

# OPENTEXT

April 24, 2013

## Open Text Reports Third Quarter Fiscal Year 2013 Financial Results and Announces Quarterly Dividend Program

Waterloo, ON - 2013-04-24 - - Open Text™ Corporation (NASDAQ:OTEX) (TSX: OTC), announced today its financial results for the third quarter ended March 31, 2013.

### Financial Highlights for Q3 FY13 (1)

- Total revenue for the period was \$337.7 million, up 16% Y/Y
- License revenue was \$69.0 million, up 13% Y/Y
- Cloud services revenue was \$44.4 million
- Non-GAAP-based EPS, diluted was \$1.26 compared to \$1.01 Y/Y, up 25% Y/Y; GAAP-based EPS, diluted was \$0.44 compared to \$0.59 Y/Y (2)
- Non-GAAP-based income from operations was \$90.4 million and 27% of revenues; GAAP-based income from operations was \$40.9 million and 12% of revenues (2)
- Operating cash flow was \$116.8 million compared to \$96.6 million Y/Y, up 21% Y/Y, with an ending cash balance of \$446.9 million.

"We are committed to delivering value to our stockholders through technology innovation, strategic acquisitions and now through a dividend," said OpenText CEO Mark J. Barrenechea. "We generated \$333.1 million in operating cash flow over the last twelve months and we are running our business at record operating margins. We have always been committed to rewarding our stockholders' investments in OpenText and the Board has decided that it is the right time to declare a dividend for our stockholders."

### Business Highlights

- Services, technology and consumer goods industries saw the most demand
- 8 license transactions over \$1 million and 13 license transactions between \$500K and \$1 million
- Customer successes in the third quarter include Enbridge, The Planning Inspectorate, Freescale, RS Components, Toray, Hydro Quebec, YPTO, CGI, SSE plc, Volvo and Hoffman-La Roche
- OpenText announces 7 new products: OpenText InfoFusion 1.0, StreamServe 5.6, OpenText SecureiX, Employee File Management (EFM) software for use with SAP® solutions, OpenText Smart Process Applications, OpenText Archive, OpenText Media Management 7.2
- OpenText acquires Resonate Knowledge Technologies
- OpenText appoints Kevin Cochrane as Chief Marketing Officer
- Gartner recognizes OpenText in Business Process Management suites report
- Independent research firm highlights OpenText's BPM capabilities
- OpenText honored as 2013 SAP® Pinnacle Award recipient

### Dividend Program Highlights

The Company also announced today that it has adopted a policy to declare non-cumulative quarterly dividends to holders of its common shares. The Board of Directors has declared an initial dividend of \$0.30 per share, payable on June 21, 2013, to shareholders of the Company of record on May 31, 2013.

The dividends to be paid on June 21, 2013 are designated as eligible dividends for the purpose of section 89 of the Income Tax Act (Canada).

<b>Summary of Quarterly Results</b>							
	Q3 FY13	Q2 FY13	Q3 FY12	% Change (Q/Q)	% Change (Y/Y)		
Revenue (million)	\$337.7	\$352.2	\$292.3	(4.1)%	15.5%		
GAAP-based gross margin	64.2%	65.2%	63.6%	(100) bps	60	bps	
GAAP-based operating income margin	12.1%	19.1%	9.3%	(700) bps	280	bps	
GAAP-based EPS, diluted	\$0.44	\$1.04	\$0.59	(57.7)%	(25.4)%		
Non-GAAP-based gross margin <sup>(2)</sup>	71.2%	71.8%	71.0%	(60) bps	20	bps	
Non-GAAP-based operating margin <sup>(2)</sup>	26.8%	32.1%	25.2%	(530) bps	160	bps	
Non-GAAP-based EPS, diluted <sup>(2)</sup>	\$1.26	\$1.58	\$1.01	(20.3)%	24.8%		

