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OpenText Investor Day

Toronto | July 11, 2017

The Information Company™

NASDAQ: OTEX | TSX: OTEX

Safe Harbor Statement

Certain statements in this presentation, including statements about the focus of Open Text Corporation (“OpenText” or “the Company”) in our fiscal year ending June 30, 2017 (Fiscal 2017) on growth in earnings and cash flows, creating value through investments in broader Enterprise Information Management (EIM) capabilities, distribution, the Company's presence in the cloud and in growth markets, expected growth in our revenue lines, expected ECD Business revenue contributions, adjusted operating income and cash flow, its financial condition, results of operations and earnings, announced acquisitions, ongoing tax matters, the integration of the ECD Business, expected timing, charges and savings related to restructuring activities, declaration of quarterly dividends, future tax rates, new platform and product offerings and other matters, may contain words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "may", "could", "would", "might", "will" and variations of these words or similar expressions are considered forward-looking statements or information under applicable securities laws. In addition, any information or statements that refer to expectations, beliefs, plans, projections, objectives, performance or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking, and based on our current expectations, forecasts and projections about the operating environment, economies and markets in which we operate. Forward-looking statements reflect our current estimates, beliefs and assumptions, which are based on management's perception of historic trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances, such as certain assumptions about the economy, as well as market, financial and operational assumptions. Management's estimates, beliefs and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and, as such, are subject to change. We can give no assurance that such estimates, beliefs and assumptions will prove to be correct. Such forward-looking statements involve known and unknown risks, uncertainties and other factors and assumptions that may cause the actual results, performance or achievements to differ materially. Such factors include, but are not limited to: (i) the future performance, financial and otherwise, of OpenText; (ii) the ability of OpenText to bring new products and services to market and to increase sales; (iii) the strength of the Company's product development pipeline; (iv) the Company's growth and profitability prospects; (v) the estimated size and growth prospects of the EIM market including expected growth in the Artificial Intelligence market; (vi) the Company's competitive position in the EIM market and its ability to take advantage of future opportunities in this market; (vii) the benefits of the Company's products and services to be realized by customers; (viii) the demand for the Company's products and services and the extent of deployment of the Company's products and services in the EIM marketplace; (ix) downward pressure on our share price and dilutive effect of future sales or issuances of equity securities (including in connection with future acquisitions); (x) the Company's financial condition and capital requirements; and (xi) statements about the impact of product releases. The risks and uncertainties that may affect forward-looking statements include, but are not limited to: (i) integration of acquisitions and related restructuring efforts, including the quantum of restructuring charges and the timing thereof; (ii) the potential for the incurrence of or assumption of debt in connection with acquisitions and the impact on the ratings or outlooks of rating agencies on the Company's outstanding debt securities; (iii) the possibility that the Company may be unable to meet its future reporting requirements under the U.S. Securities Exchange Act of 1934, as amended, and the rules promulgated thereunder, or applicable Canadian securities regulation; (iv) the risks associated with bringing new products and services to market; (v) fluctuations in currency exchange rates; (vi) delays in the purchasing decisions of the Company's customers; (vii) the competition the Company faces in its industry and/or marketplace; (viii) the final determination of litigation, tax audits (including tax examinations in the United States and elsewhere) and other legal proceedings; (ix) potential exposure to greater than anticipated tax liabilities or expenses, including with respect to changes in Canadian, U.S. or international tax regimes; (x) the possibility of technical, logistical or planning issues in connection with the deployment of the Company's products or services; (xi) the continuous commitment of the Company's customers; and (xii) demand for the Company's products and services. For additional information with respect to risks and other factors which could occur, see the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other securities filings with the Securities and Exchange Commission (SEC) and other securities regulators. Readers are cautioned not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. Unless otherwise required by applicable securities laws, the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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Agenda

Time	Presenters	Topic
11:30 AM – 12:00 PM	Buffet Lunch	
12:00 – 12:05 PM	**Greg Secord** VP, Investor Relations	Welcome
12:05 – 12:50 PM	**Mark J. Barrenechea** CEO & CTO	Strategic Overview
12:50 – 12:55 PM	**John Doolittle** CFO	Liquidity Profile & Capital Allocation
12:55 – 1:10 PM	**James McGourlay** SVP, Global Customer Services	Customer Engagement and Recurring Revenue
1:10 – 1:30 PM	**Muhi Majzoub** EVP, Engineering & IT	Product Update
1:30 – 2:00 PM	**Mark J. Barrenechea, John Doolittle, James McGourlay, Muhi Majzoub**	Q&A

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Today’s Presentation

- OpenText is preparing for its fourth quarter Fiscal 2017 year-end results with an Investor call scheduled for August 3, 2017
- OpenText is in quiet period: there will be no new forward-looking financial or target model information discussed today
- Today’s question period will focus on strategy and products
- All mentions of performance are historical only, reflecting the fiscal quarter ended March 31, 2017
- Presentation and audio webcast available at http://investors.opentext.com

