OpenText

Unleashing the Power of Information

RBC KEYNOTE PRESENTATION

FY14 | September 3, 2014

NASDAQ: OTEX ⊙ TSX: OTC

Safe Harbor Statement

Certain statements in this presentation, including statements about the focus of Open Text Corporation (“OpenText” or “the Company”) in Fiscal 2015 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, its financial conditions, results of operations and earnings, declaration of quarterly dividends, and other matters, may contain words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "may", "could", "would", and other similar language and 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; (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; and (ix) the Company's financial condition and capital requirements. The risks and uncertainties that may affect forward-looking statements include, but are not limited to: (i) integration of acquisitions and related restructuring efforts, including the quantum of restructuring charges and the timing thereof; (ii) the possibility that the Company may be unable to meet its future reporting requirements under the Securities Exchange Act of 1934, as amended, and the rules promulgated thereunder; (iii) the risks associated with bringing new products and services 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 final determination of litigation, tax audits and other legal proceedings; (viii) the possibility of technical, logistical or planning issues in connection with the deployment of the Company's products or services; (ix) the continuous commitment of the Company's customers; and (x) 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 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.

Scale and Momentum

① $1.625 B+ global revenue, compelling operating margins, cash flow and quarterly dividend program

② 8,000 employees

③ Sales and service distribution network in 40 countries

④ Leader in Enterprise Information Management (EIM) market

⑤ EIM is a large, growing and relevant $20.9b market*

⑥ Leading cloud services provider. FY14 Rev of $361.1m, Margin of 86.4%, 16b transactions, 600,000 trading partners

