OPENTEXT

Unleashing the Power of Information

INVESTOR PRESENTATION

FY15-Q2 | January 27, 2015

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

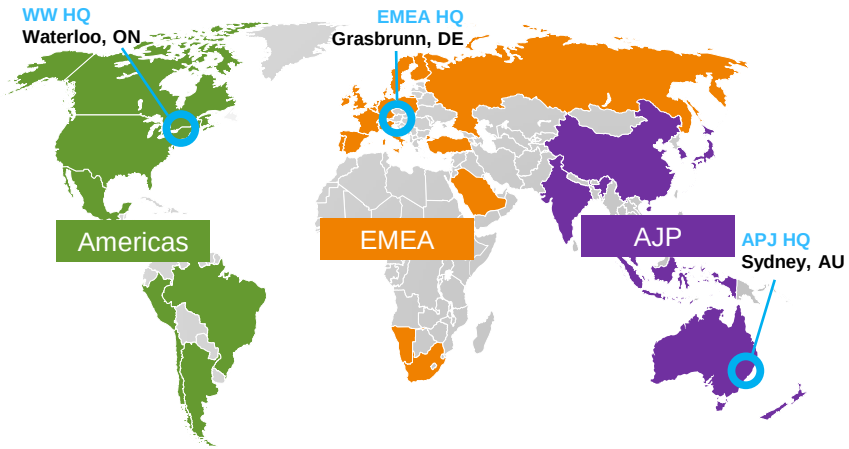
③ Sales and service distribution network in 40 countries

④ Leader in Enterprise Information Management (EIM) market

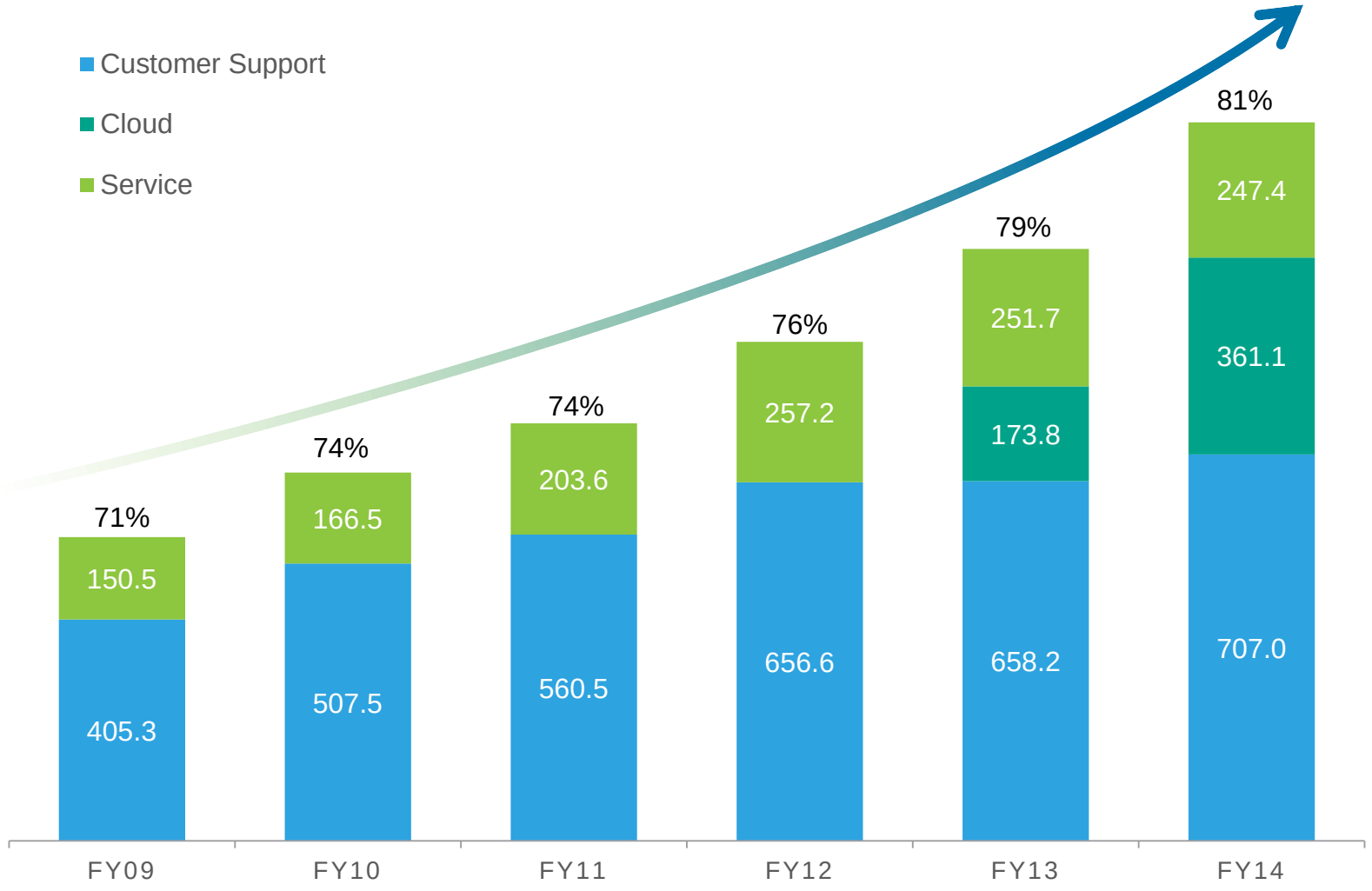
⑤ Leading cloud services provider. FY14 Rev of $361.1M, margin of 62.5%, 16B transactions, 600,000 trading partners