<b>Summary of Year to Date Results</b>				
	Q3 FY13	Q2 FY13	Q3 FY12	% Change (Y/Y) (bps)
Revenue (million)	\$1,016.1	\$678.4	\$901.8	12.7%
GAAP-based gross margin	64.2%	64.1%	65.2%	(100) bps
GAAP-based operating income margin	14.6%	15.8%	12.2%	240 bps
GAAP-based EPS, diluted	\$1.80	\$1.37	\$2.00	(10.0)%
Non-GAAP-based gross margin <sup>(2)</sup>	71.2%	71.1%	72.3%	(110) bps
Non-GAAP-based operating margin <sup>(2)</sup>	29.2%	30.5%	27.2%	200 bps
Non-GAAP-based EPS, diluted <sup>(2)</sup>	\$4.14	\$2.89	\$3.43	20.7%

## Conference Call Information

The public is invited to listen to the earnings conference call at 5:00 p.m. ET (2:00 p.m. PT) by dialing 800-814-4859 (toll-free) or 416-644-3414 (international). Please dial-in 15 minutes ahead of time to ensure proper connection. Alternatively, a live webcast of the earnings conference call will be available on the Investor Relations section of the Company's website at [http://www.opentext.com/2/global/ex\\_event.html?evtype=events&id=701D000000VqoUIAS](http://www.opentext.com/2/global/ex_event.html?evtype=events&id=701D000000VqoUIAS).

An audio replay of the conference call will also be made available approximately two hours after the conclusion of the call. The audio replay will remain available until 11:59 p.m. on May 8, 2013 and can be accessed by dialing 877-289-8525 (toll-free) or 416-640-1917 (international) and entering the confirmation code: 4610979 followed by the number sign.

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

## About OpenText

OpenText is the largest independent software provider of Enterprise Information Management (EIM). For more information please visit [www.opentext.com](http://www.opentext.com).

## Cautionary Statement Regarding Forward-Looking Statements

Certain statements in this press release, including statements about the financial conditions, and results of operations and earnings for Open Text Corporation ("OpenText" or "the Company"), and declaration of quarterly dividends, may contain words such as "could", "expects", "may", "should", "will", "anticipates", "believes", "intends", "estimates", "targets", "plans", "envisions", "seeks" and other similar language and are considered forward-looking statements or information under applicable securities laws. These statements are based on the Company's current expectations, estimates, forecasts and projections about the operating environment, economies and markets in which the Company operates. These statements are subject to important assumptions, risks and uncertainties that are difficult to predict, and the actual outcome may be materially different. The Company's assumptions, although considered reasonable by the Company at the date of this press release, may prove to be inaccurate and consequently the Company's actual results could differ materially from the expectations set out herein.

Actual results or events could differ materially from those contemplated in forward-looking statements as a result of the following: (i) the future performance, financial and otherwise, of OpenText; (ii) the ability of OpenText to bring new products to market and to increase sales; (iii) the strength of the Company's product development pipeline; (iv) the Company's growth and profitability prospects; (v) the estimated size and growth prospects of the EIM 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 to be realized by customers; (viii) the demand for the Company's product and the extent of deployment of the company's products in the EIM marketplace; and (ix) the Company's financial condition and capital requirements. Forward-looking statements may also include, without limitation, any statement relating to future events, conditions or circumstances. The risks and uncertainties that may affect forward-looking statements include, but are not limited to: (i) integration of acquisitions and related restructuring efforts, including the quantum of restructuring charges and the timing thereof; (ii) the possibility that the Company may be unable to meet its future reporting requirements under the Securities Exchange Act of 1934, as amended, and the rules promulgated there under; (iii) the risks associated with bringing new products to market; (iv) fluctuations in currency exchange rates; (v) delays in the purchasing decisions of the Company's customers; (vi) the competition the Company faces in its industry and/or marketplace; (vii) the possibility of technical, logistical or planning issues in connection with the deployment of the Company's products or services; (viii) the continuous commitment of the Company's customers; and (ix) demand for the Company's products.

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 SEC and other securities regulators. Unless otherwise required by applicable securities laws, the Company disclaims any intention or obligations to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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**Notes**

(1) All dollar amounts in this press release are in U.S. Dollars unless otherwise indicated.

