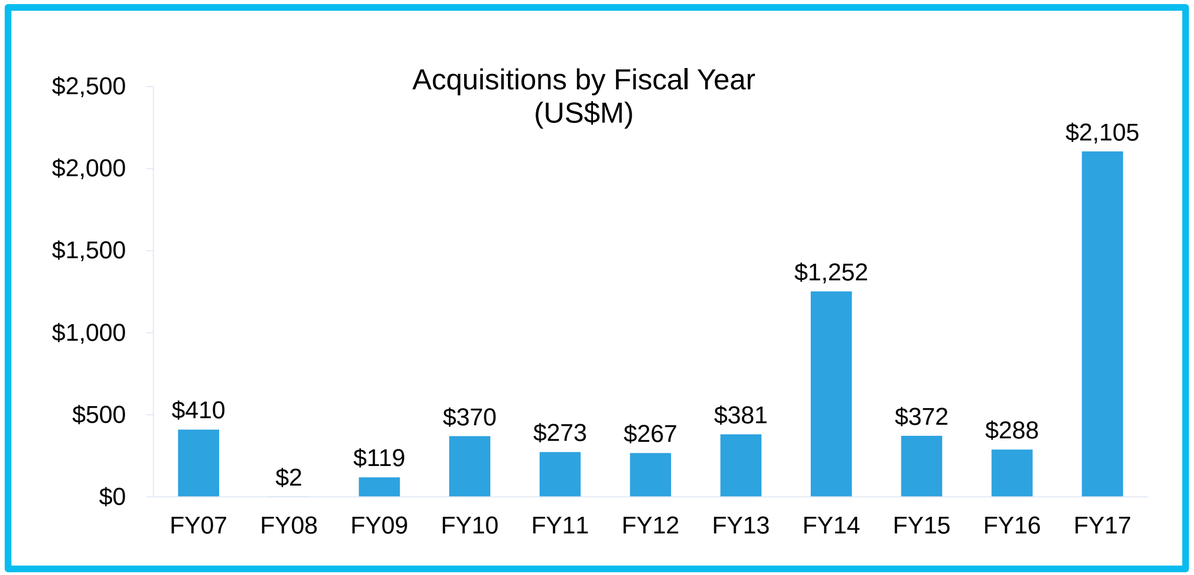
OCF
94% Growth

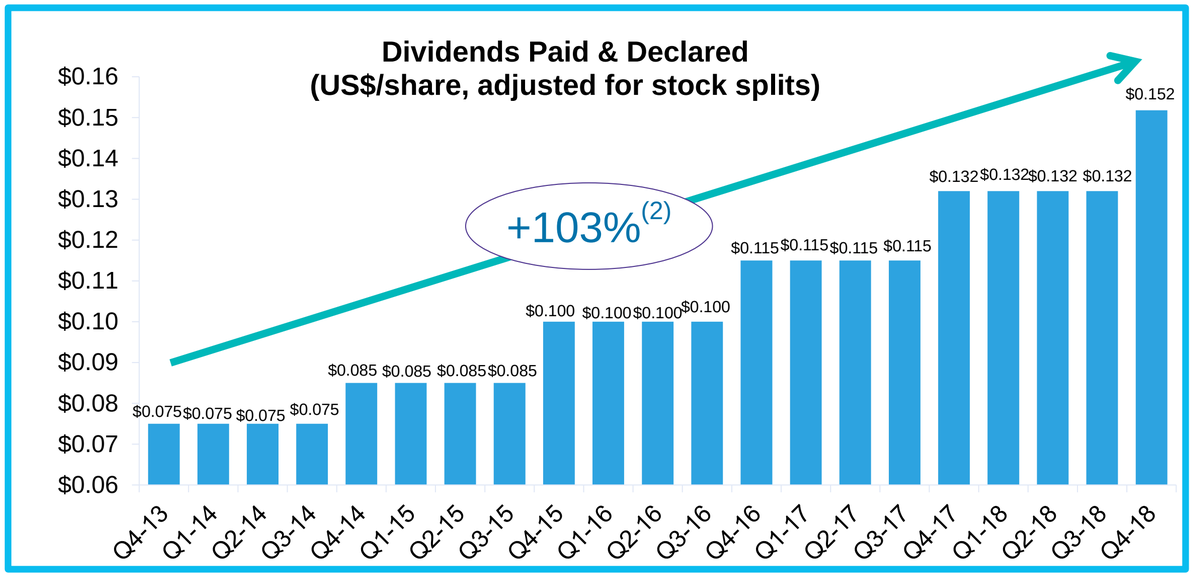
1. Please see reconciliation of GAAP to Non-GAAP measures at the end of this presentation and in our historical filings on Form 10Q and 10K

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Disciplined Capital Allocation

- Solid balance sheet of $605M in cash, and strong access to capital
- Credit Ratings[1]: S&P (BB+, stable), and Moody's (Ba1, stable)
- Consolidated net leverage ratio of 2.0:1
- CAPEX spending of $80M for FY'17
- Drive continuous working capital improvements
- Measure acquisitions on ROIC
- Dividend per share[2] has increased by ~103% since 2013
- Target payout of approximately 20% of TTM operating cash flow





1. S&P Credit rating as of October 2, 2017, and Moody's credit rating as of January 8, 2018
2. % Increase on a per share basis. Declared $0.1518 dividend on May 8, 2018 and payable on June 29, 2018

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History of Successful Acquisitions[1]

- $4.8 billion of capital deployed since 2012 for acquisitions
- 15 completed acquisitions over 6 years
- Average revenue multiple of 2.1x revenue
- Share price appreciation[2] of 216%
- $271M OCF in Q3 FY'18