⑦ Focused on Value, Growth, Leadership

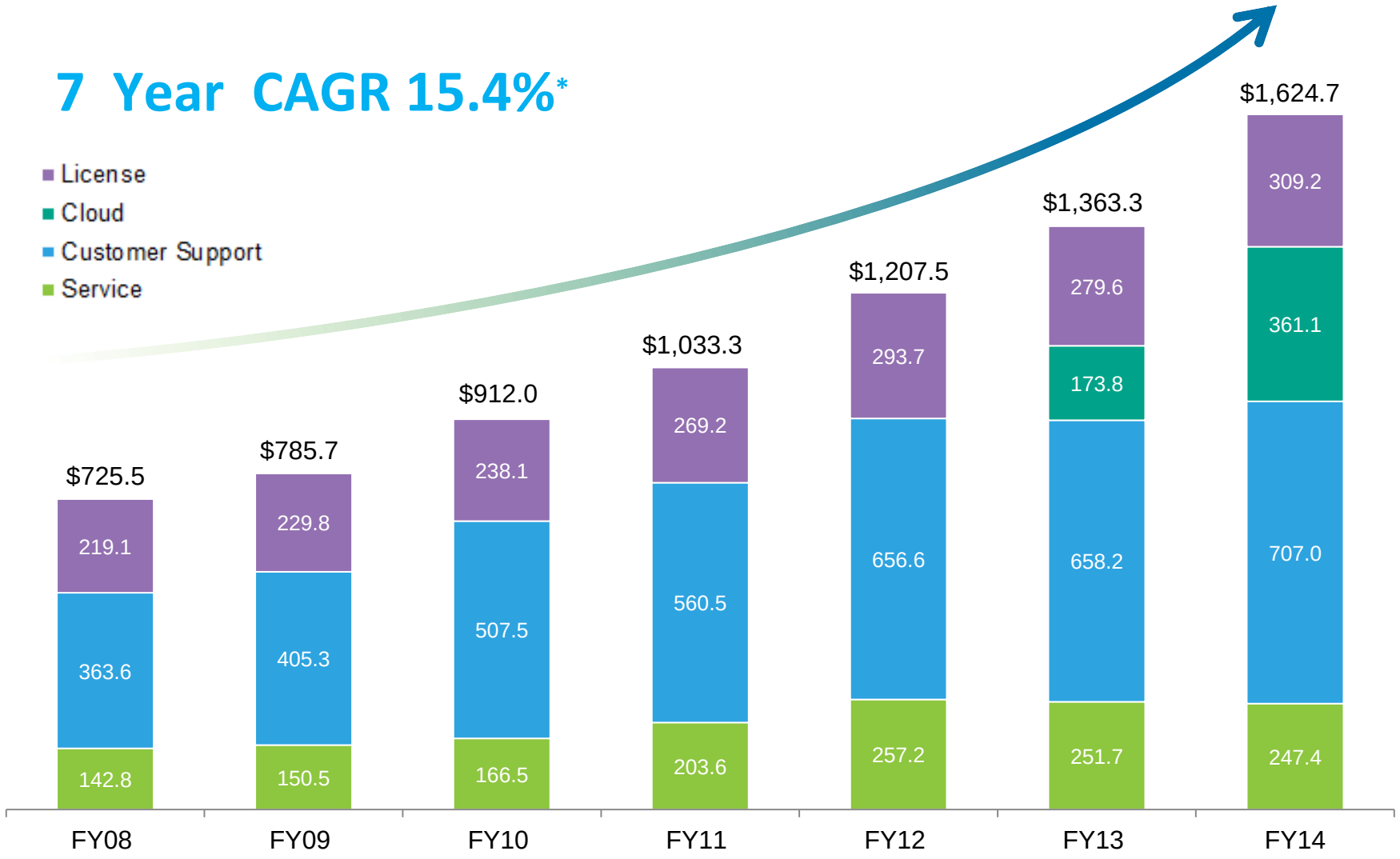






*as per notes on slide 20

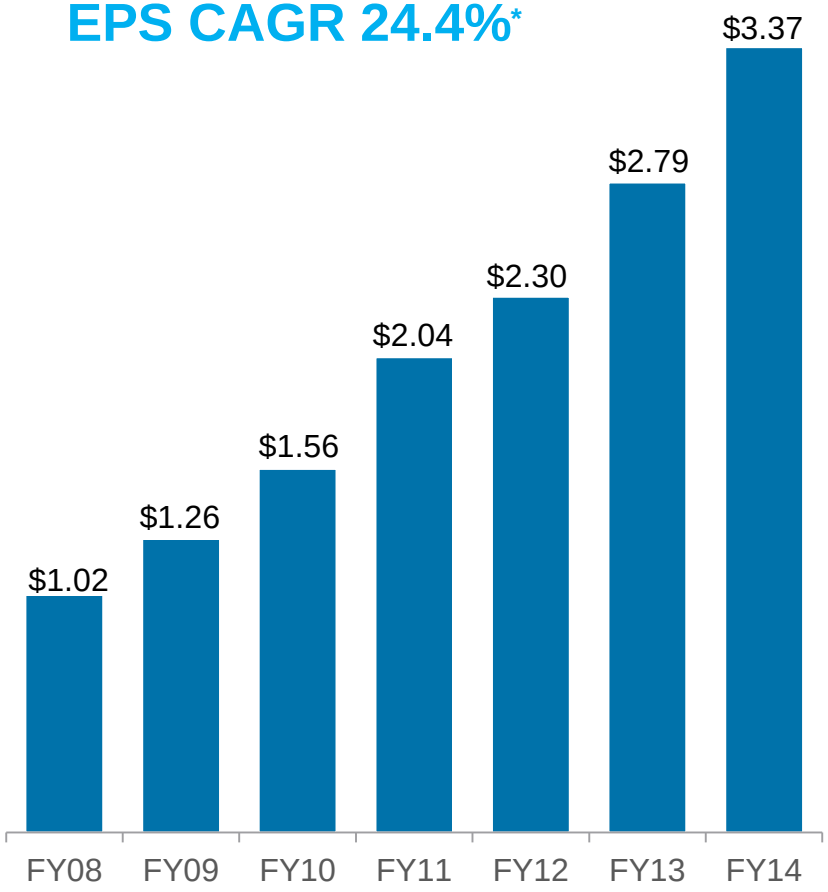
History of Growing Revenue Y/Y in $M: 7 Fiscal Years



*FY07 Revenue $595.7 million

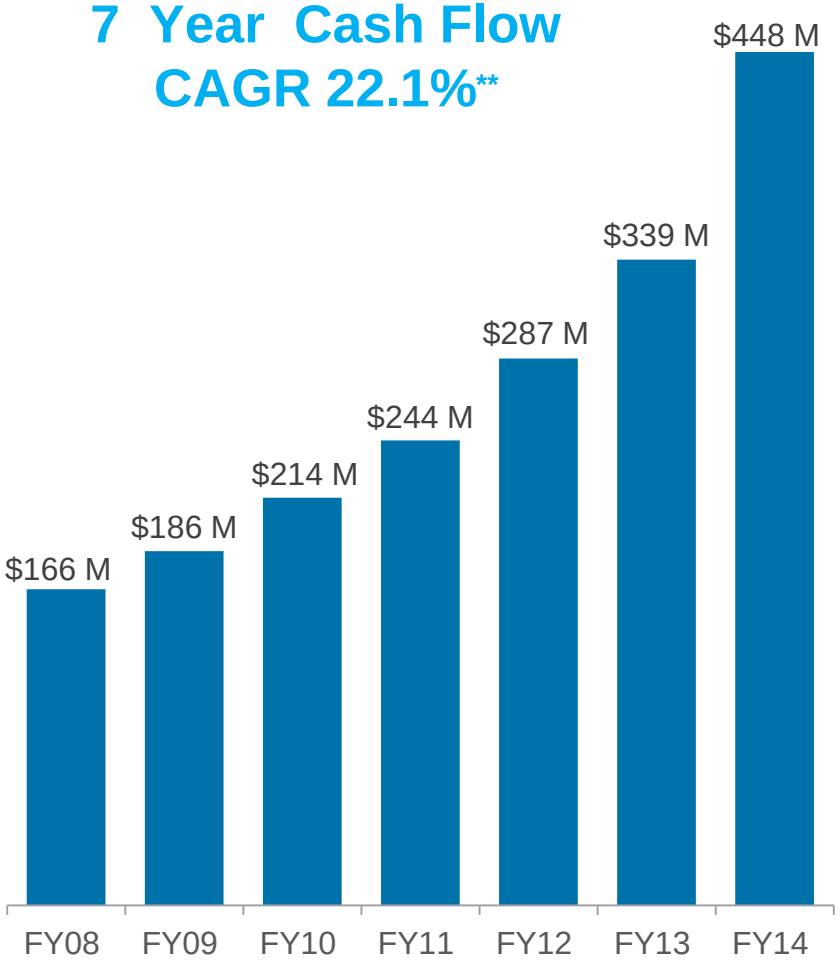
History of Growing Non-GAAP EPS & Cash Flow

7 Year Non-GAAP EPS CAGR 24.4%*



*FY07 non-GAAP EPS $0.73
*all historical per share data is presented on a post stock-split basis

7 Year Cash Flow CAGR 22.1%**



**FY07 cash flow $111M , before the impact of special charges

Key Markets



Information Management

Process

Applications

Platform



Compliance

Information Governance

Risk Management

Process Control



B2B Commerce

Business Network

Trading Partners

Vertical Services

Deployment

Services | On-Premises | Managed Services | PaaS | SaaS

FY14 Financial Highlights

Total Revenue Up 19% Y/Y

- Total revenue $1,624.7 million up 19% Y/Y
- Revenue by Geography:
  - North America 54%
  - EMEA 36%
  - Asia Pacific 10%
- 33 deals over $1 million, compared to 23 Y/Y
- 44 deals between $500K and $1 million, compared to 45 Y/Y

Non-GAAP EPS Up 21% Y/Y

- Non-GAAP-based EPS was $3.37 compared to $2.79 Y/Y*
- GAAP–based EPS was $1.81 compared to $1.26 Y/Y
- Non-GAAP-based operating margin 31%**
- GAAP-based operating margin 18%**
- Non-GAAP tax rate: 14%

License Revenue Up 11% Y/Y

- $309.2 million up 11% Y/Y
- License revenue from new accounts: 23%
- Partners contributed 39%
- Average deal size > $75K: 322K