⑥ Focused on Value, Growth, Leadership



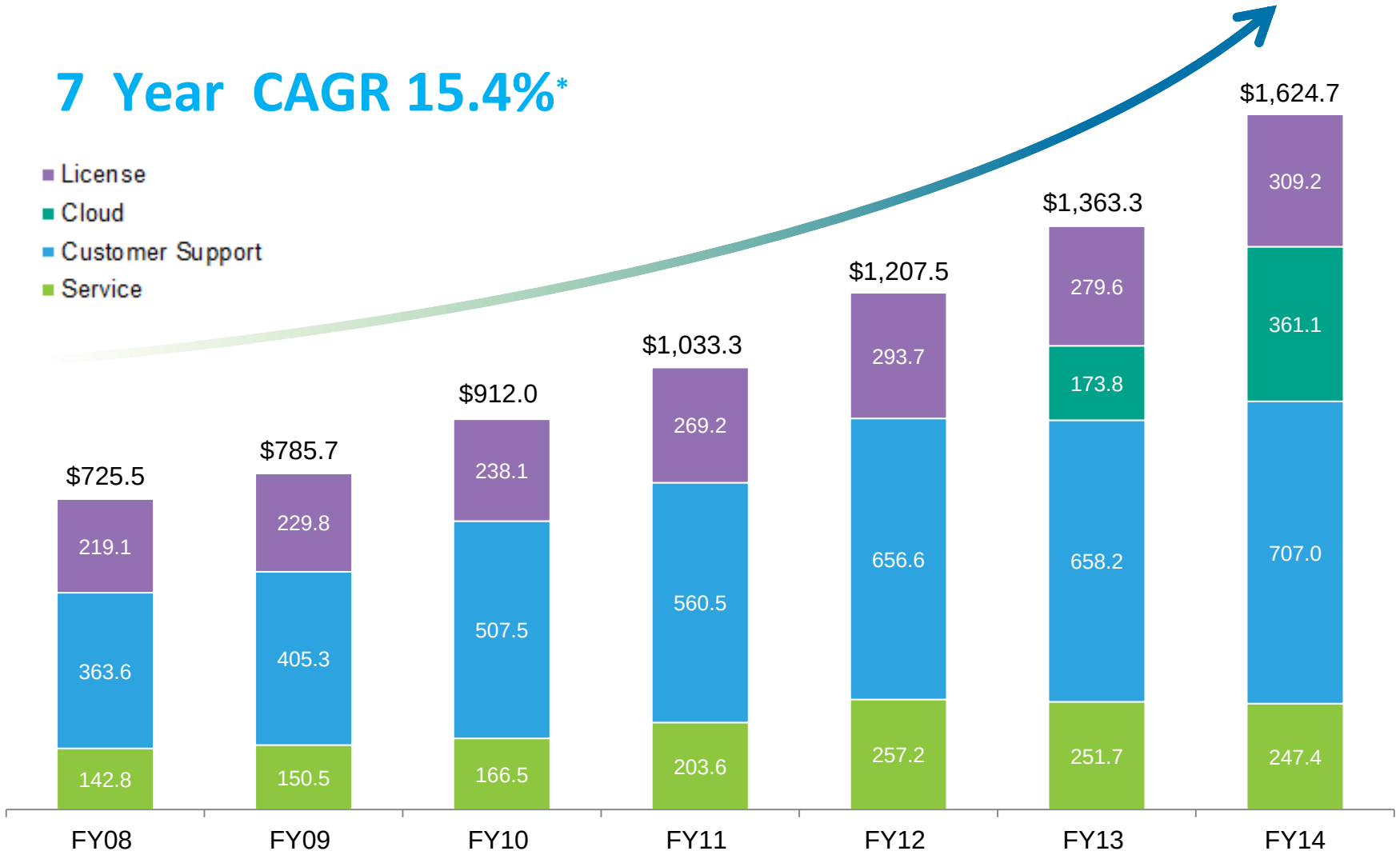


History of Annual Recurring Revenue* Y/Y in $M and Percentage of Total Revenue



*Recurring revenue is defined as revenue from Cloud Services, Customer Support and Professional Service and Other

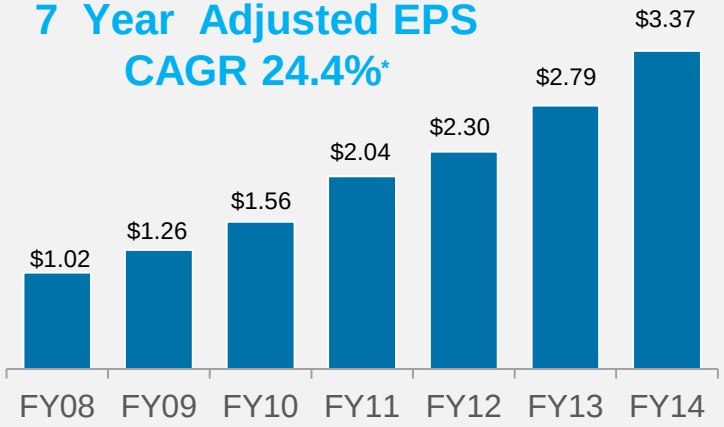
History of Growing Revenue Y/Y in $M: 7 Fiscal Years



*FY07 Revenue $595.7 million

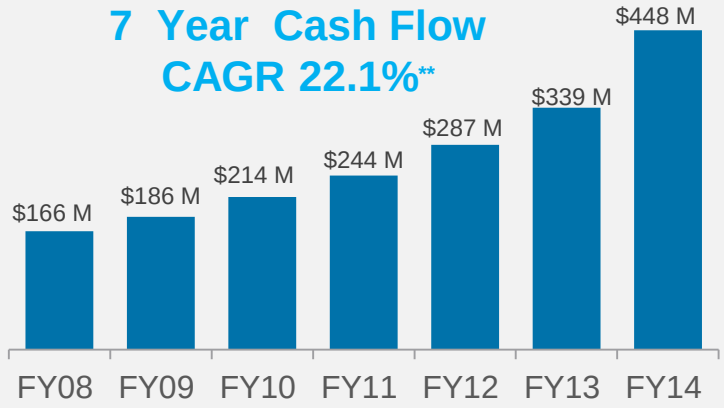
History of Growth

7 Year Adjusted EPS CAGR 24.4%*



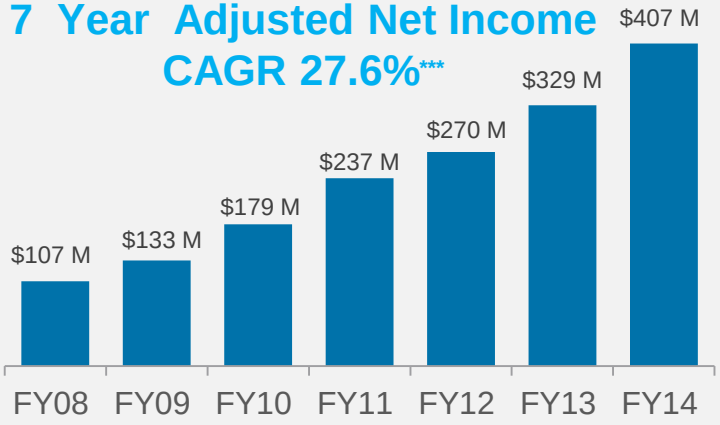
*FY07 adjusted EPS $0.73
all historical per share data is presented on a post stock-split basis

7 Year Cash Flow CAGR 22.1%**



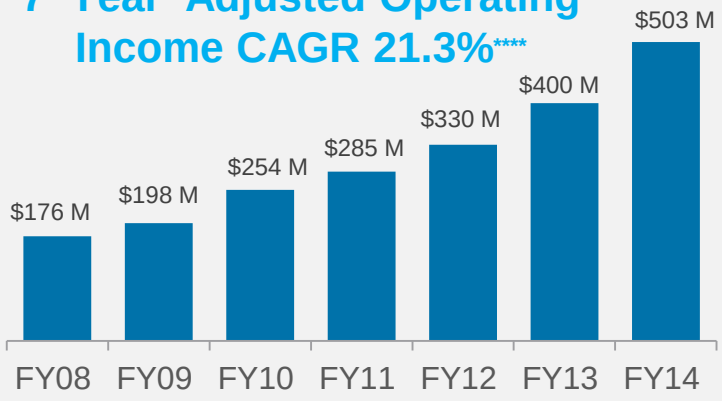
**FY07 cash flow $111M, before the impact of special charges