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OpenText Investor Day

Mark J. Barrenechea

OpenText CEO & CTO

The Information Company™

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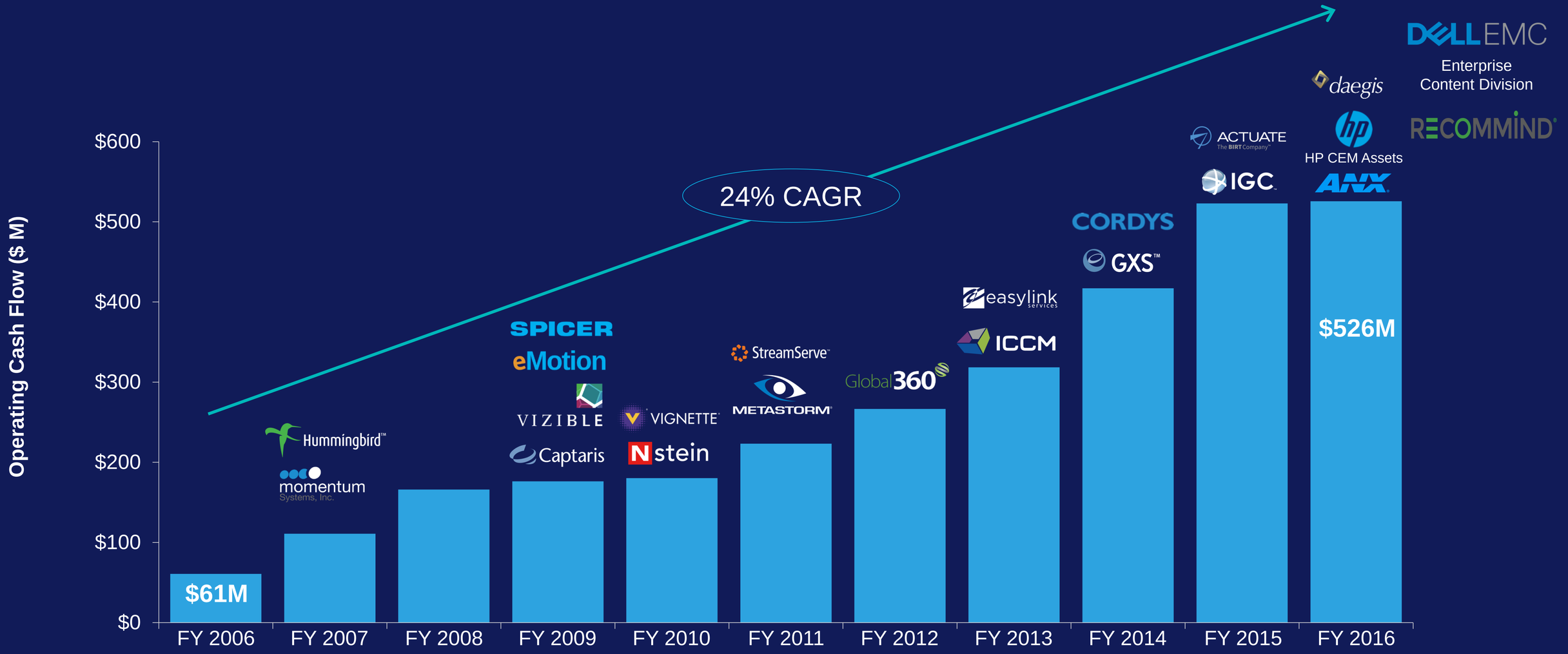
Growth in Cash Flow Driven By The OpenText Business System