Operating Cash Flow Up 31% Y/Y

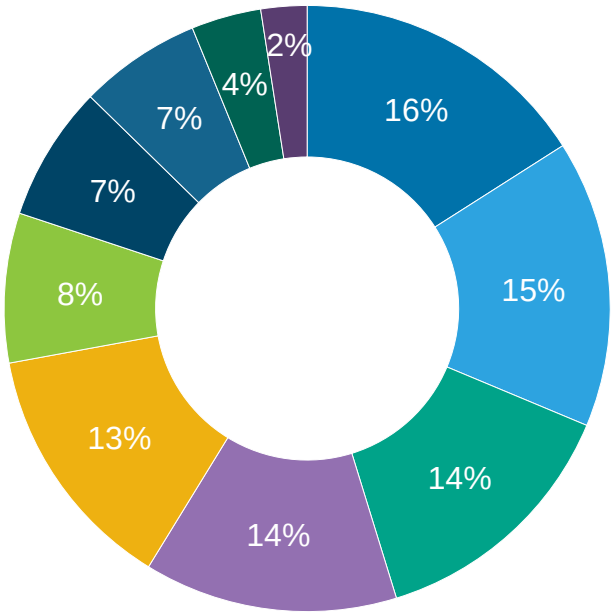
- $417.1 million in operating cash flow, compared to $318.5 million Y/Y
- Cash and cash equivalents $427.9 million
- Total debt $1.319.3 million as of June 30, 2014

* See reconciliation of Non-GAAP measures to GAAP measures at the end of this presentation

**before taxes and interest expense

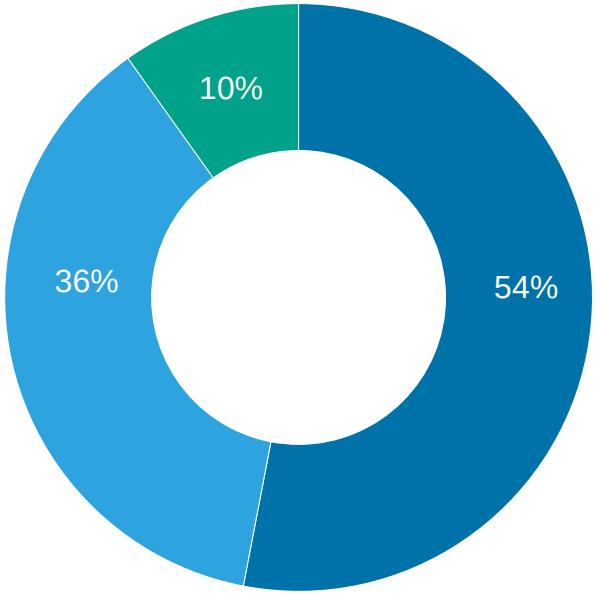
FY14 Revenue Breakdown

F14 - License Revenue by Industry



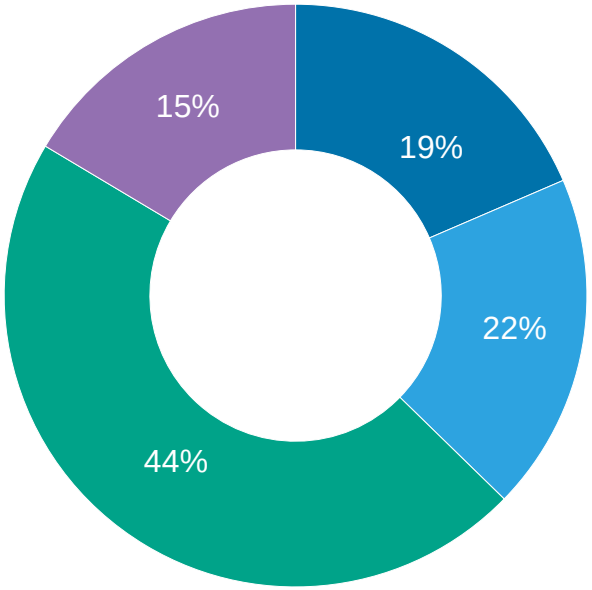
- Services
- Financial
- Basic Materials
- Public Sector
- Technology
- Healthcare
- Consumer Goods
- Industrial Goods
- Utilities
- Conglomerates

Total Revenue by Geography



- Americas
- EMEA
- APJ

Total Revenue Mix



- License
- Cloud Services
- Customer Support
- Service

Demand Drivers

① Digitalization – *"Digital Leaders are growing sales at an average of 2.5 times that of their sector peers…Digital Transformation can boost the bottom line by 50% over the next 5 years."*

② Compliance – *"91% of companies plan to reorganize and reprioritize their approaches to risk management in the coming three years."*

③ Security - *"Compromise of employee and customer records are up sharply this year, potentially jeopardizing an organization's most valuable relationships...Loss or damage of internal records more than doubled over 2012."*

④ Cloud – *"Cloud platforms will generate $44 billion in revenue by 2020; and cloud business services will come in at $14 billion."*

⑤ Mobility –*"By 2017, the browser on mobile endpoint devices will be used as a sophisticated application delivery platform, with 50% of new Web apps involving complex client- side JavaScript."*

⑥ New business processes – *"By 2017, 60% of Global 1000 organizations will execute on at least one revolutionary and currently unimaginable business transformation effort."*

1. McKinsey: *Finding your digital sweet spot (2014)*
2. Deliotte: Aftershock Adjusting to the new world of risk management
3.PWC:The Global State of Information Security Survey 2014
4.Forrester: The Public Cloud Market Is Now In Hypergrowth
5.Gartner: Predicts 2014: Mobile and Wireless
6. Gartner: Predicts 2014: Business Process Reinvention Is Vital to Digital Business Transformation

Customer Wins

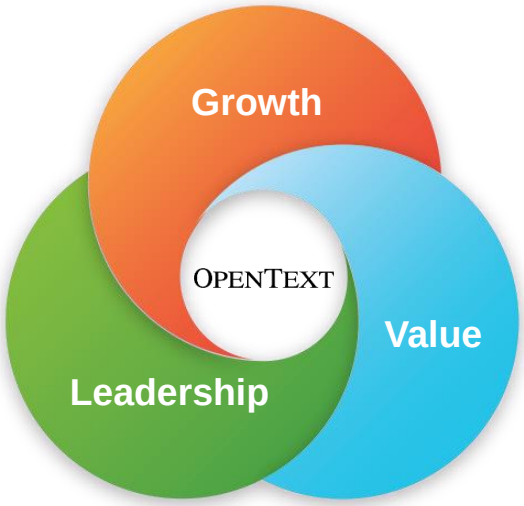
POLO RALPH LAUREN	Creating digitized channels
CVS/pharmacy®	Digitized customer journey
PETRONAS	Information will find the next 100 years of Energy
Deloitte.	The compliance platform for those who know compliance best
Schneider Electric	Digitized the Supply Chain
citi	Accelerating Commerce