7 Year Adjusted Net Income CAGR 27.6%***



***FY07 Adjusted Net Income $74M

7 Year Adjusted Operating Income CAGR 21.3%****



****FY07 Adjusted Operating Income $130M

Key Markets



Information Management

Process

Applications

Platform



Compliance

Information Governance

Risk Management

Process Control



B2B Commerce

Business Network

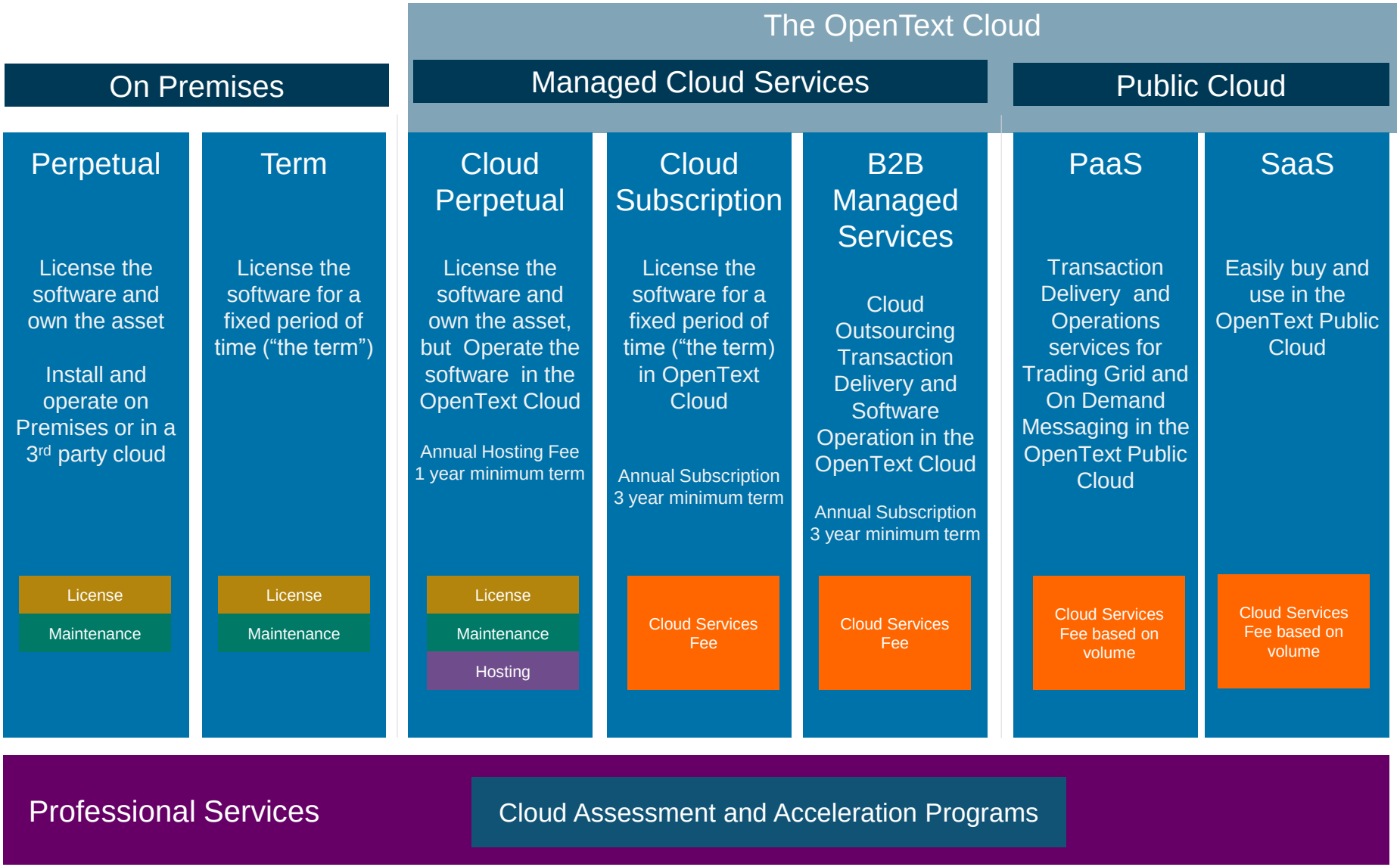
Trading Partners

Vertical Services

Deployment

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

More Customer Flexibility and Choice



FY15 Q2 Business and Financial Highlights

- OpenText buys Actuate Corporation
- OpenText buys Informative Graphics Corporation
- OpenText issued $800.0 million in aggregate principal by way of 5.625% senior notes due 2023 in a private placement on January 15, 2015
- 15 customer transactions over $1 million, 6 in the OpenText Cloud and 9 on-premises
- Financial, services and technology sector industries saw the most demand
- Cloud customer successes in the quarter include Schneider Electric Industries, Nestle S.A. and Nestle Purina Pet Care
- License customer successes in the quarter include DB Schenker, Insurance Australia Group, Singapore Power , IGATE, Fox Entertainment Group, Monster Beverage Corp., GEMA, Airbus and The Bosch Group
- OpenText launches data centers to support customers in Japan and across the Asia-Pacific Region
- OpenText launches OpenText Core, a new enterprise-grade cloud information management solution
- OpenText named one of Canada's Top 100 Employers for the fourth consecutive year

Total Revenue Up 29% Y/Y

- Total revenue $467.8 million up 29% Y/Y
- License Revenue $75.8 million down 7% Y/Y
- Cloud Revenue $151.3M up 259% Y/Y
- 15 customer transactions over $1 million, 6 in the OpenText Cloud and 9 on-premises
- License revenue from new accounts: 24%
- Partners contributed 36%
- Average deal size : $289K

Non-GAAP EPS Up 23% Y/Y

- Non-GAAP-based EPS was $0.97 compared to $0.79 Y/Y*
- GAAP–based EPS was $0.60 compared to $0.45 Y/Y
- Non-GAAP-based operating margin 33%**
- GAAP-based operating margin 24%**
- Non-GAAP tax rate: 18%