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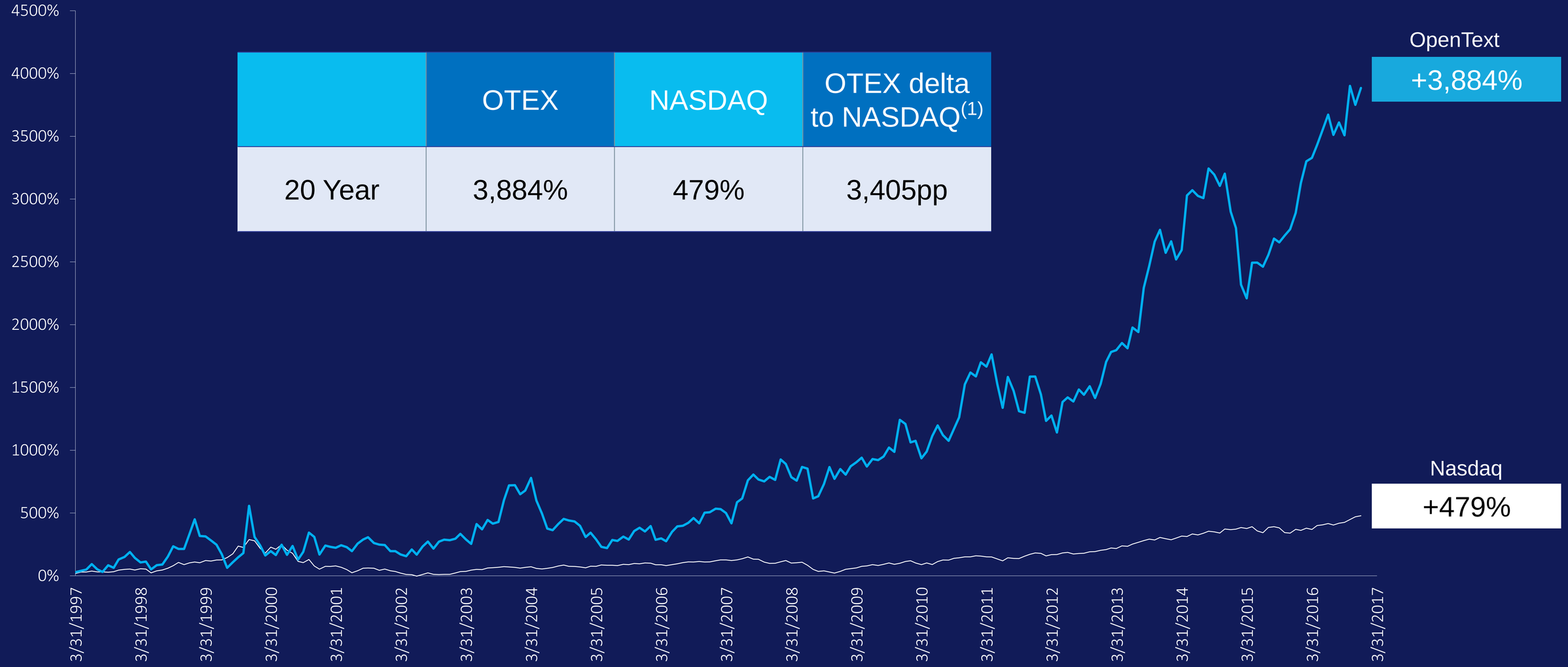
20-Year Total Shareholder Return

OTEX v. NASDAQ

	OTEX	NASDAQ	OTEX delta to NASDAQ(1)
20 Year	3,884%	479%	3,405pp



(1) Source: NASDAQ (March 31, 2017)

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OpenText Overview

- Global leader in Information Management software and cloud services
- We service a marquee set of Fortune 10,000 customers
- Trailing 12 months sales of $2.1 billion, with approximately 41% of sales outside the Americas region(1)
- Listed on the Nasdaq (since 1996) and TSX (since 1998)
- Long track record of creating significant value for shareholders through the OpenText Business System
- Proven ability to deploy capital on value-enhancing acquisitions
- High-quality and expanding annual recurring revenue base
- Committed to expanding Adjusted Operating Income (AOI)
- Strong, experienced management team

(1) Trailing twelve months as of March 31, 2017

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Enterprise World Record Attendance

5,000	Attendees(1)	50	Countries
400	Partners	43	Demo Pods
400	Future Forward	42	Partner Pods
230	Sessions	5	Days
120	Customer Speakers	1	Robot