OpenText Intelligent Growth System (OTIGS)

- Five core elements to our business system
- Each element has clear outcomes and measurements
- We lead with value and invest in the markets we feel we can win in
- Operating principles are aligned to creating tangible and sustainable value
- With OTIGS in motion we expect 3 key outcomes: growth, leadership and value



OpenText Business System in Action

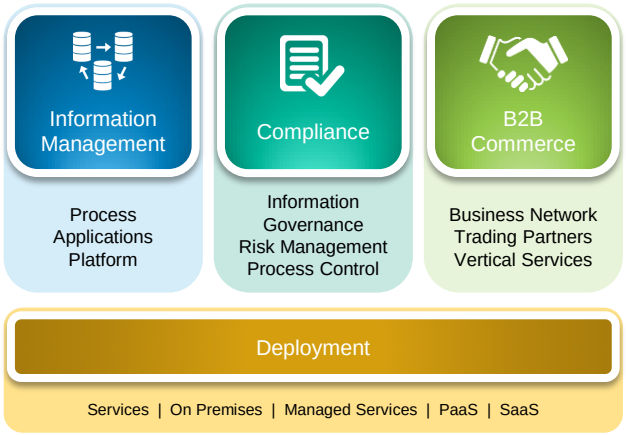


Growth	Leadership	Value
Product adoption and innovation	Vision	Shareholder return
B2B Growth	Expertise	Transformative Solutions
Compliance and regulated industries	Employee Leadership Programs	Enriched Ecosystem
Accelerated transition to managed services	Product Upper Right Quadrants	
Alliances	The Results of our Customer	Employee Engagement
Established and fast-growth markets	Our Strategic Planning Process	
Acquisitions	Business System	Killer Distribution System

There are three core outcomes from our business system (OTIGS) in action

OpenText Intelligent Growth System in Action (OTIGS)

Key Markets

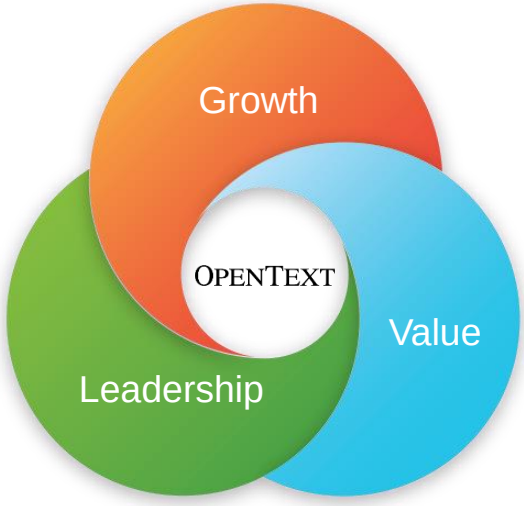


+

OTIGS



=



"At our core, OpenText is the Information Management, B2B Commerce and Compliance company, creating a Digital-First World, helping customers gain a competitive advantage and be more productive."

FY15 Growth Initiatives

1. Product adoption and innovation

   strong product cycle with our EIM suites and B2B services. "Blue Carbon," features apps and analytics for the cloud

2. B2B Growth

   expand beyond large enterprises to enter the mid-market + opportunities in EMEA

3. Compliance and regulated industries

   existing core strength - driving more awareness, engineering, training

4. Accelerated transition to managed services

   continue to transition customers to our global, enterprise-ready cloud. highly secure + local data zones for data sovereignty

5. Alliances

   increasing the quality of our value-added resellers and going deeper with SIs

6. Established and fast-growth markets

   improving yield through training and education + more account coverage in our fast-growth markets

7. Acquisitions

   we look to put $3 billion of capital to work over the next few years.

Acquisitions are Core to Our Business Model

- Acquisitions are core to our business model
- We operate strategic platforms vs. optimizing individual assets
- Over the last 20 years, we have completed 48 acquisitions
- Put $3.4 billion in capital to work over that period
- We are a disciplined, value buyer
- On-board targets to our operating margin model typically within 1 to 2 years
- Cost synergies are more preferred than revenue synergies
- Cash-based return models

GSX Group Inc.	2014
Cordys	2014
ICCM	2013
Resonate KT	2013
Easylink	2012
Systems Solutions	2012
Operitel Corporation	2012
Global 360 Holding Corp.	2012
weComm Ltd	2011
Metastorm Inc.	2011
StreamServe Inc.	2011
Burntsand Inc.	2010
Nstein Technologies	2010
New Generation	2010
Vignette Corporation	2010
Vizible Corporation	2009
Captaris	2009
eMotion LLC	2009
Spicer Corporation	2009
Momentum Systems Inc.	2007
Hummingbird Ltd.	2006
Optura	2005
Vista Plus	2004
Artesia	2004
IXOS AG	2004

Strategic Platforms

CONTENT

- Content Management
- Records Management
- Archiving
- Collaboration

Odesta

IXOS

Hummingbird™

INFO EXCH.