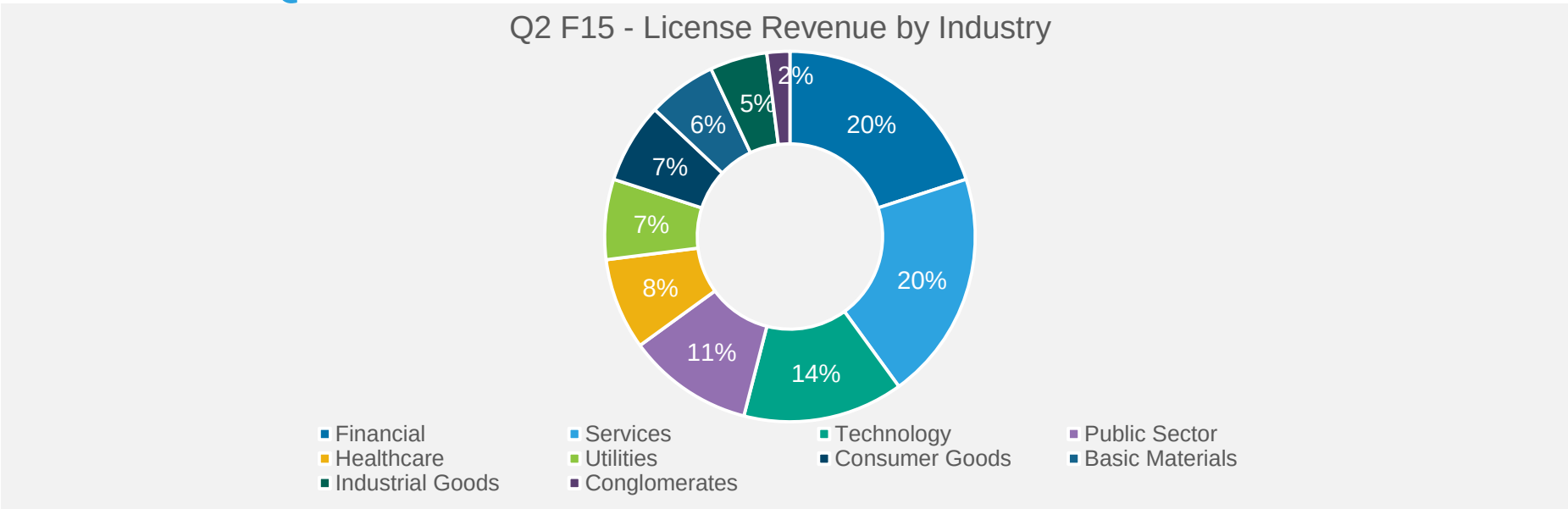
Operating Cash Flow Up 80% Y/Y

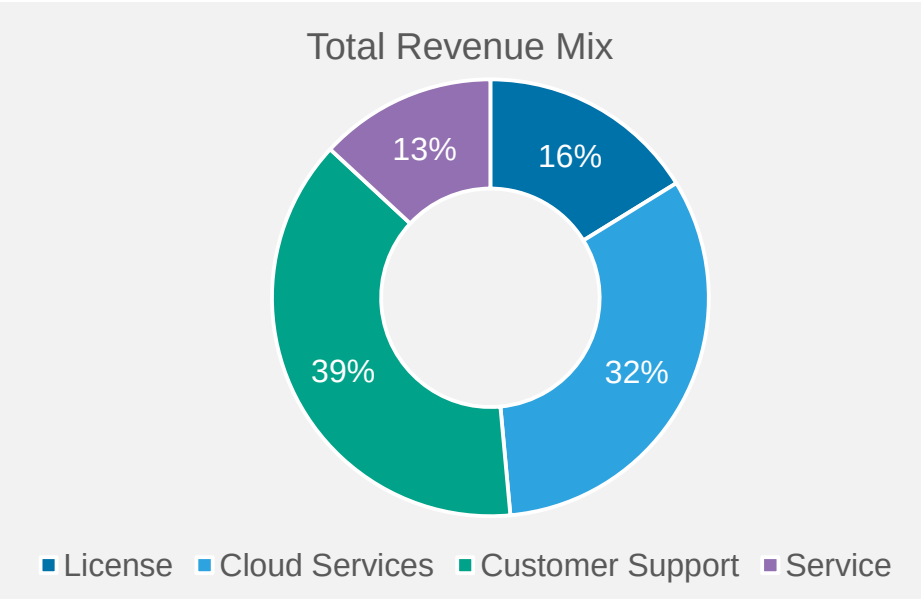
- $109.6 million in operating cash flow, compared to $60.9 million Y/Y
- Cash and cash equivalents $542.8 million
- Total debt $1,291.8 million as of December 31, 2014

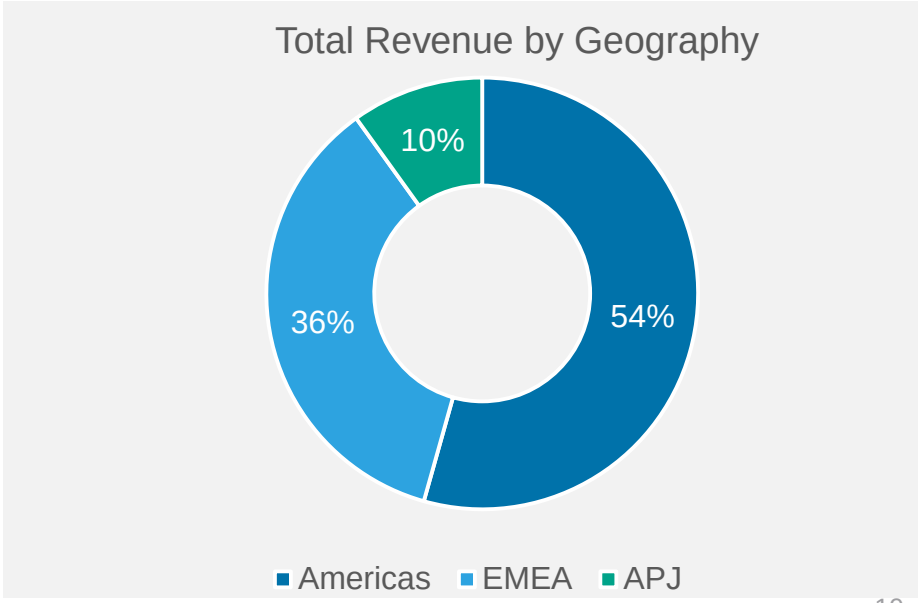
* See reconciliation of Non-GAAP measures to GAAP measures at the end of this presentation

**before taxes and interest expense

FY15-Q2 Revenue Breakdown







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."*

③ Security – "*Loss or damage of internal records more than doubled over 2012."*

④ Cloud – *"Cloud platforms will generate $44 billion in revenue by 2020."*

⑤ Mobility –*"By 2017…mobile endpoint devices will be used as a sophisticated application delivery platform."*

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. Deloitte: 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

IGATE has chosen an OpenText EIM suite consisting of Imaging, Workflow and Customer Communication Management as its strategic platform for its Third Party Administration business unit. This platform is already in use by a number of IGATE's clients which represent some of the largest Insurance companies in the world and this new Agreement will continue to increase the platform's use by expanding it across their broad customer base.

Singapore Power Knowledge Management Centre project team selected OpenText Web Experience Management and Tempo Social, together with their existing Extended ECM, for their Knowledge Management System.

DB Schenker's global Output & Document Management solution processes and stores all shipment related documents. All the data is transmitted via xml, scanners or web service interfaces. The OpenText Customer Communications Management (CCM) solution translates the data into professional layouts for distribution via fax, email or printer, and final storage. OpenText CCM has become part of DB Schenker's harmonized IT landscape strategy.

IAG purchased our OpenText Capture Center (OCC) product. This software captures the data "stored" in scanned images and faxes and interprets it using OCR, ICR, IDR, adaptive reading, and other technologies. OCC will help IAG reduce its manual processing of claims, accelerate its claim resolution, and improve the quality of its claims information.

Fox purchased OpenText Media Management, OpenText Cordys, and Discover components to expand their global media platforms. Fox uses Media Management to manage global marketing content and collaboration, production distribution for theatrical and broadcast media, and as their archival vault for managing master copies of all Fox Entertainment content.

Bosch has relied on OpenText for its secure and scalable archiving platform. More than one billion documents are stored and can be accessed by nearly 100,000 users.

Customer Wins

Airbus Group

Airbus Group has now entered into a two year term flex agreement for OpenText Enterprise Information Management (Unlimited, BPM, Exceed, Exceed 3D, HostExplorer excluded). This investment in OpenText for the next 24 months enables Airbus Group to further develop its current archiving platform and envisage standardization of the IT landscape for the entire group as well as drive new projects forward.

Schneider Electric

Schneider Electric is extending the usage of its OpenText iX Managed Services and Cordys software to build a Global Supply-Chain Backbone within Schneider Electric Group to support and facilitate electronic transactions between its entities and its logistic and transportation suppliers. These strategic initiatives will increase productivity in the entire Schneider Electric organization value chain.

Nestlé

Nestlé leverage OpenText iX Managed Services to provide supply chain integration services in 66 countries. In addition to regularly on-boarding new markets, OpenText supports Nestlé's high service levels – ensuring business critical information flows are not interrupted. Roll-outs to additional markets are accelerating and the need to support this growing service continues.