Select Customers

KUKA, Bruce Power, BMO, Coca-Cola, J&J, AMEX, ECB, Google, The Private Bank

Select Partners

Accenture, Deloitte, SAP, TCS, E&Y, CGI, Capgemini

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(1) Estimated figure

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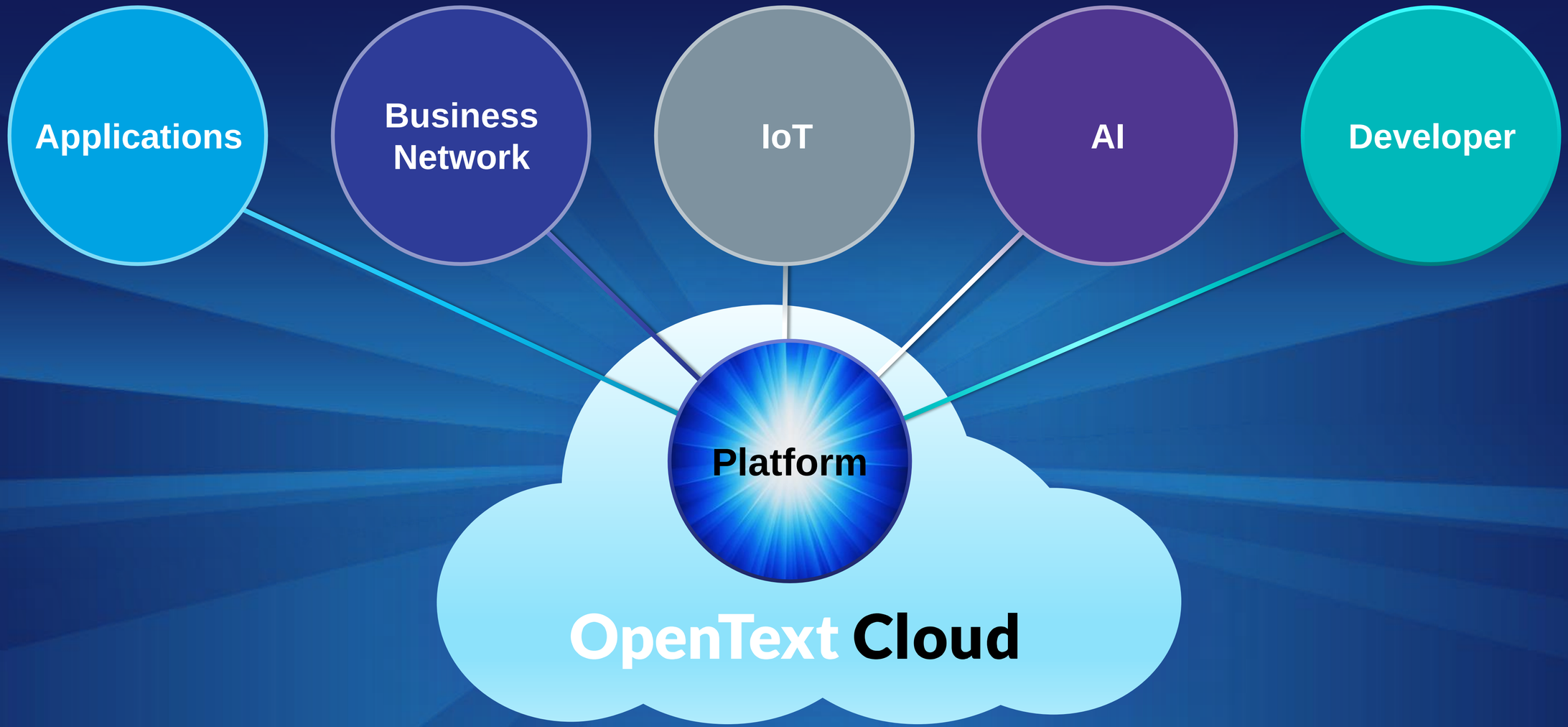
OpenText: The Information Company

Connect with your information in a whole new way



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Strong, Experienced Management Team



Mark J. Barrenechea
CEO & CTO



Muhi Majzoub
EVP, Engineering & IT



John Doolittle
EVP, CFO



Gordon Davies
EVP, CLO & Corporate Development



Adam Howatson
SVP, CMO



David Jamieson
SVP, CIO



Leslie Sarauer
SVP, Human Resources



Simon “Ted” Harrison
SVP, Enterprise Sales



George Schulze
SVP, Business Network Sales



James McGourlay
SVP, Global Customer Services



Prentiss Donohue
SVP, Professional Services



Gary Weiss
SVP, GM Discovery & Analytics



Doug Parker
SVP, Corporate Development

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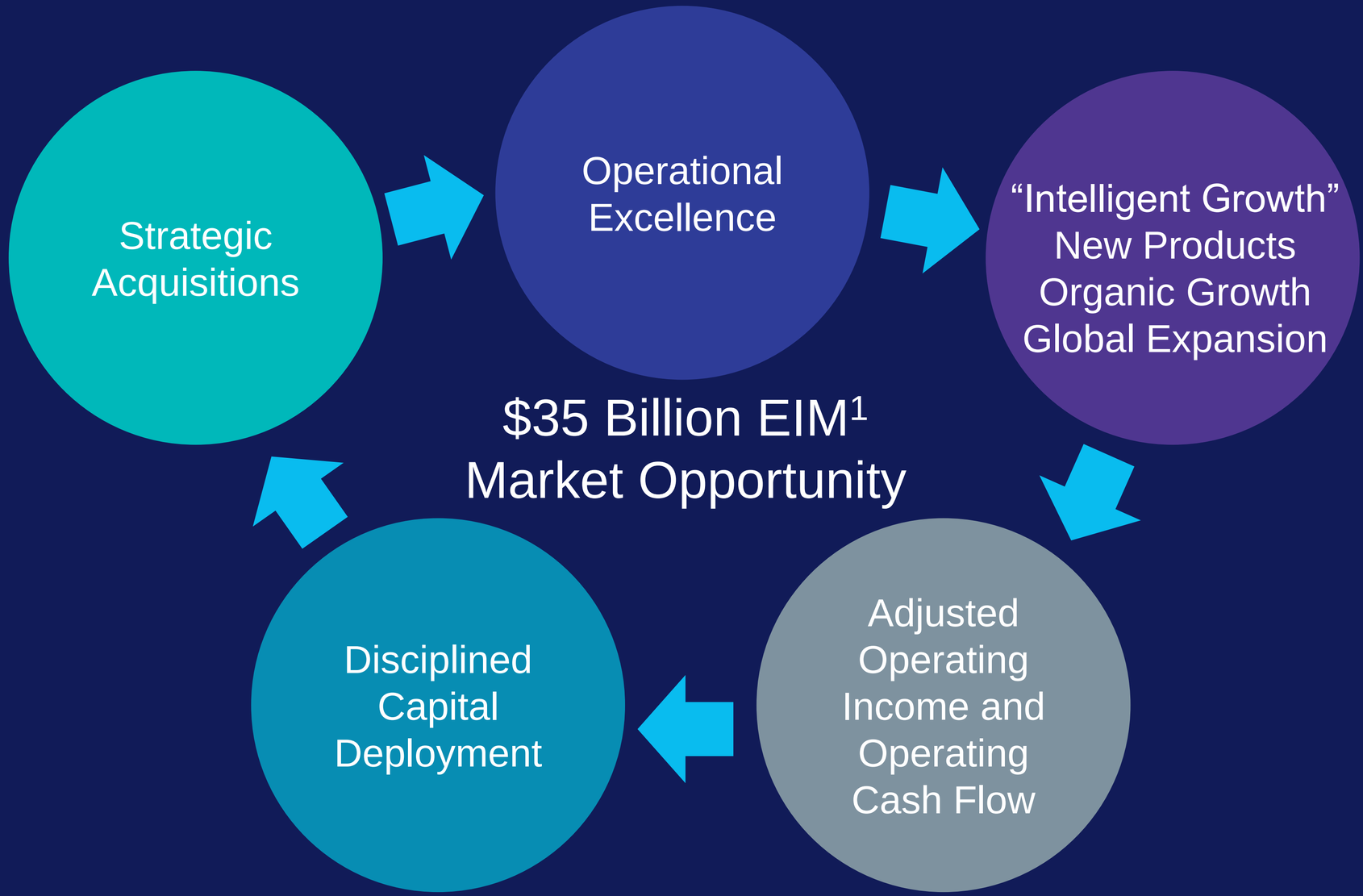
Proven and Scalable Growth Strategy