(1) Timeline based on calendar year
(2) Share price appreciation from Jan 3, 2012 to Mar. 29, 2018

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Strategic Acquisitions: OpenText is a Platform Operator

- *Platform Operators* have a strategic market thesis, purchase assets within that market strategy, and drive deep value through innovation and integration
- *Asset Managers* purchase individual assets and operate them standalone

Platform Operators



Asset Managers

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Strategic Acquisitions Strategy

What We Target:
Unlocking Value

- Evaluate businesses within the context of “The Information Company” strategy
- Fill functional white spaces, vertical capacities and key geographic expansion opportunities
- We value recurring revenues, paths to higher margin and strong cash flows
- Strong leadership teams, disciplined engineering and leading distribution models
- Dedicated in-house Corporate Development team: from sourcing through integration

OpenText Business System: A Proven Methodology

- Ideal businesses are special situations that would benefit from the OpenText Business System and OpenText’s scale
- Our internal M&A models have simple and clear cash-based returns, ROIC is the key metric(1)
- Cost synergies and free cash flow(1) drive more value over revenue synergies
- “On boarding” to the OpenText target model provides consistent value creation
- Immediate day-one integration of acquired businesses
- Scalable centers of excellence in India, the Philippines and Canada

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1. Not a reported metric but used internally as part of OTBS

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Experienced Management Team



Mark J. Barrenechea
Vice Chair, CEO & CTO



Madhu Ranganathan
EVP, CFO



Muhi Majzoub
EVP, Engineering & IT



Gordon Davies
EVP, CLO & Corporate Development



Simon "Ted" Harrison
EVP, Worldwide Sales



James McGourlay
EVP, Worldwide Support



Patricia E. Nagle
SVP, Chief Marketing Officer



Paul Duggan
SVP, Worldwide Operations



Kasey Holman
SVP, Communications & Brand



David Jamieson
SVP, CIO



Prentiss Donohue
SVP, Professional Services



Leslie Sarauer
SVP, Human Resources



George Schulze
SVP, Business Network Sales



Gary Weiss
SVP, GM Discovery, Analytics, and OEM

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Global Operations and Distribution



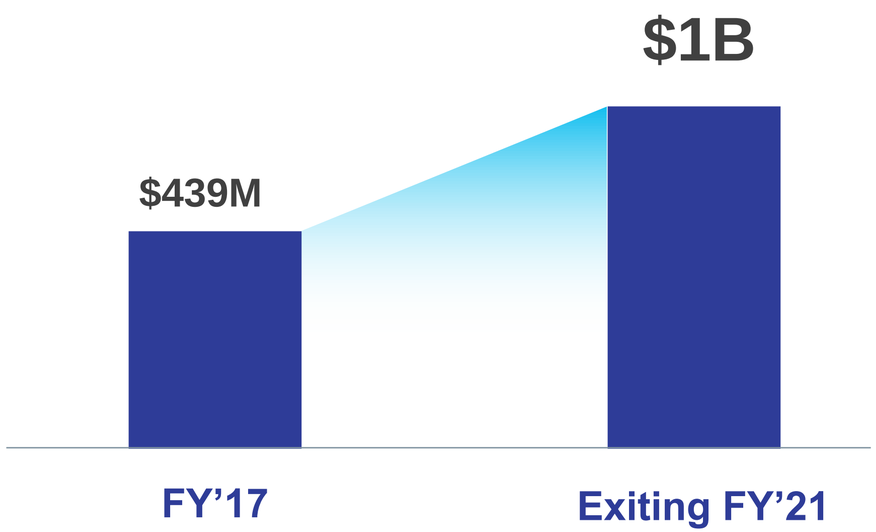
	Total	Americas		EMEA	APJ
# of Employees(1):	Total Employees **12,000**	United States **3,700**	Canada **1,700**	Europe, Middle East, Africa **2,300**	APJ **4,300**
FY17 Revenue:	Total Revenue **$2.29B**	United States **$1.09B**	Canada **$230M**	**$730M**	**$250M**

1. Numbers are approximate as of Q3 FY'18

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Long Term Model[1]

OCF



Operating Cash Flow
$1 Billion

OpenText Business System Gets Us There

Total Growth:

- Acquisitions
- Organic Growth
- Partner Distribution

Efficiency:

- Deploying AI
- Digital Automation

AOM[2] Expansion:

- 36% to 40% by FY'21

1. Aspirational model, results could vary based on timing and onboarding of acquisitions. This model is not guidance.
2. Please see reconciliation of GAAP to Non-GAAP measures at the end of this presentation and in our historical filings on Form 10Q and 10K

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FY’18 Target Model

*This model is not guidance.

	Fiscal 2017 Actuals	Fiscal 2018 Model*
Revenue Type:		
Annual Recurring Revenue (ARR)	74%	71% - 75%
License	16%	15% - 19%
Cloud Services and Subscriptions	31%	26% - 30%
Customer Support	43%	41% - 47%
Professional Services and Other	10%	8% - 12%
Non-GAAP Gross Margin:		
License	96%	95% - 97%
Cloud Services and Subscriptions	58%	58% - 60%
Customer Support	88%	88% - 90%
Professional Services and Other	18%	18% - 20%
Non-GAAP Gross Margin	**73%**	**73% - 75%**
Non-GAAP Operating Expenses:		
Research & Development	12%	11% - 13%
Sales & Marketing	19%	18% - 20%
General & Admin	7%	7% - 8%
Depreciation	3%	2% - 4%
Non-GAAP Operating Margin (AOM)[1]	**32%**	**32% - 35%**
Adjusted EBITDA	**34.6%**	**35% - 38%**
Interest Expense USD million	$119	$130 - $135
Adjusted Tax Rate[2]	15%	14%