GEMA

GEMA purchased OpenText Extended ECM *for SAP® Solutions*. The society expects to further extend their digitalization strategy with the new application.

Monster Energy

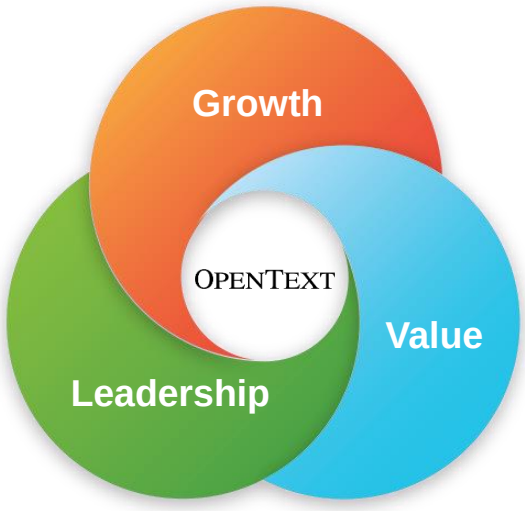
Monster Energy Company purchased OpenText Media Management (OTMM) to manage all their digital assets from creation, review, and approval, to distribution of content via secure high-speed transport. Assets within OTMM will be available via a user-friendly portal to approved internal and external users based anywhere in the world.

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



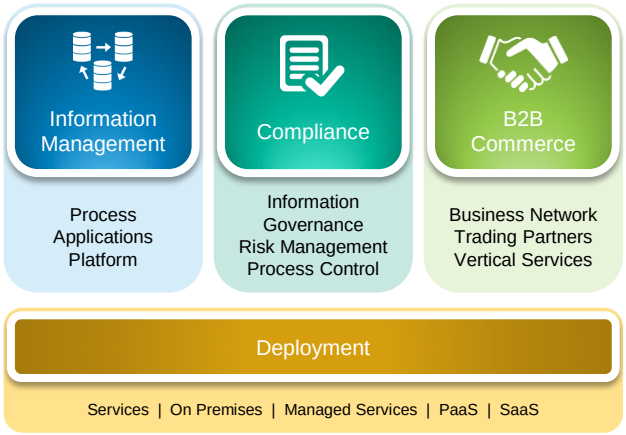
OpenText Business System in Action



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

OpenText Intelligent Growth System in Action (OTIGS)

Key Markets



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OTIGS



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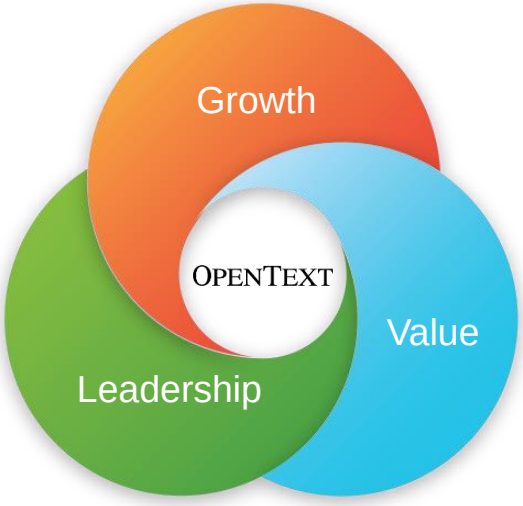


"At our core, OpenText is the Information Management, B2B Commerce and Compliance company, creating a Digital-First World, helping customers gain a competitive advantage and be more productive."

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

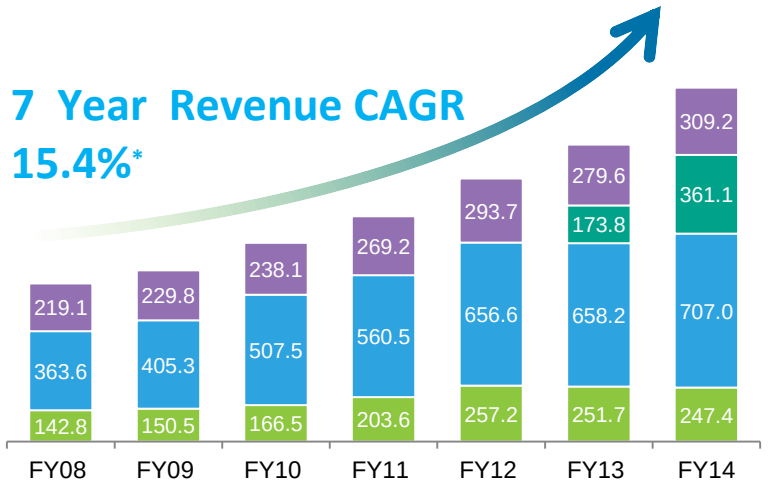
3. Compliance and regulated industries
existing core strength - driving more awareness, engineering, training

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

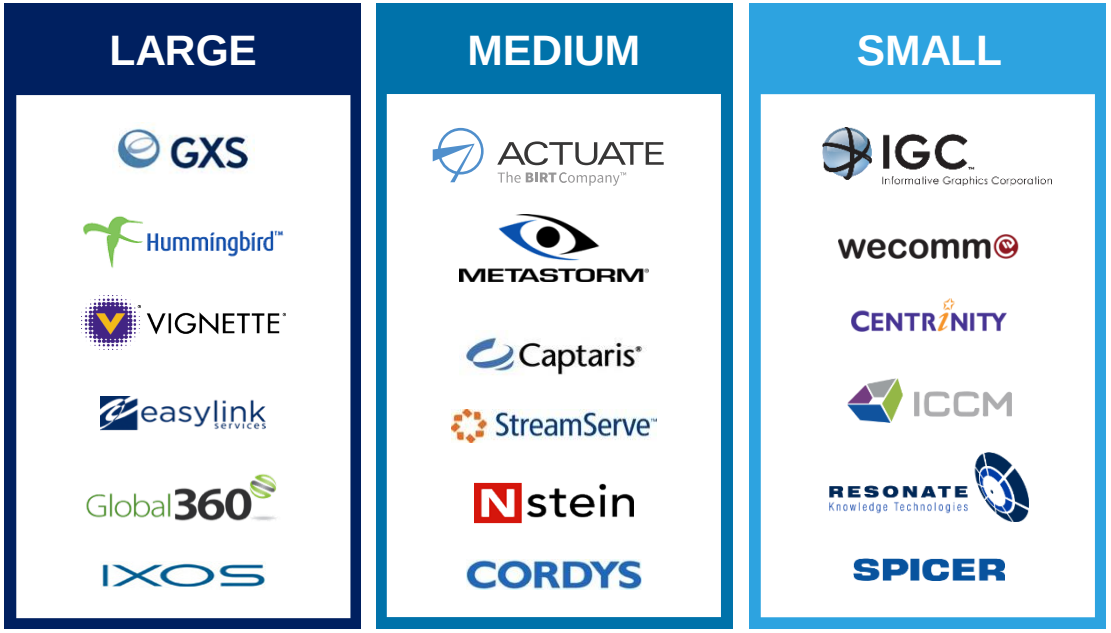
7. Acquisitions
we look to put $3 billion of capital to work over the next few years



*FY07 Revenue $595.7 million

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 50 acquisitions
- Put $3.8 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



Strategic Platforms

CONTENT

- Content Management
- Records Management
- Archiving
- Collaboration

IGC Informative Graphics Corporation
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

