

OPENTEXT

July 31, 2002

Open Text Posts Record Revenue and Profits for Fourth Quarter 2002

License Revenue Grows 28% From Prior Quarter to \$20 Million

Waterloo, ON - 2002-07-31 - Open Text Corporation (Nasdaq:OTEX)(TSX:OTC.), provider of Livelink®, the leading collaboration and knowledge management software for the global enterprise, today announced financial results for its fourth quarter and year ending June 30, 2002.(1)

Financial Highlights

Open Text reported record adjusted net income(2) for the fourth quarter of \$7.3 million. This result does not include any gains from the Accelio transaction. Adjusted earnings per share (EPS) of \$0.35 (diluted) is up 30% from the fourth quarter a year ago. Adjusted net income for the year was \$21.6M, or \$1.02 per share. Cash flow from operations for the quarter was \$8.5 million, for a record total of \$28.5 million during the fiscal year. GAAP net income for the quarter was \$7.3 million and for the year was \$16.7 million.

Total revenue for the quarter of \$41.2 million represents the largest total revenue recorded in the Company's history. This amount represents an increase of 12% from the previous quarter. This increase was driven by strong license and networking revenue of \$19.9 million, which increased 28% from the previous quarter. Total revenue for the year of \$152.5 million also represents record annual revenue for the Company, an increase of \$4.8 million over last year.

"With another quarter of strong earnings and license revenue growth, we continue to operate the Company with a focus on profitability and cash flow," said Tom Jenkins, CEO of Open Text. "The Livelink product family continues to demonstrate a rapid return on investment for our global 2000 customers particularly in this difficult economic climate. Livelink has earned its leadership position in collaboration and knowledge management by successfully improving organizational productivity and profitability."

Revenue results for the quarter were broadly based globally. For the quarter, 59% of the Company's revenue originated from North America, 39% from Europe & the Middle East, and the remaining 2% from Asia.

Accounts receivable as of June 30, 2002 was \$33.1 million, resulting in days sales outstanding (DSO) of 72 days. As of June 30, 2002, cash was \$109.9 million or \$5.53 per share. Working capital is \$103.9 million with no debt. Deferred revenue was \$23.9 million, up \$1 million from the previous quarter.

Also during the quarter, as part of its share repurchase program, the Company repurchased a total of 271,500 common shares, representing a total cost of \$5.5 million. The Company plans to continue this program.

The Company remains comfortable with First Call consensus earnings estimates of \$1.18 for FY03.

New Accounts and Large Deals drive License Revenue

During the fourth quarter, new account revenue grew by 87% from the previous quarter and half of all license revenue was generated from new accounts. There were 6 multi-million dollar transactions in the quarter which is the highest in Company history. New name accounts buying in the quarter included: EnCana, European Investment Bank, Pacific Life Insurance, BUPA (British United Provident Association), Giant Eagle and T-Systems, a subsidiary of Deutsche Telekom AG. Open Text's largest customers also drove the financial results by continued enterprise-wide adoptions. Repeat customers buying in the quarter included: Unilever, Hewlett-Packard, Vodafone, British Telecom, ALSTOM, Wells Fargo, and Northrop Grumman.

Fiscal Year in Review

1. Six Million Seat Milestone Achieved

The number of Livelink product family seats reached six million during the fiscal year. This milestone was driven by a record number of new customers and increased adoption from existing accounts.

2. Livelink: Leader in Team Collaboration Support

Open Text has been placed in the leadership category in several recent reports on collaboration and knowledge management. In May 2002, a Gartner report on Team collaboration places Open Text as a leader in technology vision as well as ability to

execute.