1. Data from various industry analyst reports including Forrester, Gartner, and others

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Operational Excellence

- Scalable and cost efficient centers of excellence in India, the Philippines and Canada
- Proven track record of adjusted operating margin expansion
- Opportunity to further “digitalize” our operations
- We empower our leaders with clear financial goals, with systems to measure and monitor performance
- A Pay for Performance corporate framework, while developing the potential of our workforce
- Utilize systems and tools including LEAN, Six Sigma, Global Sourcing

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Intelligent Growth: New Products

OpenText aligned to key customer drivers

Industry Analyst Comments

- >$1 trillion in IT spending will be affected by the shift to cloud by 2018(1)
- By 2018, over half of large organizations globally will compete using advanced analytics, causing the disruption of entire industries(2)
- By 2018, 20% of all business content will be authored by machines(2)
- By 2020, advanced algorithms will positively alter the behavior of over 1 billion global workers(3)

OpenText Response

Platform and Applications: Release 16 EP2 / EP3

B2B: OpenText Business Network

AI: OpenText Magellan

IoT: Covisint

Developer & Mobile: OpenText AppWorks

Managed Services: OpenText Cloud

Next Generation Platform: BANFF

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1. “Gartner Says by 2020 "Cloud Shift" Will Affect More Than $1 Trillion in IT Spending.” July 2016, http://www.gartner.com/newsroom/id/3384720
2. “100 Data and Analytics Predictions Through 2020”, Gartner, March 2016
3. “Predicts 2017: Boosting Business Results Through Personal Choice in the Digital Workplace”, Gartner, November 2016

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Intelligent Growth: Organic Growth

- Leverage opportunities through new brand and B2B digital practices
- Increase account coverage through management practices, capacity additions and global partners
- Promote install-base adoption through specific programs: upgrade to R16, Information Life-cycle Management (ILM), CEM, Discovery, competitive replacements (Lexmark, IBM)
- Focus on vertical capabilities and expertise (Financial Services, Life Sciences, Regulated Markets, Manufacturing, HealthCare, Auto and Transportation)
- Expand definition of EIM to include AI and IoT