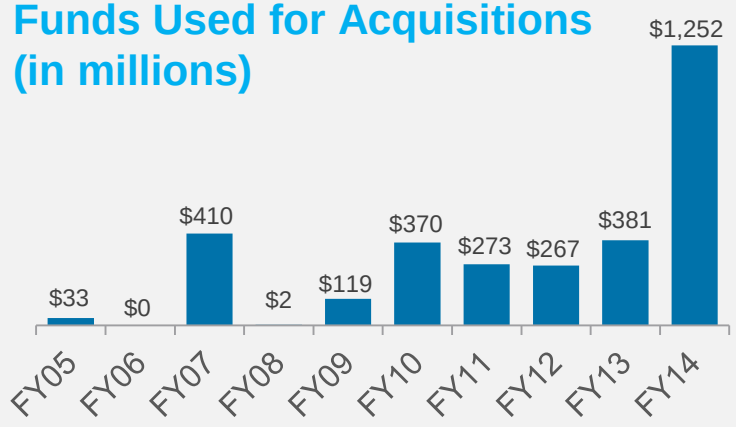
DISCOVERY

- Search
- Content Analytics
- Unified Information Access

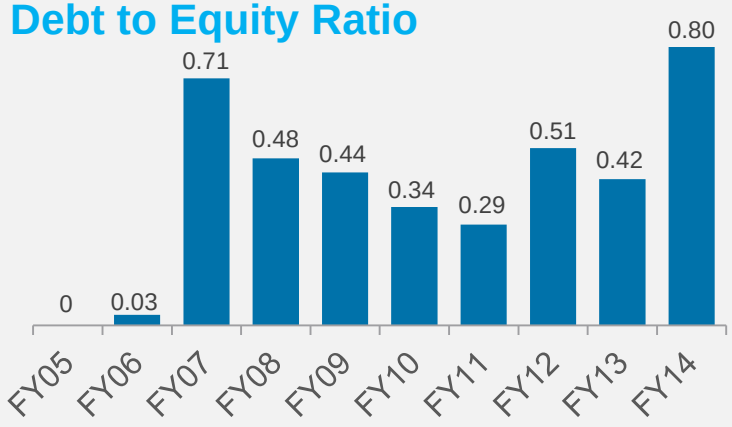
ACTUATE The BIRT Company™
Nstein
Hummingbird™

Capital Allocation

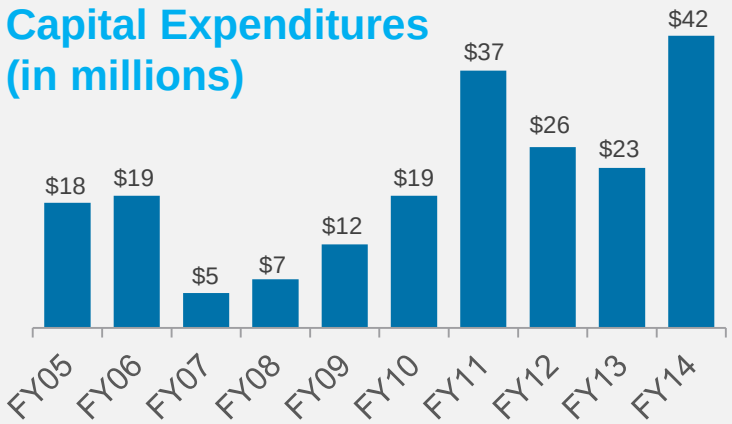
Funds Used for Acquisitions (in millions)



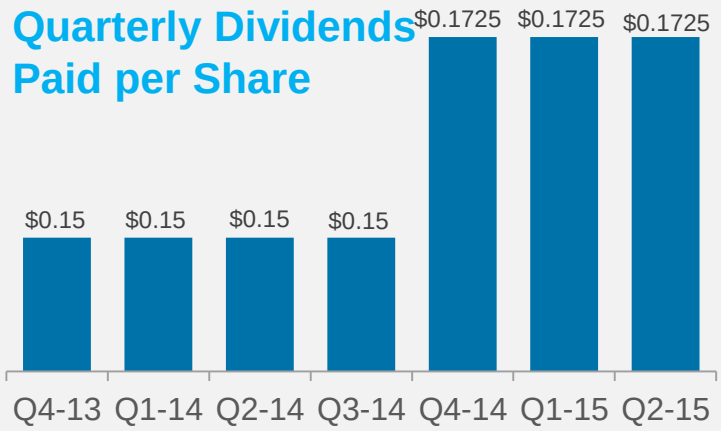
Debt to Equity Ratio



Capital Expenditures (in millions)



Quarterly Dividends Paid per Share

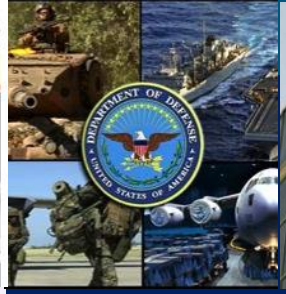


FY15 External Target Model*

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 Operating Margin	**28 - 32%**

*This target model is not guidance
















OpenText
Unleashing the Power of Information





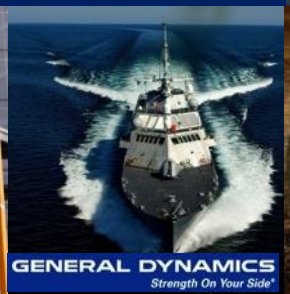












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- Gartner Enterprise Software Markets, 2009-2016
- 1Q12 Update, Davidson Consulting, Fax Server Industry Forecast, 2011-2016
- CEM: Gartner Magic Quadrant for Web Content Management, 10 Nov. 2011
- Discovery: Gartner Market Trends: Expect Disruption and Divergence in the E-Discovery Software Market, 16 Dec. 2011

Summary of Quarterly Results

	Q2 FY15	Q1 FY15	Q2 FY14	% Change (Q/Q)	% Change (Y/Y)
Revenue (million)	$ 467.8	$ 453.8	$ 363.5	3.1%	28.7%
GAAP-based gross margin	68.1%	67.4%	70.3%	70 bps	(220) bps
GAAP-based operating margin	23.6%	22.7%	20.3%	90 bps	330 bps
GAAP-based EPS, diluted*	$ 0.60	$ 0.53	$ 0.45	13.2%	33.3%
Non-GAAP-based gross margin**	72.2%	71.6%	74.0%	60 bps	(180) bps
Non-GAAP-based operating margin***	32.8%	34.3%	30.9%	(150) bps	190 bps
Non-GAAP-based EPS, diluted**	$ 0.97	$ 0.97	$ 0.79	—%	22.8%

* 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-based measures to GAAP-based measures at the end of this presentation

*** Before taxes and interest expense

Summary of Year To Date Results

	Q2 FY15 YTD	Q1 FY15	Q2 FY14 YTD	% Change (Y/Y)
Revenue (million)	$ 921.6	$ 453.8	$ 688.0	34.0%
GAAP-based gross margin	67.8%	67.4%	68.8%	(100) bps
GAAP-based operating margin	23.2%	22.7%	18.3%	490 bps
GAAP-based EPS, diluted*	$ 1.13	$ 0.53	$ 0.71	59.2%
Non-GAAP-based gross margin**	71.9%	71.6%	74.0%	(210) bps
Non-GAAP-based operating margin***	33.5%	34.3%	30.7%	280 bps
Non-GAAP-based EPS, diluted**	$ 1.93	$ 0.97	$ 1.48	30.4%