- EDI / B2B
- The Grid
- Capture & Recognition
- Fax Solutions
- Secure Messaging

Captaris®

Hummingbird™

easylink services

GXS

EXPERIENCE

- Web Experience
- Customer Communications
- Digital Asset Management
- Social

artesia

VIGNETTE

StreamServe™

PROCESS

- Business Process Management
- Dynamic Case Management
- Smart Process Applications

CORDYS

METASTORM

Global360

DISCOVERY

- Search
- Content Analytics
- Unified Information Access

Nstein

Hummingbird™

Capital Allocation

Acquisitions - Core to Our Business Model

- Over the last 20 years, we have completed 48 acquisitions and put $3.4 billion in capital to work
- Estimate **$3 billion** in gross acquisition capacity over the next 5 years

Debt and Leverage

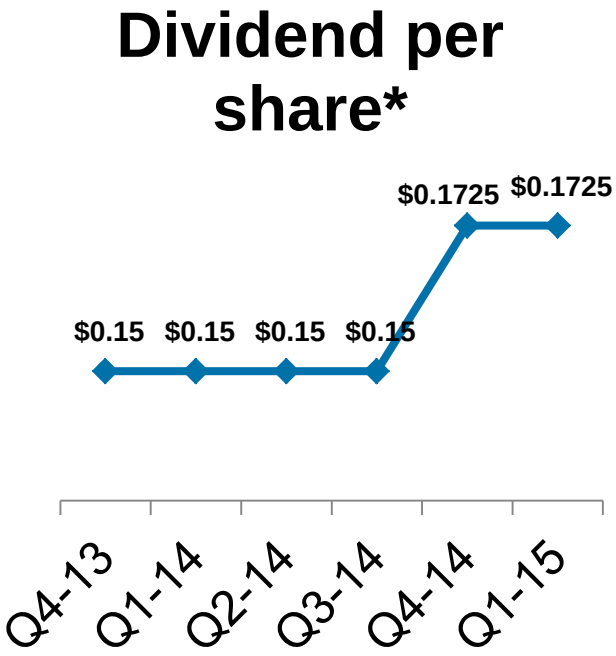
- Term Loan A and B, rated investment grade by Moody's, S&P
- Comfortable with leverage up to 3x gross EBITDA

Quarterly Dividend

- Targeting 20% of OCF, TTM*

CAPEX

- Approximately $75m annual run rate



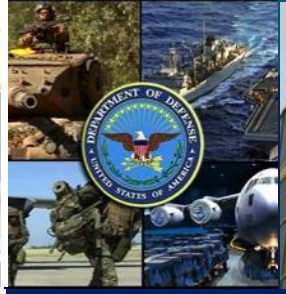
**The Board of Directors is under no obligation to declare dividends in the future and the declaration of future dividends is wholly within its discretion.

FY15 External Target Model*

Revenue Type	Fiscal 2015 Target Model
As a % of revenue	
Product License	15 - 20%
Cloud Services	28 - 33%
Product Maintenance	35 - 40%
Professional Services	10 - 15%
Non-GAAP Gross Margin	
Product License	94 - 96%
Cloud Services	58 - 60%
Product Maintenance	85 - 87%
Professional Services	21 - 23%
Non-GAAP Gross Margin	**69 - 72%**
Non-GAAP Operating Expenses	
Development	10 - 12%
Sales & Marketing	18 - 20%
General & Admin	7 - 8%
Depreciation	2 - 4%
Non-GAAP Ops Margin	**28 - 32%**

*This target model is not guidance
















OpenText
Unleashing the Power of Information





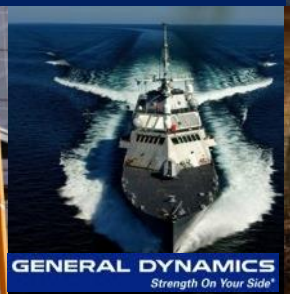












References

- ECM, BPM: Gartner Forecast Enterprise Software Markets, 2012-2017 3Q13 Update
- InfoExchange: Research and Markets, Computer-based Fax Markets, 2010-2015
- Gartner Enterprise Software Markets, 2009-2016
- 1Q12 Update, Davidson Consulting, Fax Server Industry Forecast, 2011-2016
- CEM: Gartner Magic Quadrant for Web Content Management, 10 Nov. 2011
- Discovery: Gartner Market Trends: Expect Disruption and Divergence in the E-Discovery Software Market, 16 Dec. 2011

Customer Wins

Del Monte Foods, Inc.

Del Monte Foods selected multiple solutions from the OpenText Suite for SAP® including Document Access for SAP® Solutions, Vendor Invoice Management for SAP® Solutions, and Invoice Capture Center for SAP® Solutions.

The City of Calgary

The City of Calgary has extended its investment in Enterprise Content Management with the purchase of OpenText Email Management for Microsoft Exchange.

FMC Technologies

FMC Technologies, a leading global provider of technology solutions for the energy industry, has invested in the OpenText Content Suite Platform to help it run its business more efficiently. The suite is intended to integrate with the company's existing platforms and capabilities.

Joy Global Inc.

Joy Global Inc., a worldwide leader in high-productivity mining solutions, has invested in the OpenText Suite for SAP®, purchasing OpenText Document Access for SAP® Solutions and OpenText Vendor Invoice Management for SAP® Solutions.

Banco Original

Banco Original has invested in several solutions from OpenText Content Suite Platform including Content Server, Contract Management, and OpenText Tempo Box, and several solutions from the OpenText Experience Suite including Web Experience Management (WEM), Portal and Tempo Social.

Pro forma Impact of GXS Deferred Revenue and Deferred Implementation Costs

In connection with the acquisition of GXS, acquired deferred revenue and deferred implementation cost amounts were adjusted to fair value as part of the valuation undertaken as of the date of acquisition. The deferred revenue was reduced by $28.9 million and deferred implementation costs were written off to nil. Had these amounts of deferred revenue and deferred implementation costs not been written off, the pro forma net income impact of these adjustments would have been as follows:

(in '000s USD)	Three months ended March 31, 2014	Three months ended June 30, 2014	For the year ended June 30, 2015	2016	2017	2018	2019	2020	2021	2022	Total
REDUCTION IN REVENUES:											
Cloud services	$(3,750)	$(3,854)	$(9,477)	$(5,306)	$(2,849)	$(876)	$(148)	$(18)	$(14)	$(3)	$(26,295)
Customer support	(890)	(838)	(895)	(1)	-	-	-	-	-	-	(2,624)
Total deferred revenues	(4,640)	(4,692)	(10,372)	(5,307)	(2,849)	(876)	(148)	(18)	(14)	(3)	(28,919)
REDUCTION IN EXPENSES:											
Deferred implementation costs	2,762	3,070	10,557	7,520	4,326	2,219	530	24	-	-	31,008
Net pro forma impact to condensed consolidated statements of Income	$ (1,878)	$(1,622)	$ 185	$2,213	$1,477	$1,343	$382	$6	$(14)	$(3)	$2,089