We expect to be within our AOM model range for FY’18 with anticipated seasonal strength in Q4

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1. Please see reconciliation of GAAP to Non-GAAP measures at the end of this presentation and in our historical filings on Form 10Q and 10K
2. 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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Third Quarter FY’18 Highlights

Financial Highlights

	Q3 FY'18	FY'18 YTD
Annual Recurring Revenue[1]	▪ Annual Recurring revenue of $521.4M, up 18.3% Y/Y ▪ ARR consists of 76.0% of Total Revenue	▪ Annual Recurring revenue of $1,526.8M, up 25.6% Y/Y ▪ ARR consists of 74.1% of Total Revenue
Adjusted EBITDA[2]	▪ Adjusted EBITDA of $227.2M, up 20.2% Y/Y ▪ Adjusted EBITDA Margin of 33.1%	▪ Adjusted EBITDA of $737.3M, up 32.7% Y/Y ▪ Adjusted EBITDA Margin of 35.8%
Adjusted Operating Margin[2]	▪ Adjusted Gross Margin – 71.6% ▪ Adjusted Operating Margin – 29.8%	▪ Adjusted Gross Margin – 72.6% ▪ Adjusted Operating Margin – 32.7%
Operating Cash Flow	▪ $270.7M in operating cash flow, compared to $156.3M Y/Y, a 73.2% increase	▪ $504.4M in operating cash flow, compared to $336.8M Y/Y, a 49.8% increase

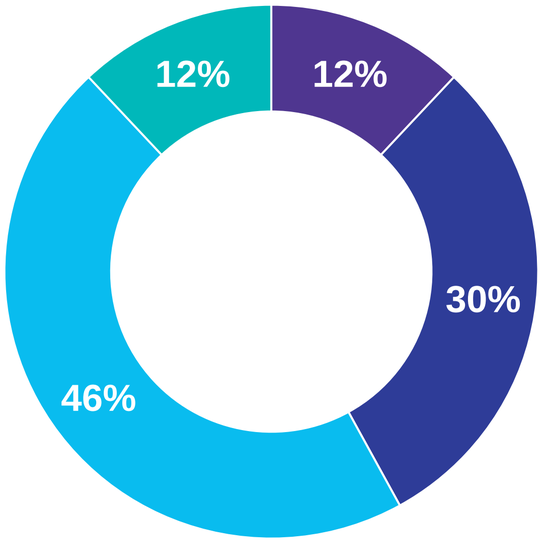
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1. Annual recurring revenue is defined as the sum of cloud services and subscriptions revenue and customer support revenue.
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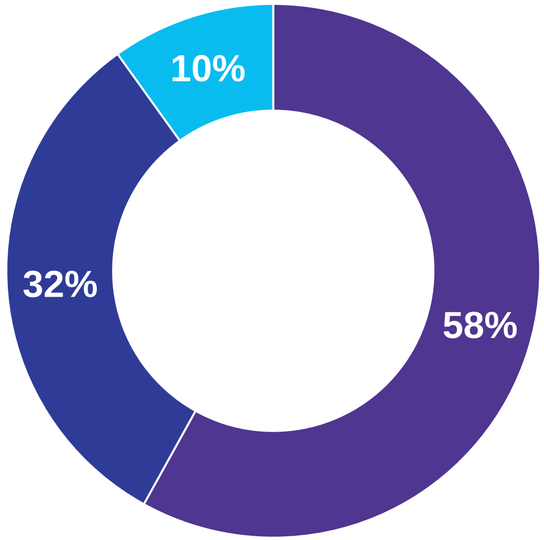
Q3 FY’18 Revenue Breakdown

Total Revenue Mix



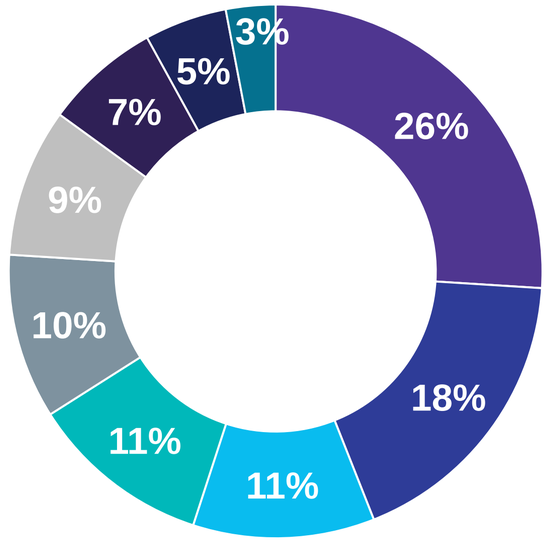
- License
- Cloud services & Subscriptions
- Customer Support
- Professional Service & Other

Total Revenue by Geography



- Americas
- EMEA
- APJ

ARR by Industry

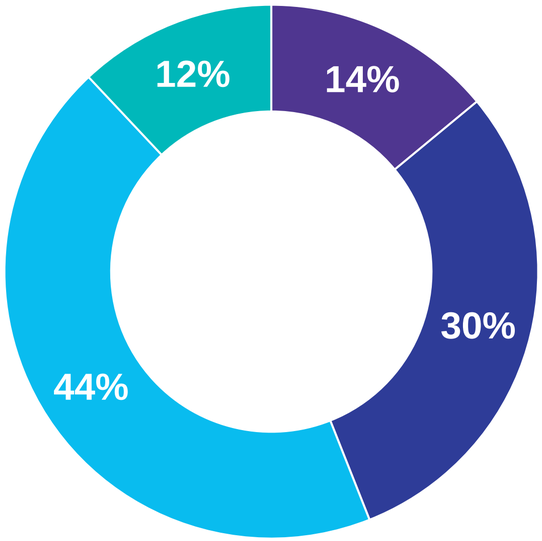


- Financial
- Services
- Technology
- Consumer goods
- Public sector
- Healthcare
- Basic materials and conglomerates
- Industrial goods
- Utilities