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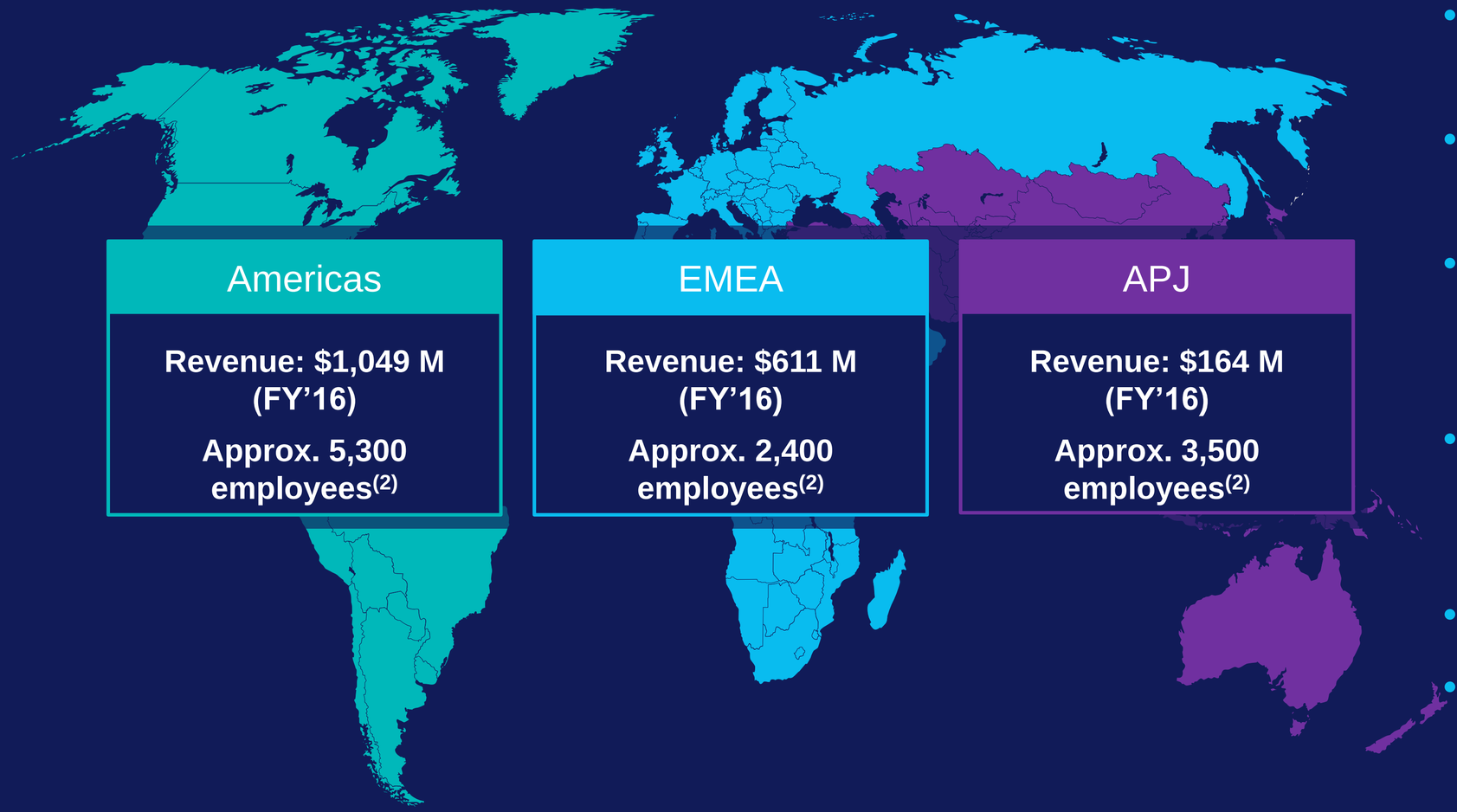
Intelligent Growth: Global Expansion



Americas	EMEA	APJ
Revenue: $1,049 M (FY'16)	**Revenue: $611 M (FY'16)**	**Revenue: $164 M (FY'16)**
Approx. 5,300 employees(2)	**Approx. 2,400 employees(2)**	**Approx. 3,500 employees(2)**

- 42% of OpenText sales in FY'16 comes from outside the Americas
- Significant opportunity in all geographies
- Increased non-Americas sales from $572M to $775M (+35%) over the last 5 years(1)
- Key operations in Canada, US, Brazil, UK, Germany, France, India, Philippines, Australia and Japan
- Direct sales force in 30 countries
- Global partners help extend our reach cost effectively