Throughout fiscal 2002, Livelink was featured as a leader in the following recently published industry analyst reports:

- Giga's IdeaByte of June 14, 2002 entitled Comparing Team Collaboration Vendors on Their Collaboration Functionality by Director Erica Rugullies.
- IDC's Case Study Interview of June 11, 2002 entitled Siemens Gains Efficiency with Livelink and SAP R/3 Integration by Analysts Andrew Adelson and William Joyce.
- Gartner's Research Note of May 23, 2002 entitled Magic Quadrant: Team Collaboration Support by Research Directors Simon Hayward and James Jacobs.
- Doculabs' White Paper of May 17, 2002 entitled The Open Text Livelink Records Management Platform by Principal Analyst Richard Medina.
- Gartner's Research Note of May 8, 2002 entitled The First Wave of Smart Enterprise Suites by Research Directors K. Shegda, M. Gilbert, D. Logan, Simon Hayward, L. Latham, and French Caldwell.

3. Innovations Drive New Collaboration and Knowledge Management Solutions

In fiscal 2002, Open Text continued to expand its product offerings with the launch of more new products than in any other period in the Company's history.

Livelink Vertical Applications

During the year, applications were developed for major vertical applications. These applications included Pharmaceutical, Government, and Financial Services.

Livelink 9.1

In March 2002, the Company began to ship Livelink 9.1. The new version offers enhancements that make the search and information retrieval capability world class, as well as additions such as XML import and export, workflow, tasks, profiles and polling. These features improve collaborative business relationships and further extend an organization's end-to-end knowledge management strategy. Livelink 9.1 is being widely adopted by the Open Text install base.

Livelink MeetingZone

In November 2001, the Company began to ship Livelink MeetingZone 1.0 and in April, 2002 with MeetingZone 1.1. Open Text continues to see increased adoption rates for Livelink MeetingZone both from within the existing Livelink customer base and from new customer accounts. Livelink MeetingZone integrates real-time collaboration with other Livelink functions, such as document management, records management and automated workflow tools. The product provides real time high quality interactions on an existing Web browser through the use of whiteboards, sharing of spreadsheets, live editing and authoring of documents within a group.

Livelink Records Management

With the increased emphasis by corporations on the management of their records and the orderly recall and disposal of these records, demand for Livelink RM has increased. The latest Livelink RM module was released in the November 2001 and has extended the ease of use and functionality of this product to suit the current demands of Open Text customers.

Livelink eSign

Livelink eSign was introduced in the fall of 2001 at LiveLinkUp in Las Vegas. Livelink eSign provides a regulatory method by which documents and processes can be approved online, thereby avoiding the costly need of paper approvals. Livelink eSign has been widely accepted in the Open Text install base.

Other new product offerings launched during this fiscal year include:

- Livelink Archive for SAP R/3
- Livelink Certification
- Livelink for Learning Management
- Livelink virtualteams

- Livelink for Program Management
- Livelink Unite

4. User Events

During the year, Open Text hosted a series of high profile user events throughout the world. These events included LiveLinkUp North America 2001, held from November 5th to 9th, 2001 in Las Vegas. With over 1,000 in attendance, Open Text customers highlighted successes in improving organizational productivity and profitability through the use of Livelink.

The Company hosted LiveLinkUp Europe 2002, its first annual European user conference, in Paris from April 14th to 17th. With over 700 users in attendance, European deployments of Livelink were featured.

The Company has announced the next LiveLinkUp North America will be held November 4-8, 2002 at Navy Pier in Chicago. There will be an Analyst Day conducted on November 7, 2002. More information can be found at the corporate [Web site](#).

5. Upcoming Investor Conferences

Open Text announced it plans to participate in the following financial conferences hosted by the respective brokerage firm. Note that event dates and times are subject to change. To confirm a date or learn about Web cast availability, visit the Company's Web site closer to event date at www.opentext.com/investor.

August 6 CIBC WorldMarkets Enterprise & e-business Software Conference, New York City
Time: 2:00 pm

September 5 BMO Nesbitt Burns 2002 Financial Technology Roundtable, Toronto
Time: 8am ET

October 29 RBC Capital Markets Software Conference, San Francisco
Time: TBD

November 4 AEA Conference, San Diego
Time: 9 am PT

November 7 Analyst Day at Live LinkUp 2002, Chicago
Time: 9 am CT

Open Text invites the public to listen in on the Company's teleconference call discussing financial results for the fourth quarter of fiscal 2002 at 5:30 p.m. ET/2:30 p.m. PT on Wednesday, July 31st.