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

The following charts provide (unaudited) reconciliations of US GAAP based financial measures to non-US GAAP based financial measures for the following periods presented:

**Reconciliation of selected GAAP-based measures to Non-GAAP based measures for the three months ended March 31, 2013.**

*(\$ in thousands except for per share amounts)*

	Three Months Ended March 31, 2013			
	GAAP-based Measures	Adjustments	Note	Non-GAAP-based Measures
<b>Cost of revenues</b>				
Cloud services	18,891	(50)	(1)	18,841
Customer Support	27,497	(130)	(1)	27,367
Professional Service and Other	48,252	(295)	(1)	47,957
Amortization of acquired technology-based intangible assets	23,058	(23,058)	(2)	—
<b>GAAP-based gross profit/ Non-GAAP-based gross profit</b>	<b>216,918</b>	<b>23,533</b>		<b>240,451</b>
<b>Operating Expenses</b>				
Research and development	43,003	(498)	(1)	42,505
Sales and marketing	77,327	(2,634)	(1)	74,693
General and administrative	27,061	(270)	(1)	26,791
Amortization of acquired customer-based intangible assets	17,149	(17,149)	(2)	—
Special charges	5,444	(5,444)	(3)	—
<b>GAAP-based income from operations / Non-GAAP-based income from operations</b>	<b>40,870</b>	<b>49,528</b>		<b>90,398</b>
Other income (expense), net	237	(237)	(4)	—
Provision for income taxes	11,187	893	(5)	12,080
<b>GAAP-based net income / Non-GAAP-based net income</b>	<b>25,811</b>	<b>48,398</b>	<b>(6)</b>	<b>74,209</b>
<b>GAAP-based earnings per share / Non-GAAP-based earnings per share-diluted</b>	<b>\$ 0.44</b>	<b>\$ 0.82</b>	<b>(6)</b>	<b>\$ 1.26</b>

- (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) Adjustment relates to the exclusion of Special charges from our non-GAAP-based operating expenses as Special charges are generally incurred in the aftermath of acquisitions and are not indicative or related to continuing operations and are hence excluded from our internal analysis of operating results.
- (4) 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 are generally not indicative or related to continuing operations and are hence excluded from our internal analysis of operating results.
- (5) Adjustment relates to differences between the GAAP-based tax provision of approximately 30% and a non-GAAP-based tax rate of 14%; these rate differences are due to the income tax effects of expenses that are excluded for the purpose of

tax rate of 17%, 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.

- (6) Reconciliation of non-GAAP-based adjusted net income to GAAP-based net income:

	Three Months Ended March 31, 2013		Per share
	\$	\$	
Non-GAAP-based net income	74,209	\$	1.26
<b>Less:</b>			
Amortization	40,207		0.68
Share-based compensation	3,877		0.07
Special charges	5,444		0.09
Other (income) expense, net	(237)		—
GAAP-based provision for income taxes	11,187		0.19
Non-GAAP-based provision for income taxes	(12,080)		(0.21)
GAAP-based net income	\$ 25,811	\$	0.44

**Reconciliation of selected GAAP-based measures to Non-GAAP based measures for the nine months ended March 31, 2013.**

*(\$ in thousands except for per share amounts)*

	Nine Months Ended March 31, 2013			
	GAAP-based Measures	Adjustments	Note	Non-GAAP-based Measures
<b>Cost of revenues</b>				
Cloud services	55,435	(80)	(1)	55,355
Customer Support	81,597	(275)	(1)	81,322
Professional Service and Other	144,498	(660)	(1)	143,838
Amortization of acquired technology-based intangible assets	70,031	(70,031)	(2)	—
<b>GAAP-based gross profit/ Non-GAAP-based gross profit</b>	651,930	71,046		722,976
<b>Operating Expenses</b>				
Research and development	121,627	(1,167)	(1)	120,460
Sales and marketing	209,819	(5,953)	(1)	203,866
General and administrative	85,199	(2,018)	(1)	83,181
Amortization of acquired customer-based intangible assets	51,548	(51,548)	(2)	—
Special charges	17,267	(17,267)	(3)	—
<b>GAAP-based income from operations / Non-GAAP-based income from operations</b>	148,192	148,999		297,191
Other income (expense), net	1,707	(1,707)	(4)	—
Provision for income taxes	30,559	9,229	(5)	39,788
<b>GAAP-based net income / Non-GAAP-based net income</b>	106,348	138,063	(6)	244,411
<b>GAAP-based earnings per share / Non-GAAP-based earnings per share-diluted</b>	\$ 1.80	\$ 2.34	(6)	\$ 4.14