(1) From FY12 to FY16
(2) As of March 31, 2017

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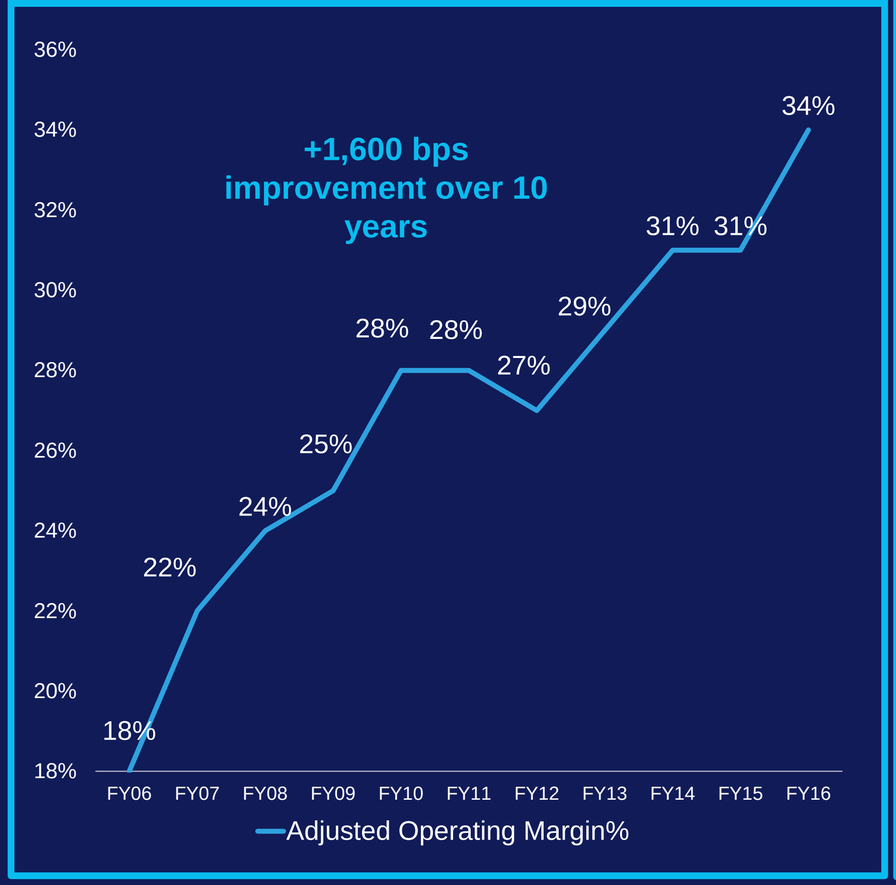
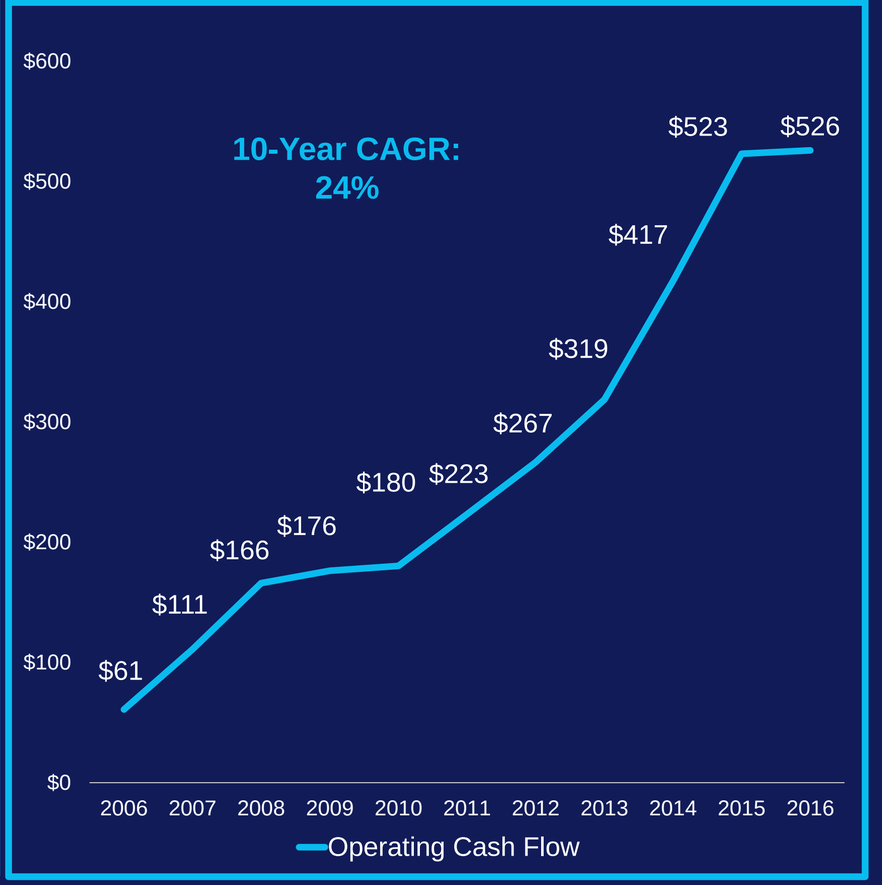
Adjusted Operating Margin and Operating Cash Flow

Adjusted Operating Margin[(1)]



Operating Cash Flow



- +1,600 bps improvement in AOM over the past 10 years
- Significant long-term opportunity to increase AOM
- Expanding margins while reinvesting
- 24% OCF CAGR over 10 years

(1) See “Use of Non-GAAP Financial Measures” at the end of this presentation.