Summary of Quarterly Results

	Q4 FY14	Q3 FY14	Q4 FY13	% Change (Q/Q)	% Change (Y/Y)
Revenue (million)	$494.0	$442.8	$347.3	11.6%	42.2%
GAAP-based gross margin	69.1%	67.3%	66.0%	180 bps	310 bps
GAAP-based operating margin	21.8%	15.1%	14.2%	670 bps	760 bps
GAAP-based EPS, diluted*	$0.72	$0.38	$0.36	89.5%	100.0%
Non-GAAP-based gross margin **	72.9%	71.3%	72.9%	160 bps	0 bps
Non-GAAP-based operating margin***	32.8%	29.1%	29.5%	370 bps	330 bps
Non-GAAP-based EPS, diluted**	$1.05	$0.84	$0.72	25.0%	45.8%

• As a result of the two-for-one stock-split, effected February 18, 2014 by way of a stock dividend, all historical per share data is presented on a post stock-split basis.

** See reconciliation of Non-GAAP measures to GAAP measures at the end of this presentation

*** before taxes and interest expense

Summary of Year To Date Results

	FY14	Q3 FY14 YTD	FY13	% Change (Y/Y)
Revenue (million)	$1,624.7	$1,130.7	$1,363.3	19.2%
GAAP-based gross margin	68.5%	68.3%	64.4%	410 bps
GAAP-based operating margin	18.5%	17.1%	14.5%	400 bps
GAAP-based EPS, diluted*	$1.81	$1.08	$1.26	43.7%
Non-GAAP-based gross margin**	72.9%	73.0%	71.3%	160 bps
Non-GAAP-based operating margin***	30.9%	30.1%	29.3%	160 bps
Non-GAAP-based EPS, diluted**	$3.37	$2.32	$2.79	20.8%

* As a result of the two-for-one stock-split, effected February 18, 2014 by way of a stock dividend, all historical per share data is presented on a post stock-split basis.

** See reconciliation of Non-GAAP measures to GAAP measures at the end of this presentation

*** before taxes and interest expense

Summary of Quarterly Revenue Results*

In millions	Q4 FY14	Q3 FY14	Q4 FY13	% Change (Q/Q)	% Change (Y/Y)
License	$99.7	$73.1	$78.8	36.4%	26.5%
Cloud services	148.9	128.4	41.9	16.0%	255.4%**
Customer support	183.9	180.3	164.9	2.0%	11.5%
Professional service and other	61.5	61.0	61.7	0.9%	(0.2)%
Total	$494.0	$442.8	$347.3	11.6%	42.2%

* Individual line items may be adjusted by non-material amounts to enable totals to align to published financial statements.

** Inclusive of the impact of the acquisition of GXS

Summary of Year To Date Revenue Results*

In millions	FY14	Q3 FY14 YTD	FY13	% Change (Y/Y)
License	$309.2	$209.6	$279.6	10.6%
Cloud services	361.1	212.2	173.8	107.8%**
Customer support	707.0	523.1	658.2	7.4%
Professional service and other	247.4	185.8	251.7	(1.7)%
Total	$1,624.7	$1,130.7	$1,363.3	19.2%

* Individual line items may be adjusted by non-material amounts to enable totals to align to published financial statements.

** Inclusive of the impact of the acquisition of GXS

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 are calculated as net income or net income per share on a diluted basis, excluding, the amortization of acquired intangible assets, other income (expense), share-based compensation, and special charges, all net of tax. Non-GAAP-based gross profit is the arithmetical sum of GAAP-based gross profit and the amortization of acquired technology-based intangible assets. Non-GAAP-based gross margin is calculated as non-GAAP-based gross profit expressed as a percentage of revenue. Non-GAAP-based income from operations is calculated as income from operations, excluding, the amortization of acquired intangible assets, special charges, and share-based compensation. Non-GAAP-based operating margin is calculated as non-GAAP-based income from operations expressed as a percentage of revenue.

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, 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 in this presentation.

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:

Reconciliation of Selected Non-GAAP Measures | Q4 FY14

(in '000s USD)	Three months ended June 30, 2014					
	GAAP	GAAP % of Rev	Adjustments	FN	Non-GAAP	Non-GAAP % of Rev
COST OF REVENUES						
Cloud services	$55,780		$(197)	1	$55,583	
Customer support	24,195		(207)	1	23,988	
Professional service and other	51,041		(112)	1	50,929	
Amortization of acquired technology-based intangibles	18,205		(18,205)	2	_	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	341,262	69.1%	18,721	3	359,983	72.9%
OPERATING EXPENSES						
Research and development	47,502		(450)	1	47,052	
Sales and marketing	101,240		(1,112)	1	100,128	
General and administrative	41,413		(2,121)	1	39,292	
Amortization of customer based intangibles	26,635		(26,635)	2	_	
Special charges	5,413		(5,413)	4	_	
GAAP-based income from operations and operating margin (%) / Non-GAAP–based income from operations and operating margin (%)	107,705	21.8%	54,452	5	162,157	32.8%
Other income (expenses), net	1,103		(1,103)	6	_	
Provision for (recovery of) income taxes	9,885		12,785	7	22,670	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	$88,111		$40,564	8	$128,675	
GAAP-based EPS/ Non-GAAP-based EPS – diluted, attributable to OpenText	$0.72		$0.33	8	$1.05	

Reconciliation of Selected Non-GAAP Measures | Q4 FY14

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 revenue.
4	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.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars, and operating margin stated as a percentage of 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 are generally not indicative or related to continuing operations and are hence excluded from our internal analysis of operating results.
7	Adjustment relates to differences between the GAAP-based tax provision of approximately 10% and a Non-GAAP-based tax rate of 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.
8	Reconciliation of Non-GAAP-based adjusted net income to GAAP-based net income:

	Three Months Ended June 30, 2014	
		Per Share Diluted
Non-GAAP-based net income, attributable to OpenText	$128,675	$1.05
Less:		
Amortization	44,840	0.37
Share-based compensation	4,199	0.03
Special charges	5,413	0.04
Other (Income) expenses, net	(1,103)	(0.01)
GAAP based provision for (recovery of) income taxes	9,885	0.08
Non-GAAP-based provision for income taxes	(22,670)	(0.18)
GAAP-based net income, attributable to OpenText	$88,111	$0.72

Reconciliation of Selected Non-GAAP Measures | Q4 FY14 YTD

(in '000s USD)					Year ended June 30, 2014	
	GAAP	GAAP % of Rev	Adjustments	FN	Non- GAAP	Non-GAAP % of Rev
COST OF REVENUES						
Cloud services	$135,472		$(342)	1	$135,130	
Customer support	95,980		(754)	1	95,226	
Professional service and other	196,939		(855)	1	196,084	
Amortization of acquired technology-based intangibles	69,917		(69,917)	2	_	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	1,113,029	68.5%	71,868	3	1,184,897	72.9%
OPERATING EXPENSES						
Research and development	176,834		(2,356)	1	174,478	
Sales and marketing	345,643		(7,312)	1	338,331	
General and administrative	142,450		(8,287)	1	134,163	
Amortization of customer based intangibles	81,023		(81,023)	2	_	
Special charges	31,314		(31,314)	4	_	
GAAP-based income from operations and operating margin (%) / Non-GAAP–based income from operations and operating margin (%)	300,528	18.5%	202,160	5	502,688	30.9%
Other income (expenses), net	3,941		(3,941)	6	_	
Provision for (recovery of) income taxes	58,461		9,569	7	68,030	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	$218,125		$188,650	8	$406,775	
GAAP-based EPS/ Non-GAAP-based EPS – diluted, attributable to OpenText	$1.81		$1.56	8	$3.37	

Reconciliation of Selected Non-GAAP Measures | Q4 FY14 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 revenue.
4	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.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars, and operating margin stated as a percentage of 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 are generally not indicative or related to continuing operations and are hence excluded from our internal analysis of operating results.
7	Adjustment relates to differences between the GAAP-based tax provision of approximately 21% and a Non-GAAP-based tax rate of 14.3%; 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.
8	Reconciliation of Non-GAAP-based adjusted net income to GAAP-based net income:

	Year Ended June 30, 2014	
		Per Share Diluted
Non-GAAP-based net income, attributable to OpenText	$406,775	$3.37
Less:		
Amortization	150,940	1.25
Share-based compensation	19,906	0.17
Special charges	31,314	0.26
Other (Income) expenses, net	(3,941)	(0.03)
GAAP based provision for (recovery of) income taxes	58,461	0.48
Non-GAAP-based provision for income taxes	(68,030)	(0.57)
GAAP-based net income, attributable to OpenText	$218,125	$1.81

Reconciliation of Selected Non-GAAP Measures | Q3 FY14

(in '000s USD)	Three months ended March 31, 2014					
	GAAP	GAAP % of Rev	Adjustments	FN	Non- GAAP	Non-GAAP % of Rev
COST OF REVENUES						
Cloud services	$49,464		$(167)	1	$49,297	
Customer support	25,206		(138)	1	25,068	
Professional service and other	49,218		(245)	1	48,973	
Amortization of acquired technology-based intangibles	17,147		(17,147)	2	_	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	298,192	67.3%	17,697	3	315,889	71.3%
OPERATING EXPENSES						
Research and development	47,199		(384)	1	46,815	
Sales and marketing	93,700		(1,926)	1	91,774	
General and administrative	39,336		(1,558)	1	37,778	
Amortization of customer based intangibles	24,679		(24,679)	2	_	
Special charges	15,902		(15,902)	4	_	
GAAP-based income from operations and operating margin (%) / Non-GAAP–based income from operations and operating margin (%)	66,849	15.1%	62,146	5	128,995	29.1%
Other income (expenses), net	1,652		(1,652)	6	_	
Provision for (recovery of) income taxes	12,971		3,814	7	16,785	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	$45,884		$56,680	8	$102,564	
GAAP-based EPS/ Non-GAAP-based EPS – diluted, attributable to OpenText	$0.38		$0.46	8	$0.84	

Reconciliation of Selected Non-GAAP Measures | Q3 FY14

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 revenue.
4	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.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars, and operating margin stated as a percentage of 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 are generally not indicative or related to continuing operations and are hence excluded from our internal analysis of operating results.
7	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.
8	Reconciliation of Non-GAAP-based adjusted net income to GAAP-based net income:

	Three Months Ended March 31, 2014	
		Per Share Diluted
Non-GAAP-based net income, attributable to OpenText	$102,564	$0.84
Less:		
Amortization	41,826	0.34
Share-based compensation	4,418	0.04
Special charges	15,902	0.13
Other (Income) expenses, net	(1,652)	(0.01)
GAAP based provision for (recovery of) income taxes	12,971	0.11
Non-GAAP-based provision for income taxes	(16,785)	(0.15)
GAAP-based net income, attributable to OpenText	$45,884	$0.38

Reconciliation of Selected Non-GAAP Measures | Q3 FY14 YTD

(in '000s USD)	Nine months ended March 31, 2014					
	GAAP	GAAP % of Rev	Adjustments	FN	Non- GAAP	Non-GAAP % of Rev
COST OF REVENUES						
Cloud services	$79,692		$(145)	1	$79,547	
Customer support	71,785		(547)	1	71,238	
Professional service and other	145,898		(743)	1	145,155	
Amortization of acquired technology-based intangibles	51,712		(51,712)	2	_	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	771,767	68.3%	53,147	3	824,914	73.0%
OPERATING EXPENSES						
Research and development	129,332		(1,906)	1	127,426	
Sales and marketing	244,403		(6,200)	1	238,203	
General and administrative	101,037		(6,166)	1	94,871	
Amortization of customer based intangibles	54,388		(54,388)	2	_	
Special charges	25,901		(25,901)	4	_	
GAAP-based income from operations and operating margin (%) / Non-GAAP–based income from operations and operating margin (%)	192,823	17.1%	147,708	5	340,531	30.1%
Other income (expenses), net	2,838		(2,838)	6	_	
Provision for (recovery of) income taxes	48,576		(3,216)	7	45,360	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	$130,014		$148,086	8	$278,100	
GAAP-based EPS/ Non-GAAP-based EPS – diluted, attributable to OpenText	$1.08		$1.24	8	$2.32	