- (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) Adjustment relates to the exclusion of Special charges from our non-GAAP-based operating expenses as Special charges are generally incurred in the aftermath of acquisitions and are not indicative or related to continuing operations and are hence excluded from our internal analysis of operating results.
- (4) 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 are generally not indicative or related to continuing operations and are hence excluded from our internal analysis of operating results.
- (5) Adjustment relates to differences between the GAAP-based tax provision of approximately 22% and a non-GAAP-based tax rate of 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.
- (6) Reconciliation of non-GAAP-based adjusted net income to GAAP-based net income:

Nine Months Ended  
March 31, 2013

	Per share	
Non-GAAP-based net income	\$ 244,411	\$ 4.14
Less:		
Amortization	121,579	2.06
Share-based compensation	10,153	0.17
Special charges	17,267	0.29
Other (income) expense, net	(1,707)	(0.03)
GAAP-based provision for income taxes	30,559	0.52
Non-GAAP-based provision for income taxes	(39,788)	(0.67)
GAAP-based net income	\$ 106,348	\$ 1.80

**Reconciliation of selected GAAP-based measures to Non-GAAP based measures for the three months ended December 31, 2012.**

*(\$ in thousands except for per share amounts)*

	Three Months Ended December 31, 2012			
	GAAP-based Measures	Adjustments	Note	Non-GAAP-based Measures
<b>Cost of revenues</b>				
Cloud services	18,261	(30)	(1)	18,231
Customer Support	28,277	(107)	(1)	28,170
Professional Service and Other	47,664	(188)	(1)	47,476
Amortization of acquired technology-based intangible assets	23,191	(23,191)	(2)	—
<b>GAAP-based gross profit/ Non-GAAP-based gross profit</b>	229,456	23,516		252,972
<b>Operating Expenses</b>				
Research and development	38,718	(331)	(1)	38,387
Sales and marketing	67,977	(1,653)	(1)	66,324
General and administrative	30,005	(865)	(1)	29,140
Amortization of acquired customer-based intangible assets	17,147	(17,147)	(2)	—
Special charges	2,269	(2,269)	(3)	—
<b>GAAP-based income from operations / Non-GAAP-based income from operations</b>	67,235	45,781		113,016
Other income (expense), net	1,541	(1,541)	(4)	—
Provision for income taxes	3,153	12,037	(5)	15,190
<b>GAAP-based net income / Non-GAAP-based net income</b>	61,108	32,203	(6)	93,311
<b>GAAP-based earnings per share / Non-GAAP-based earnings per share-diluted</b>	\$ 1.04	\$ 0.54	(6)	\$ 1.58

- (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) Adjustment relates to the exclusion of Special charges from our non-GAAP-based operating expenses as Special charges are generally incurred in the aftermath of acquisitions and are not indicative or related to continuing operations and are hence excluded from our internal analysis of operating results.
- (4) 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 are generally not indicative or related to continuing operations and are hence excluded from our internal analysis of operating results.
- (5) Adjustment relates to differences between the GAAP-based tax provision of approximately 5% and a non-GAAP-based tax rate of 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.
- (6) Reconciliation of non-GAAP-based adjusted net income to GAAP-based net income:

	Three Months Ended December 31, 2012	
	Per share	
Non-GAAP-based net income	\$ 93,311	\$ 1.58
Less:		
Amortization	40,338	0.68

Share-based compensation	3,174	0.05
Special charges	2,269	0.04
Other (income) expense, net	(1,541)	(0.03)
GAAP-based provision for income taxes	3,153	0.05
Non-GAAP-based provision for income taxes	(15,190)	(0.25)
GAAP-based net income	\$ 61,108	\$ 1.04

**Reconciliation of selected GAAP-based measures to Non-GAAP based measures for the six months ended December 31, 2012.**