When: Wednesday, July 31st, 2002 - 5:30 p.m. ET / 2:30 p.m. PT

Where: 416-640-4127

Please dial the above number approximately 10 minutes before the teleconference is scheduled to begin. The operator will take your name and connect your line with the meeting. For more information and playback instructions:

www.opentext.com/investor/investor_events/Q4-2002_Earnings_Call.html

(1) Reported under U.S. Generally Accepted Accounting Principles (GAAP). All amounts are in US Dollars.

(2) Adjusted net income is calculated as net income, excluding the amortization of acquired intangible assets, other income (expense), gain (loss) on investments and income tax on equity gain. Adjusted net income does not have a standardized meaning prescribed by GAAP, and therefore it is unlikely to be comparable to similar measures presented by other companies. Adjusted net income is presented in an effort to measure Open Text's profitability from recurring operations. The items excluded from the computation of adjusted net income, which are otherwise included in the determination of net income prepared in accordance with GAAP, are items that Open Text considers capable of potentially hindering a comparison of its period-to-period profitability.

About Livelink

Livelink is the leader in collaboration and knowledge management for the global enterprise. Its richly-featured enterprise services include virtual team collaboration, business process automation, enterprise group scheduling and information retrieval services, all tightly integrated into a solution that is easily customized and extended. Livelink is essential to the effective management and development of communities of interest that span organizations and industries. For everything from the

creation of complex e-community relationships to the automation of simple e-business processes, Livelink delivers true dynamic collaboration between individuals, organizations and large trading communities. Livelink servers are fully Web-based and open-architected to ensure rapid deployment and easy access to its full functionality through a standard Web browser. For more information, visit www.opentext.com/livelink/.

About Open Text

Since 1991, Open Text Corporation has delivered innovative software that brings people together to share knowledge, achieve excellence, deliver innovation, and enhance processes. Its legacy of innovation began with the successful deployment of the world's first search engine technology for the Internet. Today, as the leading global supplier of collaboration and knowledge management software for the enterprise, Open Text supports 6 million seats across 4,500 corporations in 31 countries and 12 languages throughout the world. As a publicly traded company, Open Text manages and maximizes its resources and relationships to ensure the success of great minds working together. For more information, visit www.opentext.com.

Trademark

Copyright© 2002 by Open Text Corporation. LIVELINK, LIVELINK MEETINGZONE, and OPEN TEXT are trademarks or registered trademarks of Open Text Corporation in the United States of America, Canada, the European Union and/or other countries. This list of trademarks is not exhaustive. Other trademarks, registered trademarks, product names, company names, brands and service names mentioned herein are property of Open Text Corporation or other respective owners.

Release Disclaimer

This news release may contain forward-looking statements relating to the deployment of Livelink and Livelink MeetingZone by customers, and future performance of Open Text Corporation. Forward-looking statements are subject to certain risks and uncertainties, and actual results may differ materially. These risks and uncertainties include, among others, risks involved in the completion and integration of acquisitions, the possibility of technical, logistical or planning issues in connection with deployments, the continuous commitment of the Company's customers and other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission (SEC), including the final prospectus for the Company's initial public offering of common stock in January 1996, Form 10-K for the years ended June 30, 1996, June 30, 1997, June 30, 1998, June 30, 1999, June 30, 2000, and June 30, 2001, and Form 10-Q for the quarters ended September 30, 2001, December 31, 2001 and March 31, 2002. Forward-looking statements are based on management's beliefs and opinions at the time the statements are made, and the Company does not undertake any obligations to update forward-looking statements should circumstances or management's beliefs or opinions change.

For more information, please contact

Alan Hoverd
Chief Financial Officer
Open Text Corporation
+1-519-888-7111 ext. 2480
ahoverd@opentext.com

Greg Secord
Open Text Corporation
+1-519-888-7111 ext.2408
gsecord@opentext.com