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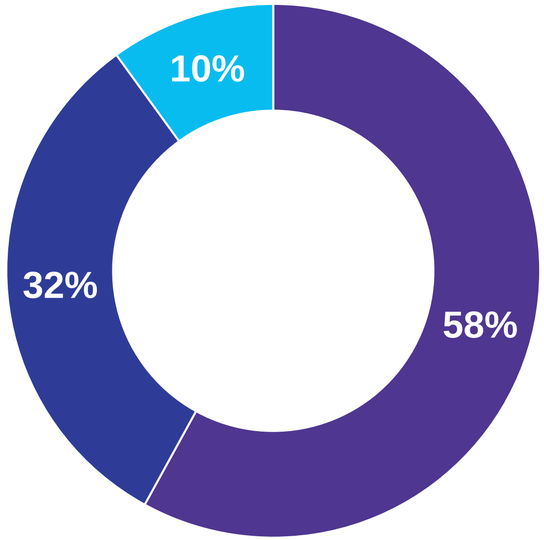
FY’18 YTD Revenue Breakdown

Total Revenue Mix



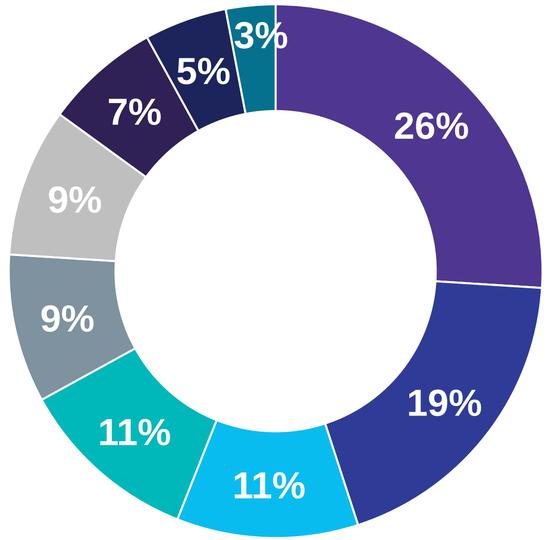
- License
- Cloud services & Subscriptions
- Customer Support
- Professional Service & Other

Total Revenue by Geography



- Americas
- EMEA
- APJ

ARR by Industry



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

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Customer Wins in Q3 FY’18

All InBox, a Media Advertising company that leverages multiple marketing channels to deliver interactive content, selected OpenText Notifications to send high volume emails on behalf of its customers. The OpenText solution provided a flexible and reliable delivery platform with up-to-the-minute analytics.

The City of Philadelphia legal department selected OpenText Axcelerate for its eDiscovery and investigation projects. Key factors in the decision included integrated analytics to intelligently review large volumes of documents, robust machine learning to help identify crucial evidence earlier in the legal process, and a flexible deployment infrastructure to enable collaboration with outside counsel.

Corsair, a global provider of enthusiast-grade Gaming Components, Gaming peripherals, and Gaming PCs for recreational gamers, enthusiasts and eSports professionals, selected OpenText B2B Managed Services to help the company focus on its core competencies, improve its bottom line and grow.

PFU Limited, a subsidiary of Fujitsu Limited, is a global enterprise that designs, develops, manufactures, sells and maintains computer hardware, image scanners, peripheral products, enterprise software, systems and network security solutions. PFU Limited extended its partnership with OpenText by adding additional capacity investment on their use of our Pixel Scanning and Viewing runtimes for their “inbox” capture applications.

The Central Provident Fund Board in Singapore, administers a compulsory comprehensive savings plan for working Singaporeans and permanent residents to fund their retirement, healthcare, and housing needs. Through a public tender for a Record Management Solution, CPF awarded OpenText partner, Atos Information Technology Singapore, for Open Text ECM Solutions including Content Suite, Application Governance & Archiving for Microsoft® SharePoint®, Blazon Enterprise and Content Intelligence.

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Customer Wins in Q3 FY’18

Airports of Thailand (AOT) called an ERP and Revenue Information Collection Tender in order to seek an integrated system to support the growing complexities of operating six airports. OpenText ECM was selected to meet the Document Management Requirements of their tender.

A leading U.S. insurance company, Progressive, selected OpenText RightFax architecture and configured OpenText RightFax Connect to scale and increase workflow capability of its fax document process. These OpenText solutions will help Progressive meet the technology, security, and capacity demands of its growing business by ensuring secure connectivity via web devices and quicker, more efficient documentation of items sent via fax.

Headquartered in Roseland, New Jersey, ADP is a comprehensive global provider of cloud-based Human Capital Management (HCM) solutions that unite HR, payroll, talent, time, tax and benefits administration, and a leader in business outsourcing services, analytics and compliance expertise.

The Massachusetts Bay Transportation Authority (MBTA) is the public agency responsible for operating public transportation services in Greater Boston, Massachusetts. MBTA expanded its investment in OpenText Captiva and OpenText Documentum delivered by OpenText Managed Services in the OpenText Cloud, to improve its processes, reduce costs, and provide superior customer service.

Automotive manufacturer, Nidec Automotive Motor Americas, LLC, decided to change its Managed Services provider in order to keep up with automotive customer integration requirements. OpenText B2B Managed Services was selected for its total cost of ownership, support model, global presence, and leadership in the automotive market.