*(\$ in thousands except for per share amounts)*

	Six Months Ended December 31, 2012			
	GAAP-based Measures	Adjustments	Note	Non-GAAP-based Measures
<b>Cost of revenues</b>				
Cloud services	36,544	(30)	(1)	36,514
Customer Support	54,100	(145)	(1)	53,955
Professional Service and Other	96,246	(365)	(1)	95,881
Amortization of acquired technology-based intangible assets	46,973	(46,973)	(2)	—
<b>GAAP-based gross profit/ Non-GAAP-based gross profit</b>	<b>435,012</b>	<b>47,513</b>		<b>482,525</b>
<b>Operating Expenses</b>				
Research and development	78,624	(669)	(1)	77,955
Sales and marketing	132,492	(3,319)	(1)	129,173
General and administrative	58,138	(1,748)	(1)	56,390
Amortization of acquired customer-based intangible assets	34,399	(34,399)	(2)	—
Special charges	11,823	(11,823)	(3)	—
<b>GAAP-based income from operations / Non-GAAP-based income from operations</b>	<b>107,322</b>	<b>99,471</b>		<b>206,793</b>
Other income (expense), net	1,470	(1,470)	(4)	—
Provision for income taxes	19,372	8,335	(5)	27,707
<b>GAAP-based net income / Non-GAAP-based net income</b>	<b>80,537</b>	<b>89,666</b>	<b>(6)</b>	<b>170,203</b>
<b>GAAP-based earnings per share / Non-GAAP-based earnings per share-diluted</b>	<b>\$ 1.37</b>	<b>\$ 1.52</b>	<b>(6)</b>	<b>\$ 2.89</b>

- (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) Adjustment relates to the exclusion of Special charges from our non-GAAP-based operating expenses as Special charges are generally incurred in the aftermath of acquisitions and are not indicative or related to continuing operations and are hence excluded from our internal analysis of operating results.
- (4) 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 are generally not indicative or related to continuing operations and are hence excluded from our internal analysis of operating results.
- (5) Adjustment relates to differences between the GAAP-based tax provision of approximately 19% and a non-GAAP-based tax rate of 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.
- (6) Reconciliation of non-GAAP-based adjusted net income to GAAP-based net income:

	Six Months Ended December 31, 2012	
	Per share	
Non-GAAP-based net income	\$ 170,203	\$ 2.89
Less:		
Amortization	81,372	1.38
Share-based compensation	6,276	0.11
Special charges	11,823	0.20
Other (income) expense, net	(1,470)	(0.02)
GAAP-based provision for income taxes	19,372	0.33

Non-GAAP-based provision for income taxes	(27,707)	(0.48)
GAAP-based net income	\$ 80,537	\$ 1.37

**Reconciliation of selected GAAP-based measures to Non GAAP-based measures for the three months ended March 31, 2012.**

*(\$ in thousands except for per share amounts)*

	Three Months Ended March 31, 2012			
	GAAP-based measures	Adjustments	Note	Non-GAAP-based measures
<b>Cost of Revenues:</b>				
Customer Support	27,987	(53)	(1)	27,934
Professional Service and Other	52,596	(203)	(1)	52,393
Amortization of acquired technology-based intangible assets	21,264	(21,264)	(2)	—
<b>GAAP-based gross profit/ Non-GAAP-based gross profit</b>	<b>185,951</b>	<b>21,520</b>		<b>207,471</b>
<b>Operating Expenses</b>				
Research and development	41,738	(1,028)	(1)	40,710
Sales and marketing	69,572	(2,594)	(1)	66,978
General and administrative	21,999	(1,287)	(1)	20,712
Amortization of acquired customer-based intangible assets	13,462	(13,462)	(2)	—
Special charges	6,450	(6,450)	(3)	—
<b>GAAP-based income from operations / Non-GAAP-based income from operations</b>	<b>27,303</b>	<b>46,341</b>		<b>73,644</b>
Other income (expense), net	(1,804)	1,804	(4)	—
Provision for (recovery of) income taxes	(14,036)	23,680	(5)	9,644
<b>GAAP-based net income / Non-GAAP-based net income</b>	<b>34,774</b>	<b>24,465</b>	<b>(6)</b>	<b>59,239</b>
<b>GAAP-based earnings per share / Non-GAAP-based earnings per share-diluted</b>	<b>\$ 0.59</b>	<b>\$ 0.42</b>	<b>(6)</b>	<b>\$ 1.01</b>

- (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) Adjustment relates to the exclusion of Special charges from our non-GAAP-based operating expenses as Special charges are generally incurred in the aftermath of acquisitions and are not indicative or related to continuing operations and are hence excluded from our internal analysis of operating results.
- (4) 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 are generally not indicative or related to continuing operations and are hence excluded from our internal analysis of operating results.
- (5) Adjustment relates to differences between the GAAP-based tax recovery of approximately 68% and a non-GAAP-based tax rate of 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.
- (6) Reconciliation of non-GAAP-based adjusted net income to GAAP-based net income:

	Three Months Ended March 31, 2012		Per share
	\$	\$	
Non-GAAP-based net income	\$ 59,239	\$	1.01
Less:			
Amortization	34,726		0.59
Share-based compensation	5,165		0.09
Special charges	6,450		0.11
Other (income) expense, net	1,804		0.03
GAAP-based provision for (recovery of) income taxes	(14,036)		(0.24)
Non-GAAP-based provision for income taxes	(9,644)		(0.16)
GAAP-based net income	\$ 34,774	\$	0.59

**Reconciliation of selected GAAP-based measures to Non GAAP-based measures for the nine months ended March 31, 2012.**

*(\$ in thousands except for per share amounts)*

	Nine Months Ended March 31, 2012			
	GAAP-based measures	Adjustments	Note	Non-GAAP-based measures
<b>Cost of Revenues:</b>				
Customer Support	82,724	(112)	(1)	82,612
Professional Service and Other	153,551	(408)	(1)	153,143
Amortization of acquired technology-based intangible assets	63,307	(63,307)	(2)	—
<b>GAAP-based gross profit/ Non-GAAP-based gross profit</b>	<b>588,350</b>	<b>63,827</b>		<b>652,177</b>
<b>Operating Expenses</b>				
Research and development	127,848	(2,872)	(1)	124,976
Sales and marketing	202,903	(6,040)	(1)	196,863
General and administrative	72,886	(3,974)	(1)	68,912
Amortization of acquired customer-based intangible assets	39,948	(39,948)	(2)	—
Special charges	18,776	(18,776)	(3)	—
<b>GAAP-based income from operations / Non-GAAP-based income from operations</b>	<b>109,670</b>	<b>135,437</b>		<b>245,107</b>
Other income (expense), net	10,145	(10,145)	(4)	—
Provision for (recovery of) income taxes	(8,542)	41,295	(5)	32,753
<b>GAAP-based net income / Non-GAAP-based net income</b>	<b>117,203</b>	<b>83,997</b>	<b>(6)</b>	<b>201,200</b>
<b>GAAP-based earnings per share / Non-GAAP-based earnings per share-diluted</b>	<b>\$ 2.00</b>	<b>\$ 1.43</b>	<b>(6)</b>	<b>\$ 3.43</b>

- (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) Adjustment relates to the exclusion of Special charges from our non-GAAP-based operating expenses as Special charges are generally incurred in the aftermath of acquisitions and are not indicative or related to continuing operations and are hence excluded from our internal analysis of operating results.
- (4) 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 are generally not indicative or related to continuing operations and are hence excluded from our internal analysis of operating results.
- (5) Adjustment relates to differences between the GAAP-based tax recovery of approximately 8% and a non-GAAP-based tax rate of 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.
- (6) Reconciliation of non-GAAP-based adjusted net income to GAAP-based net income:

	Nine Months Ended March 31, 2012	
	\$	Per share
Non-GAAP-based net income	\$ 201,200	\$ 3.43
Less:		
Amortization	103,255	1.76
Share-based compensation	13,406	0.23
Special charges	18,776	0.32
Other (income) expense, net	(10,145)	(0.17)
GAAP-based provision for (recovery of) income taxes	(8,542)	(0.15)
Non-GAAP-based provision for income taxes	(32,753)	(0.56)
<b>GAAP-based net income</b>	<b>\$ 117,203</b>	<b>\$ 2.00</b>

- (3) The following table provides a composition of our major currencies for revenue and expenses, expressed as a percentage, for the three and nine months ended March 31, 2013:

Currencies	Three Months Ended March 31, 2013	
	% of Revenue	% of Expenses*
EURO	29%	17%
GBP	8%	8%
CAD	6%	19%
USD	47%	42%
Other	10%	14%
Total	100%	100%

Currencies	Nine Months Ended March 31, 2013	
	% of Revenue	% of Expenses*
EURO	26%	17%
GBP	8%	8%
CAD	6%	18%
USD	49%	43%
Other	11%	14%
Total	100%	100%

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