Reconciliation of Selected Non-GAAP Measures | Q3 FY14 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 revenue.
4	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.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars, and operating margin stated as a percentage of 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 are generally not indicative or related to continuing operations and are hence excluded from our internal analysis of operating results.
7	Adjustment relates to differences between the GAAP-based tax provision of approximately 27% 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.
8	Reconciliation of Non-GAAP-based adjusted net income to GAAP-based net income:

	Nine Months Ended March 31, 2014	
		Per Share Diluted
Non-GAAP-based net income, attributable to OpenText	$278,100	$2.32
Less:		
Amortization	106,100	0.88
Share-based compensation	15,707	0.13
Special charges	25,901	0.22
Other (Income) expenses, net	(2,838)	(0.02)
GAAP based provision for (recovery of) income taxes	48,576	0.40
Non-GAAP-based provision for income taxes	(45,360)	(0.37)
GAAP-based net income, attributable to OpenText	$130,014	$1.08

Reconciliation of Selected Non-GAAP Measures | Q4 FY13

(in '000s USD)	Three months ended June 30, 2013					
	GAAP	GAAP % of Rev	Adjustments	FN	Non- GAAP	Non-GAAP % of Rev
COST OF REVENUES						
Cloud services	$17,696		$(48)	1	$17,648	
Customer support	25,351		(159)	1	25,192	
Professional service and other	47,879		(255)	1	47,624	
Amortization of acquired technology-based intangibles	23,579		(23,579)	2	_	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	229,233	66.0%	24,041	3	253,274	72.9%
OPERATING EXPENSES						
Research and development	42,383		(526)	1	41,857	
Sales and marketing	79,338		(2,476)	1	76,862	
General and administrative	27,857		(1,958)	1	25,899	
Amortization of customer based intangibles	17,197		(17,197)	2	_	
Special charges	6,767		(6,767)	4	_	
GAAP-based income from operations and operating margin (%) / Non-GAAP–based income from operations and operating margin (%)	49,473	14.2%	52,965	5	102,438	29.5%
Other income (expenses), net	(4,180)		4,180	6	_	
Provision for (recovery of) income taxes	(869)		14,652	7	13,783	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	$42,172		$42,493	8	$84,665	
GAAP-based EPS / Non-GAAP-based EPS – diluted, attributable to OpenText	$0.36		$0.36	8	$0.72	

Reconciliation of Selected Non-GAAP Measures | Q4 FY13

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 revenue.
4	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.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars, and operating margin stated as a percentage of 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 are generally not indicative or related to continuing operations and are hence excluded from our internal analysis of operating results.
7	Adjustment relates to differences between the GAAP-based tax recovery of approximately 2% 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.
8	Reconciliation of Non-GAAP-based adjusted net income to GAAP-based net income:

	Three Months Ended June 30, 2013	
		Per Share Diluted*
Non-GAAP-based net income, attributable to OpenText	$84,665	$0.72
Less:		
Amortization	40,776	0.34
Share-based compensation	5,422	0.05
Special charges	6,767	0.06
Other (Income) expenses, net	4,180	0.04
GAAP based provision for (recovery of) income taxes	(869)	(0.01)
Non-GAAP-based provision for income taxes	(13,783)	(0.12)
GAAP-based net income, attributable to OpenText	$42,172	$0.36

* As a result of the two-for-one stock-split, effected February 18, 2014 by way of a stock dividend, all historical per share data is presented on a post stock-split basis.

Reconciliation of Selected Non-GAAP Measures | Q4 FY13 YTD

(in '000s USD)	Year ended June 30, 2013					
	GAAP	GAAP % of Rev	Adjustments	FN	Non- GAAP	Non-GAAP % of Rev
COST OF REVENUES						
Cloud services	$72,365		$(128)	1	$72,237	
Customer support	106,948		(434)	1	106,514	
Professional service and other	196,874		(915)	1	195,959	
Amortization of acquired technology-based intangibles	93,610		(93,610)	2	_	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	877,432	64.4%	95,087	3	972,519	71.3%
OPERATING EXPENSES						
Research and development	164,010		(1,693)	1	162,317	
Sales and marketing	289,157		(8,429)	1	280,728	
General and administrative	109,325		(3,976)	1	105,349	
Amortization of customer based intangibles	68,745		(68,745)	2	_	
Special charges	24,034		(24,034)	4	_	
GAAP-based income from operations and operating margin (%) / Non-GAAP–based income from operations and operating margin (%)	197,665	14.5%	201,964	5	399,629	29.3%
Other income (expenses), net	(2,473)		2,473	6	_	
Provision for (recovery of) income taxes	29,690		23,881	7	53,571	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	$148,520		$180,556	8	$329,076	
GAAP-based EPS / Non-GAAP-based EPS – diluted, attributable to OpenText	$1.26		$1.53	8	$2.79	

Reconciliation of Selected Non-GAAP Measures | Q4 FY13 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 revenue.
4	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.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars, and operating margin stated as a percentage of 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 are generally not indicative or related to continuing operations and are hence excluded from our internal analysis of operating results.
7	Adjustment relates to differences between the GAAP-based tax provision of approximately 17% 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.
8	Reconciliation of Non-GAAP-based adjusted net income to GAAP-based net income:

	Year Ended June 30, 2013	
		Per Share Diluted*
Non-GAAP-based net income, attributable to OpenText	$329,076	$2.79
Less:		
Amortization	162,355	1.37
Share-based compensation	15,575	0.13
Special charges	24,034	0.20
Other (Income) expenses, net	2,473	0.02
GAAP based provision for (recovery of) income taxes	29,690	0.25
Non-GAAP-based provision for income taxes	(53,571)	(0.44)
GAAP-based net income, attributable to OpenText	$148,520	$1.26

* As a result of the two-for-one stock-split, effected February 18, 2014 by way of a stock dividend, all historical per share data is presented on a post stock-split basis.