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Customer Wins in Q3 FY’18

Blue Shield of California (BSCA) is a nonprofit health plan dedicated to providing Californians with access to high-quality health care at an affordable price. A long-standing OpenText customer, BSCA will expand its use of OpenText ProVision to support its growing need of capturing end-to-end enterprise business processes, end-to-end system models, and many more critical use cases.

MUFG Union Bank, N.A., a full-service bank with 361 retail branches across the United States, has selected OpenText B2B Managed Services to support industry standards and centralized format mapping which will accelerate delivery of transaction banking products to clients, meeting the increased demand for data transmission flexibility.

The leading source of quality data, the United States Census Bureau, selected OpenText EnCase Endpoint Security for its ability to quickly detect and remove threats before they cause damage to systems, steal sensitive information, or compromise data integrity.

Headquartered in Jakarta, Indonesia, Bank Mandiri is embarking on a business process transformation project to align many of its banking systems and applications into a single platform. Bank Mandiri selected the OpenText Documentum Platform for its secure enterprise content management repository.

Using OpenText technologies, West Bend Mutual Insurance Company expects to increase process productivity by integrating to their leading business applications; increase personal productivity by providing employees access to content where they work; and ensure enhanced control of their content by applying retention and Records Management. West Bend purchased OpenText Extended ECM Platform, OpenText Brava!, OpenText Blazon and OpenText InfoArchive.

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Customer Wins in Q3 FY’18

National Grid UK has used OpenText Content Suite for the last 15 years as a system of record. As part of a corporate-wide initiative to reduce costs and move to cloud-based technology wherever possible, NGUK has made the decision to transition their on-premise ECM to a fully managed service in the OpenText Cloud.

SwissLife, a global insurance company in France, selected OpenText Exstream to replace an existing e-mail customer communications management solution. Exstream integrates with several business systems and data sources allowing SwissLife to personally and interactively communicate with customers across multiple channels. By using Exstream, SwissLife is establishing a self-serve environment with excellent, on-demand customer experience.

Tieto, one of the largest IT service providers in Europe, chose to partner with OpenText to provide Customer Communication Management (CCM) Solutions as a Service (SaaS). OpenText CCM solutions will empower customer experience through personalization and automation of communications.

McGill University is one of Canada's best-known institutions and one of the leading universities in the world. A long-standing customer, McGill is expanding its use of OpenText Documentum for its secure enterprise content management (ECM) platform.

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Leadership in Key Verticals

Utilities/Energy

Public Sector

Manufacturing

Automotive

Consumer Goods

Technology

Finance/Insurance

Healthcare

Transportation

Services

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Strong Liquidity and Balance Sheet

Liquidity

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

Leverage

- We expand our access to capital through growing Adj. EBITDA(1)
- Consolidated net leverage ratio of 2.0:1, well within our external debt covenant of 4.0:1
- Our gross leverage ratio (on a reported basis) improved during the quarter and sits at 2.74x.

As of March 31, 2018 (US$M)	
Cash	$605M
Revolver – Undrawn Portion	$175M(2)
Total Available & Committed Liquidity	$780M
Long-term Debt(3)	$2,691M

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1. Please refer to historical filings, including our Form 10-K and Form 10-Q regarding the Company's long-term debt and Adjusted EBITDA.
2. Total revolver commitment is $450M
3. Includes $283M current portion of long-term debt and excludes related premium and debt issuance costs

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Total Long-Term Debt

- Favorable credit ratings and investment grade-like Senior Note covenants provide flexibility
- Credit Ratings[1]: S&P (BB+, stable), and Moody's (Ba1, stable)
- Next major principal debt repayment in 2021

Debt	Principal	Interest Rate
Senior Notes 2026	$850M	5.875%
Senior Notes 2023	$800M	5.625%
Term Loan B[2]	$766M	LIBOR + 2%
Revolver[3]	$275M	LIBOR + fixed margin
Total Debt[4]	$2,691M	

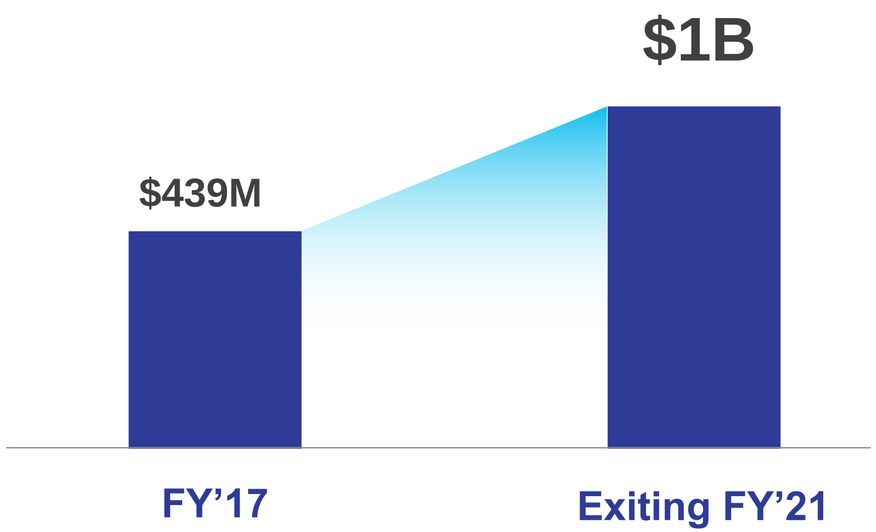
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1. S&P Credit rating as of October 2, 2017, and Moody's credit rating as of January 8, 2018
2. Includes $8M current portion of the long-term debt
3. Total revolver commitment is $450M
4. Includes $283M current portion of long-term debt and excludes related premium and debt issuance costs