* 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	Q2 FY15	Q1 FY15	Q2 FY14	% Change (Q/Q)	% Change (Y/Y)
License	$ 75.8	$ 58.6	$ 81.2	29.4%	(6.6%)
Cloud services	151.3	150.0	42.1	0.8%	259.0%**
Customer support	179.5	183.9	174.4	(2.4%)	2.9%
Professional service and other	61.3	61.3	65.8	—%	(6.8%)
Total	$ 467.8	$ 453.8	$ 363.5	3.1%	28.7%

* 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	Q2 FY15 YTD	Q1 FY15	Q2 FY14 YTD	% Change (Y/Y)
License	$ 134.4	$ 58.6	$ 136.5	(1.5)%
Cloud services	301.3	150.0	83.8	259.6%**
Customer support	363.4	183.9	342.9	6.0%
Professional service and other	122.5	61.3	124.9	(1.8)%
Total	$ 921.6	$ 453.8	$ 688.0	34.0%

* 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 (recoveries), 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 (recoveries), share-based compensation, other income (expense), and the taxation impact of these items. These items are excluded based upon the manner in which management evaluates the business of the Company and are not excluded in the sense that they may be used under U.S. GAAP.

The Company believes the provision of supplemental non-GAAP measures allow investors to evaluate the operational and financial performance of the Company's core business using the same evaluation measures that management uses, and is therefore a useful indication of OpenText's performance or expected performance of future operations and facilitates period-to-period comparison of operating performance (although prior performance is not necessarily indicative of future performance). As a result, the Company considers it appropriate and reasonable to provide, in addition to U.S. GAAP measures, supplementary non-GAAP financial measures that exclude certain items from the presentation of its financial results 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 | Q2 FY15

(in '000s USD)	Three Months Ended December 31, 2014					
	GAAP	GAAP % of Rev	Adjustments	FN	Non- GAAP	Non-GAAP % of Rev
COST OF REVENUES						
Cloud services	$ 56,974		$ (186)	(1)	$ 56,788	
Customer support	23,942		(234)	(1)	23,708	
Professional service and other	46,641		(335)	(1)	46,306	
Amortization of acquired technology-based intangible assets	18,206		(18,206)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	318,670	68.1%	18,961	(3)	337,631	72.2%
Operating expenses						
Research and development	46,170		(614)	(1)	45,556	
Sales and marketing	90,010		(2,594)	(1)	87,416	
General and administrative	39,849		(966)	(1)	38,883	
Amortization of acquired customer-based intangible assets	25,364		(25,364)	(2)	—	
Special charges (recoveries)	(5,759)		5,759	(4)	—	
GAAP-based income from operations and operating margin (%) / Non-GAAP-based income from operations and operating margin (%)	110,571	23.6%	42,740	(5)	153,311	32.8%
Other income (expense), net	(9,314)		9,314	(6)	—	
Provision for (recovery of) income taxes	18,308		7,559	(7)	25,867	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	74,287		44,495	(8)	118,782	
GAAP-based earnings per share / Non GAAP-based earnings per share-diluted, attributable to OpenText	$ 0.60		$ 0.37	(8)	$ 0.97	

Reconciliation of Selected Non-GAAP Measures | Q2 FY15

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 (recoveries) from our Non-GAAP-based operating expenses as Special charges are generally incurred in the periods following the relevant acquisitions and are not indicative or related to continuing operations and are therefore excluded from our internal analysis of operating results.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars and operating margin stated as a percentage of revenue.
6	Adjustment relates to the exclusion of Other income (expense) from our Non-GAAP-based operating expenses as Other income (expense) relates primarily to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results.
7	Adjustment relates to differences between the GAAP-based tax provision of approximately 20% and a Non-GAAP-based tax rate of 18%; 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 December 31, 2014	
		Per Share Diluted
Non-GAAP-based net income, attributable to OpenText	$ 118,782	$ 0.97
Less:		
Amortization	43,570	0.35
Share-based compensation	4,929	0.04
Special charges (recoveries)	(5,759)	(0.05)
Other (income) expense, net	9,314	0.08
GAAP-based provision for (recovery of) income taxes	18,308	0.15
Non-GAAP based provision for income taxes	(25,867)	(0.20)
GAAP-based net income, attributable to OpenText	$ 74,287	$ 0.60

Reconciliation of Selected Non-GAAP Measures | Q2 FY15 YTD

(in '000s USD)	Six Months Ended December 31, 2014					
	GAAP	GAAP % of Rev	Adjustments	FN	Non- GAAP	Non-GAAP % of Rev
COST OF REVENUES						
Cloud services	$ 114,970		$ (399)	(1)	$ 114,571	
Customer support	47,160		(408)	(1)	46,752	
Professional service and other	92,002		(598)	(1)	91,404	
Amortization of acquired technology-based intangible assets	36,412		(36,412)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	624,588	67.8%	37,817	(3)	662,405	71.9%
Operating expenses						
Research and development	90,912		(1,177)	(1)	89,735	
Sales and marketing	170,109		(4,668)	(1)	165,441	
General and administrative	75,605		(2,128)	(1)	73,477	
Amortization of acquired customer-based intangible assets	51,248		(51,248)	(2)	—	
Special charges (recoveries)	(1,590)		1,590	(4)	—	
GAAP-based income from operations and operating margin (%) / Non-GAAP-based income from operations and operating margin (%)	213,597	23.2%	95,448	(5)	309,045	33.5%
Other income (expense), net	(19,187)		19,187	(6)	—	
Provision for (recovery of) income taxes	35,710		16,165	(7)	51,875	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	138,913		98,470	(8)	237,383	
GAAP-based earnings per share / Non GAAP-based earnings per share-diluted, attributable to OpenText	$ 1.13		$ 0.80	(8)	$ 1.93	

Reconciliation of Selected Non-GAAP Measures | Q2 FY15 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 (recoveries) from our Non-GAAP-based operating expenses as Special charges are generally incurred in the periods following the relevant acquisitions and are not indicative or related to continuing operations and are therefore excluded from our internal analysis of operating results.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars and operating margin stated as a percentage of revenue.
6	Adjustment relates to the exclusion of Other income (expense) from our Non-GAAP-based operating expenses as Other income (expense) relates primarily to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results.
7	Adjustment relates to differences between the GAAP-based tax provision of approximately 20% and a Non-GAAP-based tax rate of 18%; 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:

	Six Months Ended December 31, 2014	
		Per Share Diluted
Non-GAAP-based net income, attributable to OpenText	$ 237,383	$ 1.93
Less:		
Amortization	87,660	0.71
Share-based compensation	9,378	0.08
Special charges (recoveries)	(1,590)	(0.01)
Other (income) expense, net	19,187	0.16
GAAP-based provision for (recovery of) income taxes	35,710	0.29
Non-GAAP based provision for income taxes	(51,875)	(0.43)
GAAP-based net income, attributable to OpenText	$ 138,913	$ 1.13