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Long Term Model[1]

OCF



Operating Cash Flow
$1 Billion

OpenText Business System Gets Us There

Total Growth:

- Acquisitions
- Organic Growth
- Partner Distribution

Efficiency:

- Deploying AI
- Digital Automation

AOM[2] Expansion:

- 36% to 40% by FY'21

1. Aspirational model, results could vary based on timing and onboarding of acquisitions. This model is not guidance.
2. Please see reconciliation of GAAP to Non-GAAP measures at the end of this presentation and in our historical filings on Form 10Q and 10K

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Appendix

Recent Acquisitions

HIGHTAIL

- Acquired by OpenText on February 14, 2018 for approximately $21M
- Hightail is a leading cloud service provider for file sharing and creative collaboration
- Complements and extends the OpenText EIM portfolio, particularly its cloud offerings, providing users with the ability to share files and collaborate on rich media content
- Hightail did not contribute significant revenue to OpenText's results for the fiscal third quarter ending March 31, 2018

GUIDANCE SOFTWARE

- Acquired by OpenText on September 14, 2017 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
- Expect PPA impact combined with normal integration-based revenue disruptions of up to $30 million
- Expected to be on the OpenText AOM model within the first twelve months after closing

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Recent Acquisitions

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
- On OpenText cloud gross margin model immediately but not accretive until the second half of FY2018
- Expected to be on the OpenText AOM model within the first twelve months after closing

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
- Now on the OpenText AOM model

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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)	($544)	($359)	($865)	($212)	($27,285)
Cloud Services & Subscriptions	($1,594)	($1,782)	($1,310)	($1,092)	($721)	($718)	($1,880)	($287)	($9,384)
Professional Services & Other	($121)	($89)	($48)	-	($34)	-	-	($92)	($384)
Subtotal - Recurring	($9,133)	($9,992)	($7,096)	($5,120)	($1,299)	($1,077)	($2,745)	($591)	($37,053)
License	($2,248)	($2,682)	($2,399)	($2,022)	($1,198)	($896)	($2,378)	($1,290)	($15,113)
Total	**($11,381)**	**($12,674)**	**($9,495)**	**($7,142)**	**($2,496)**	**($1,973)**	**($5,123)**	**($1,881)**	**($52,166)**

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The Information Company™

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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 GAAP-based 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 GAAP-based 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)	Q3 FY18	Q3 FY17	$ Change	% Change	Q3 FY18 in CC*	% Change in CC*
Revenues:						
Cloud services and subscriptions	$209.1	$177.1	$32.0	18.1 %	$204.0	15.2 %
Customer support	312.3	263.4	48.8	18.5 %	297.9	13.1 %
Total annual recurring revenues**	**$521.4**	**$440.5**	**$80.8**	**18.3 %**	**$501.8**	**13.9 %**
License	84.1	87.2	(3.1)	(3.6) %	80.0	(8.3) %
Professional service and other	80.4	65.4	15.0	23.0 %	75.3	15.3 %
Total revenues	**$685.9**	**$593.1**	**$92.7**	**15.6 %**	**$657.1**	**10.8 %**
GAAP-based operating income	$102.3	$65.3	$37.1	56.8 %		
Non-GAAP-based operating income (1)	$204.1	$172.6	$31.5	18.2 %	$193.4	12.1 %
GAAP-based operating margin	14.9 %	11.0 %	n/a	390 bps		
Non-GAAP-based operating margin(1)	29.8 %	29.1 %	n/a	70 bps	29.4 %	30 bps
GAAP-based EPS, diluted	$0.22	$0.08	$0.14	175.0 %		
Non-GAAP-based EPS, diluted(1)(2)	$0.54	$0.45	$0.09	20.0 %	$0.51	13.3 %
GAAP-based net income, attributable to OpenText	$58.8	$21.6	$37.2	172.0 %		
Adjusted EBITDA(1)	$227.2	$189.1	$38.1	20.2 %		
Operating cash flows	$270.7	$156.3	$114.4	73.2 %		

(1) See reconciliation of GAAP-based measures to Non-GAAP-based measures at the end of this presentation
(2) Please also see note 14 to the Company's Condensed Consolidated Financial Statements on Form 10-Q. 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.
Note: Individual line items in table may be adjusted by non-material amounts to enable totals to align to published financial statements.
*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.
** Annual recurring revenue is defined as the sum of Cloud services and subscriptions revenue and Customer support revenue.

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Summary of Year to Date Results with Constant Currency

(in millions except per share data)	FY18 YTD	FY17 YTD	$ Change	% Change	FY18 YTD in CC*	% Change in CC*
Revenues:						
Cloud services and subscriptions	$611.1	$521.9	$89.2	17.1 %	$606.1	16.1 %
Customer support	915.8	693.3	222.5	32.1 %	891.3	28.6 %
Total annual recurring revenues**	**$1,526.8**	**$1,215.2**	**$311.7**	**25.6 %**	**$1,497.4**	**23.2 %**
License	297.6	245.6	51.9	21.1 %	287.8	17.1 %
Professional service and other	236.6	166.7	69.9	41.9 %	227.7	36.6 %
Total revenues	**$2,061.0**	**$1,627.5**	**$433.5**	**26.6 %**	**$2,012.9**	**23.7 %**
GAAP-based operating income	$356.1	$246.5	$109.6	44.5 %		
Non-GAAP-based operating income (1)	$673.1	$508.5	$164.6	32.4 %	$654.3	28.7 %
GAAP-based operating margin	17.3 %	15.1 %	n/a	220 bps		
Non-GAAP-based operating margin(1)	32.7 %	31.2 %	n/a	150 bps	32.5 %	130 bps
GAAP-based EPS, diluted(2)	$0.68	$3.88	($3.20)	(82.5) %		
Non-GAAP-based EPS, diluted(1)(3)	$1.84	$1.42	$0.42	29.6 %	$1.78	25.4 %
GAAP-based net income, attributable to OpenText(2)	$180.5	$979.5	($799.0)	(81.6) %		
Adjusted EBITDA(1)	$737.3	$555.5	$181.7	32.7 %		
Operating cash flows	$504.4	$336.8	$167.7	49.8 %		