Reconciliation of Selected Non-GAAP Measures | Q1 FY15

(in '000s USD)	Three Months Ended September 30, 2014					
	GAAP	GAAP % of Rev	Adjustments	FN	Non- GAAP	Non-GAAP % of Rev
COST OF REVENUES						
Cloud services	$ 57,996		$ (213)	(1)	$ 57,783	
Customer support	23,218		(174)	(1)	23,044	
Professional service and other	45,361		(263)	(1)	45,098	
Amortization of acquired technology-based intangible assets	18,206		(18,206)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	305,918	67.4%	18,856	(3)	324,774	71.6%
Operating expenses						
Research and development	44,742		(563)	(1)	44,179	
Sales and marketing	80,099		(2,074)	(1)	78,025	
General and administrative	35,756		(1,162)	(1)	34,594	
Amortization of acquired customer-based intangible assets	25,884		(25,884)	(2)	—	
Special charges (recoveries)	4,169		(4,169)	(4)	—	
GAAP-based income from operations and operating margin (%) / Non-GAAP-based income from operations and operating margin (%)	103,026	22.7%	52,708	(5)	155,734	34.3%
Other income (expense), net	(9,873)		9,873	(6)	—	
Provision for (recovery of) income taxes	17,402		8,606	(7)	26,008	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	64,626		53,975	(8)	118,601	
GAAP-based earnings per share / Non GAAP-based earnings per share-diluted, attributable to OpenText	$ 0.53		$ 0.44	(8)	$ 0.97	

Reconciliation of Selected Non-GAAP Measures | Q1 FY15

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 (recoveries) from our Non-GAAP-based operating expenses as Special charges are generally incurred in the periods following the relevant acquisitions and are not indicative or related to continuing operations and are therefore excluded from our internal analysis of operating results.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars and operating margin stated as a percentage of revenue.
6	Adjustment relates to the exclusion of Other income (expense) from our Non-GAAP-based operating expenses as Other income (expense) relates primarily to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results.
7	Adjustment relates to differences between the GAAP-based tax provision of approximately 21% and a Non-GAAP-based tax rate of 18%; 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 September 30, 2014	
		Per Share Diluted
Non-GAAP-based net income, attributable to OpenText	$ 118,601	$ 0.97
Less:		
Amortization	44,090	0.36
Share-based compensation	4,449	0.04
Special charges (recoveries)	4,169	0.03
Other (income) expense, net	9,873	0.08
GAAP-based provision for (recovery of) income taxes	17,402	0.14
Non-GAAP based provision for income taxes	(26,008)	(0.21)
GAAP-based net income, attributable to OpenText	$ 64,626	$ 0.53

Reconciliation of Selected Non-GAAP Measures | Q2 FY14

(in '000s USD)	Three Months Ended December 31, 2013					
	GAAP	GAAP % of Rev	Adjustments	FN	Non- GAAP	Non-GAAP % of Rev
COST OF REVENUES						
Cloud services	$ 15,963		$ 60	(1)	$ 16,023	
Customer support	24,409		(312)	(1)	24,097	
Professional service and other	51,245		(328)	(1)	50,917	
Amortization of acquired technology-based intangible assets	13,035		(13,035)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	255,551	70.3%	13,615	(3)	269,166	74.0%
Operating expenses						
Research and development	41,917		(794)	(1)	41,123	
Sales and marketing	81,290		(1,921)	(1)	79,369	
General and administrative	32,815		(3,382)	(1)	29,433	
Amortization of acquired customer-based intangible assets	12,432		(12,432)	(2)	—	
Special charges (recoveries)	6,268		(6,268)	(4)	—	
GAAP-based income from operations and operating margin (%) / Non-GAAP-based income from operations and operating margin (%)	73,931	20.3%	38,412	(5)	112,343	30.9%
Other income (expense), net	(740)		740	(6)	—	
Provision for (recovery of) income taxes	16,651		(1,349)	(7)	15,302	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	53,500		40,501	(8)	94,001	
GAAP-based earnings per share / Non GAAP-based earnings per share-diluted, attributable to OpenText	$ 0.45		$ 0.34	(8)	$ 0.79	

Reconciliation of Selected Non-GAAP Measures | Q2 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 (recoveries) from our Non-GAAP-based operating expenses as Special charges are generally incurred in the periods following the relevant acquisitions and are not indicative or related to continuing operations and are therefore excluded from our internal analysis of operating results.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars and operating margin stated as a percentage of revenue.
6	Adjustment relates to the exclusion of Other income (expense) from our Non-GAAP-based operating expenses as Other income (expense) relates primarily to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results.
7	Adjustment relates to differences between the GAAP-based tax provision of approximately 24% 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 December 31, 2013	
		Per Share Diluted
Non-GAAP-based net income, attributable to OpenText	$ 94,001	$ 0.79
Less:		
Amortization	25,467	0.21
Share-based compensation	6,677	0.06
Special charges (recoveries)	6,268	0.05
Other (income) expense, net	740	0.01
GAAP-based provision for (recovery of) income taxes	16,651	0.14
Non-GAAP based provision for income taxes	(15,302)	(0.13)
GAAP-based net income, attributable to OpenText	$ 53,500	$ 0.45

Reconciliation of Selected Non-GAAP Measures | Q2 FY14 YTD

(in '000s USD)	Six Months Ended December 31, 2013					
	GAAP	GAAP % of Rev	Adjustments	FN	Non- GAAP	Non-GAAP % of Rev
COST OF REVENUES						
Cloud services	$ 30,228		$ 22	—	$ 30,250	
Customer support	46,579		(409)	—	46,170	
Professional service and other	96,680		(498)	—	96,182	
Amortization of acquired technology-based intangible assets	34,565		(34,565)	—	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	473,575	68.8%	35,450	(3)	509,025	74.0%
Operating expenses						
Research and development	82,133		(1,522)	(1)	80,611	
Sales and marketing	150,703		(4,274)	(1)	146,429	
General and administrative	61,701		(4,608)	(1)	57,093	
Amortization of acquired customer-based intangible assets	29,709		(29,709)	(2)	—	
Special charges (recoveries)	9,999		(9,999)	(4)	—	
GAAP-based income from operations and operating margin (%) / Non-GAAP-based income from operations and operating margin (%)	125,974	18.3%	85,562	(5)	211,536	30.7%
Other income (expense), net	1,186		(1,186)	(6)	—	
Provision for (recovery of) income taxes	35,605		(7,029)	(7)	28,576	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	84,130		91,405	(8)	175,535	
GAAP-based earnings per share / Non GAAP-based earnings per share-diluted, attributable to OpenText	$ 0.71		$ 0.77	(8)	$ 1.48	

Reconciliation of Selected Non-GAAP Measures | Q2 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 (recoveries) from our Non-GAAP-based operating expenses as Special charges are generally incurred in the periods following the relevant acquisitions and are not indicative or related to continuing operations and are therefore excluded from our internal analysis of operating results.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars and operating margin stated as a percentage of revenue.
6	Adjustment relates to the exclusion of Other income (expense) from our Non-GAAP-based operating expenses as Other income (expense) relates primarily to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results.
7	Adjustment relates to differences between the GAAP-based tax provision 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 calculating Non-GAAP-based adjusted net income.
8	Reconciliation of Non-GAAP-based adjusted net income to GAAP-based net income:

	Six Months Ended December 31, 2013	
		Per Share Diluted
Non-GAAP-based net income, attributable to OpenText	$ 175,535	$ 1.48
Less:		
Amortization	64,274	0.54
Share-based compensation	11,289	0.09
Special charges (recoveries)	9,999	0.08
Other (income) expense, net	(1,186)	(0.01)
GAAP-based provision for (recovery of) income taxes	35,605	0.30
Non-GAAP based provision for income taxes	(28,576)	(0.23)
GAAP-based net income, attributable to OpenText	$ 84,130	$ 0.71