(1) See reconciliation of GAAP-based measures to Non-GAAP-based measures at the end of this presentation
(2) 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.
(3) Please also see note 14 to the Company's Condensed Consolidated Financial Statements on Form 10-Q. 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.
Note: Individual line items in table may be adjusted by non-material amounts to enable totals to align to published financial statements.
*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.
** Annual recurring revenue is defined as the sum of Cloud services and subscriptions revenue and Customer support revenue.

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Reconciliation of Selected Non-GAAP Measures | Q3 F18

(in '000s USD)	Three Months Ended March 31, 2018					
	GAAP	GAAP % of Total Revenue	Adjustments	FN	Non- GAAP	Non-GAAP % of Total Revenue
COST OF REVENUES						
Cloud services and subscriptions	$ 94,264		$ (135)	(1)	$ 94,129	
Customer support	33,820		(277)	(1)	33,543	
Professional service and other	64,246		(122)	(1)	64,124	
Amortization of acquired technology-based intangible assets	47,303		(47,303)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	443,148	64.6%	47,837	(3)	490,985	71.6%
Operating expenses						
Research and development	83,522		(993)	(1)	82,529	
Sales and marketing	129,987		(1,496)	(1)	128,491	
General and administrative	54,817		(2,057)	(1)	52,760	
Amortization of acquired customer-based intangible assets	46,762		(46,762)	(2)	—	
Special charges (recoveries)	2,644		(2,644)	(4)	—	
GAAP-based income from operations and operating margin (%) / Non-GAAP-based income from operations and operating margin (%)	102,323	14.9%	101,789	(5)	204,112	29.8%
Other income (expense), net	11,140		(11,140)	(6)	—	
Provision for (recovery of) income taxes	20,129		3,612	(7)	23,741	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	58,794		87,037	(8)	145,831	
GAAP-based earnings per share / Non GAAP-based earnings per share-diluted, attributable to OpenText	$ 0.22		$ 0.32	(8)	$ 0.54	

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Reconciliation of Selected Non-GAAP Measures | Q3 F18

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 26% and a Non-GAAP-based tax rate of approximately 14%; 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 14%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense. We also took into consideration changes in US tax reform legislation that was enacted on December 22, 2017 through the Tax Cuts and Jobs Act.
8	Reconciliation of GAAP-based net income to Non-GAAP-based net income:

	Three Months Ended March 31, 2018	
		Per share diluted
GAAP-based net income, attributable to OpenText	$ 58,794	$ 0.22
Add:		
Amortization	94,065	0.35
Share-based compensation	5,080	0.02
Special charges (recoveries)	2,644	0.01
Other (income) expense, net	(11,140)	(0.04)
GAAP-based provision for (recovery of) income taxes	20,129	0.07
Non-GAAP based provision for income taxes	(23,741)	(0.09)
Non-GAAP-based net income, attributable to OpenText	$ 145,831	$ 0.54

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Reconciliation of Selected Non-GAAP Measures | Fiscal 2018 YTD

(in '000s USD)	Nine Months Ended March 31, 2018					
	GAAP	GAAP % of Total Revenue	Adjustments	FN	Non- GAAP	Non-GAAP % of Total Revenue
COST OF REVENUES						
Cloud services and subscriptions	$ 269,012		$ (1,119)	(1)	$ 267,893	
Customer support	99,805		(933)	(1)	98,872	
Professional service and other	188,690		(1,322)	(1)	187,368	
Amortization of acquired technology-based intangible assets	138,391		(138,391)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	1,354,428	65.7%	141,765	(3)	1,496,193	72.6%
Operating expenses						
Research and development	241,455		(4,206)	(1)	237,249	
Sales and marketing	381,951		(6,679)	(1)	375,272	
General and administrative	152,717		(6,214)	(1)	146,503	
Amortization of acquired customer-based intangible assets	136,819		(136,819)	(2)	—	
Special charges (recoveries)	21,390		(21,390)	(4)	—	
GAAP-based income from operations and operating margin (%) / Non-GAAP-based income from operations and operating margin (%)	356,054	17.3%	317,073	(5)	673,127	32.7%
Other income (expense), net	26,911		(26,911)	(6)	—	
Provision for (recovery of) income taxes	100,644		(20,674)	(7)	79,970	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	180,501		310,836	(8)	491,337	
GAAP-based earnings per share / Non GAAP-based earnings per share-diluted, attributable to OpenText	$ 0.68		$ 1.16	(8)	$ 1.84	

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Reconciliation of Selected Non-GAAP Measures | Fiscal 2018 YTD

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 36% and a Non-GAAP-based tax rate of approximately 14%; 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 14%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense. We also took into consideration changes in US tax reform legislation that was enacted on December 22, 2017 through the Tax Cuts and Jobs Act.
8	Reconciliation of GAAP-based net income to Non-GAAP-based net income:

	Nine Months Ended March 31, 2018	
		Per share diluted
GAAP-based net income, attributable to OpenText	$ 180,501	$ 0.68
Add:		
Amortization	275,210	1.03
Share-based compensation	20,473	0.08
Special charges (recoveries)	21,390	0.08
Other (income) expense, net	(26,911)	(0.10)
GAAP-based provision for (recovery of) income taxes	100,644	0.37
Non-GAAP based provision for income taxes	(79,970)	(0.30)
Non-GAAP-based net income, attributable to OpenText	$ 491,337	$ 1.84

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Reconciliation of Selected Non-GAAP Measures | Q3 F17

(in '000s USD)	Three Months Ended March 31, 2017					
	GAAP	GAAP % of Total Revenue	Adjustments	FN	Non- GAAP	Non-GAAP % of Total Revenue
COST OF REVENUES						
Cloud services and subscriptions	$ 77,225		$ (268)	(1)	$ 76,957	
Customer support	34,442		(261)	(1)	34,181	
Professional service and other	55,529		(89)	(1)	55,440	
Amortization of acquired technology-based intangible assets	39,285		(39,285)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	382,641	64.5%	39,903	(3)	422,544	71.2%
Operating expenses						
Research and development	77,086		(1,634)	(1)	75,452	
Sales and marketing	117,498		(2,081)	(1)	115,417	
General and administrative	44,828		(2,328)	(1)	42,500	
Amortization of acquired customer-based intangible assets	40,825		(40,825)	(2)	—	
Special charges (recoveries)	20,586		(20,586)	(4)	—	
GAAP-based income from operations and operating margin (%) / Non-GAAP-based income from operations and operating margin (%)	65,261	11.0%	107,357	(5)	172,618	29.1%
Other income (expense), net	1,424		(1,424)	(6)	—	
Provision for (recovery of) income taxes	13,239		7,798	(7)	21,037	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	21,616		98,135	(8)	119,751	
GAAP-based earnings per share / Non GAAP-based earnings per share-diluted, attributable to OpenText	$ 0.08		$ 0.37	(8)	$ 0.45	

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Reconciliation of Selected Non-GAAP Measures | Q3 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 38% 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 March 31, 2017	
		Per share diluted
GAAP-based net income, attributable to OpenText	$ 21,616	$ 0.08
Add:		
Amortization	80,110	0.30
Share-based compensation	6,661	0.03
Special charges (recoveries)	20,586	0.08
Other (income) expense, net	(1,424)	(0.01)
GAAP-based provision for (recovery of) income taxes	13,239	0.05
Non-GAAP based provision for income taxes	(21,037)	(0.08)
Non-GAAP-based net income, attributable to OpenText	$ 119,751	$ 0.45

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Reconciliation of Selected Non-GAAP Measures | Fiscal 2017 YTD

(in '000s USD)	Nine Months Ended March 31, 2017					
	GAAP	GAAP % of Total Revenue	Adjustments	FN	Non- GAAP	Non-GAAP % of Total Revenue
COST OF REVENUES						
Cloud services and subscriptions	$ 220,667		$ (839)	(1)	$ 219,828	
Customer support	87,529		(766)	(1)	86,763	
Professional service and other	137,167		(1,002)	(1)	136,165	
Amortization of acquired technology-based intangible assets	87,268		(87,268)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	1,084,628	66.6%	89,875	(3)	1,174,503	72.2%
Operating expenses						
Research and development	200,379		(5,372)	(1)	195,007	
Sales and marketing	315,297		(7,230)	(1)	308,067	
General and administrative	122,939		(7,164)	(1)	115,775	
Amortization of acquired customer-based intangible assets	108,248		(108,248)	(2)	—	
Special charges (recoveries)	44,157		(44,157)	(4)	—	
GAAP-based income from operations and operating margin (%) / Non-GAAP-based income from operations and operating margin (%)	246,480	15.1%	262,046	(5)	508,526	31.2%
Other income (expense), net	4,565		(4,565)	(6)	—	
Provision for (recovery of) income taxes	(815,364)		878,495	(7)	63,131	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	979,522		(621,014)	(8)	358,508	
GAAP-based earnings per share / Non GAAP-based earnings per share-diluted, attributable to OpenText	$ 3.88		$ (2.46)	(8)	$ 1.42	

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Reconciliation of Selected Non-GAAP Measures | Fiscal 2017 YTD

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 496% 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:

	Nine Months Ended March 31, 2017	
		Per share diluted
GAAP-based net income, attributable to OpenText	$ 979,522	$ 3.88
Add:		
Amortization	195,516	0.77
Share-based compensation	22,373	0.09
Special charges (recoveries)	44,157	0.17
Other (income) expense, net	(4,565)	(0.02)
GAAP-based provision for (recovery of) income taxes	(815,364)	(3.23)
Non-GAAP based provision for income taxes	(63,131)	(0.24)
Non-GAAP-based net income, attributable to OpenText	$ 358,508	$ 1.42

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Reconciliation of Adjusted EBITDA

(in '000s USD)	FY18 YTD	Q3 FY18	FY17 YTD	Q3 FY17
GAAP-based Net income attributable to OpenText	$ 180,501	$ 58,794	$ 979,522	$ 21,616
Add:				
Provision for (recovery of) income taxes	100,644	20,129	(815,364)	13,239
Interest and other related expense, net	101,914	34,534	86,752	31,734
Amortization of acquired technology-based intangible assets	138,391	47,303	87,268	39,285
Amortization of acquired customer-based intangible assets	136,819	46,762	108,248	40,825
Depreciation	64,042	23,093	47,128	16,557
Share-based compensation	20,473	5,080	22,373	6,661
Special charges (recoveries)	21,390	2,644	44,157	20,586
Other (income) expense, net	(26,911)	(11,140)	(4,565)	(1,424)
Adjusted EBITDA	$ 737,263	$ 227,199	$ 555,519	$ 189,079

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