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Strategic Acquisitions

- M&A is our leading growth driver, complemented by organic growth initiatives
- Proven approach to M&A with 56 completed acquisitions
- Information Management is a $35 billion market(1) and underpins our strategic thesis
- Deliver value through integrated operations and innovation
- FY’18 will be the first full fiscal year of benefit from approximately $2.4 billion of deployed capital (ECD, HP CCM, HP CEM, ANX, Recommind)
- Announced our planned acquisition of Covisint on June 5, 2017: IoT and AI expands the market definition of Information Management
- Accelerated our pace of acquisitions over the last two years

(1) Data from various industry analyst reports including Forrester, Gartner, and others

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ECD: A Compelling Acquisition

- Worldwide leader in Content Services (OpenText + ECD)
- Capture new opportunities in Information Lifecycle Management
- ECD brings 5,000 marquee customers + 2,000 information experts
- New relationships in life sciences, healthcare, global systems integrators, and alliances



Total Revenue (US$ M)	$80M	Focus on Scaling Performance			First full calendar year Look beyond initial synergies Increased innovation
Adjusted Operating Margin[1]	Low teens	→		On OpenText Target Model[2]	
Select Integration Notes	• Closed Jan 23'17 • Initiated ECD restructuring • TSA programs and expenses front loaded	• ECD's first full quarter inside OpenText	• OpenText proven incentive programs • People integration complete • New products	• Integration substantially complete	

(1) See "Use of Non-GAAP Financial Measures" at the end of this presentation.
(2) Expectation remains to be on OpenText operating model in the first 12 months from ECD closing

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Summary

- Proven and scalable growth strategy
- Increased customer interest in our solutions
- M&A continues to be a leading growth strategy
- Top organic opportunity is to expand install-base adoption (upgrades, cross sells, new markets)
- Attract new customers through global partners
- AI and IoT expands the market opportunity
- Strong, experienced management team to capture the market opportunity
- Annual Recurring Revenue (ARR), Adjusted Operating Income and Operating Cash Flow are key barometers of the business(1)

(1) See “Use of Non-GAAP Financial Measures” at the end of this presentation.

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John Doolittle

CFO

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Liquidity Profile & Balance Sheet

Liquidity

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

Balance Sheet

- Well diversified and solid liquidity profile
- Next major principal debt repayment in 2021
- Consolidated net leverage ratio of 2.5:1, which is well within our covenant of 4.0:1
- Favorable credit ratings and investment grade-like covenants provide flexibility

As of March 31, 2017	
Cash & Short-term Investments	$ 452M
Revolver – Undrawn Commitment	$ 225M(1)
Total Available & Committed Liquidity	$ 677M
Long-term Debt (2)	$2,649M

(1) Total revolver commitment before $225M drawdown is $450M
(2) Includes $233M current portion of long-term debt and excludes related premium and debt issuance costs

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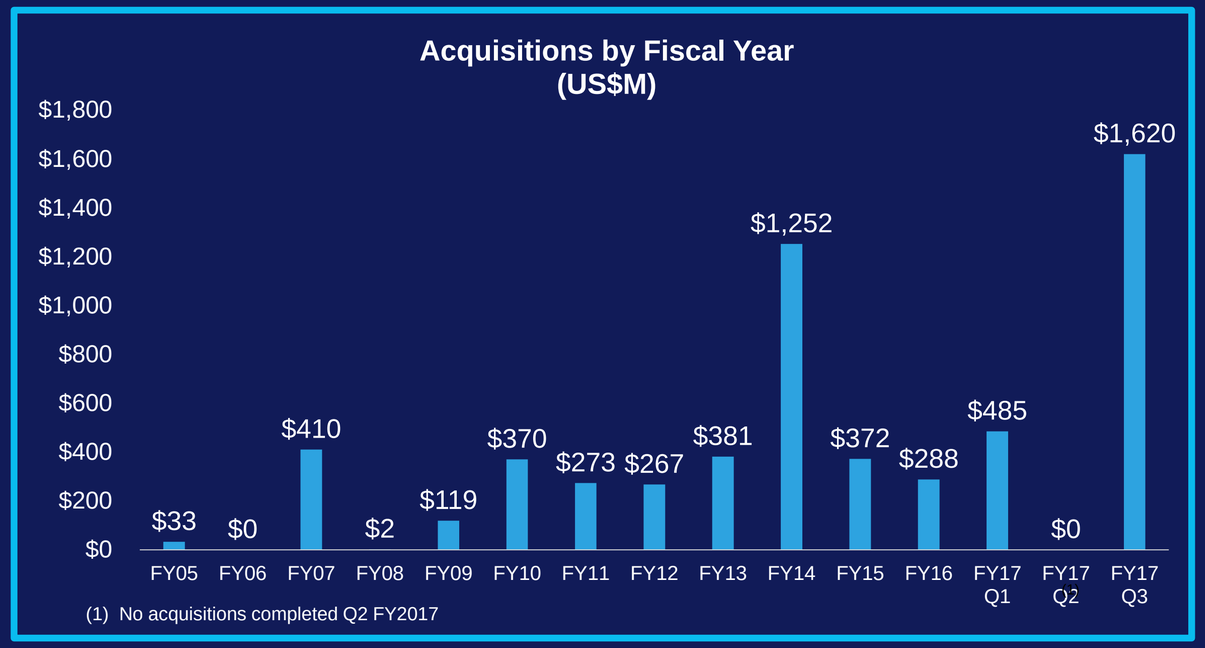
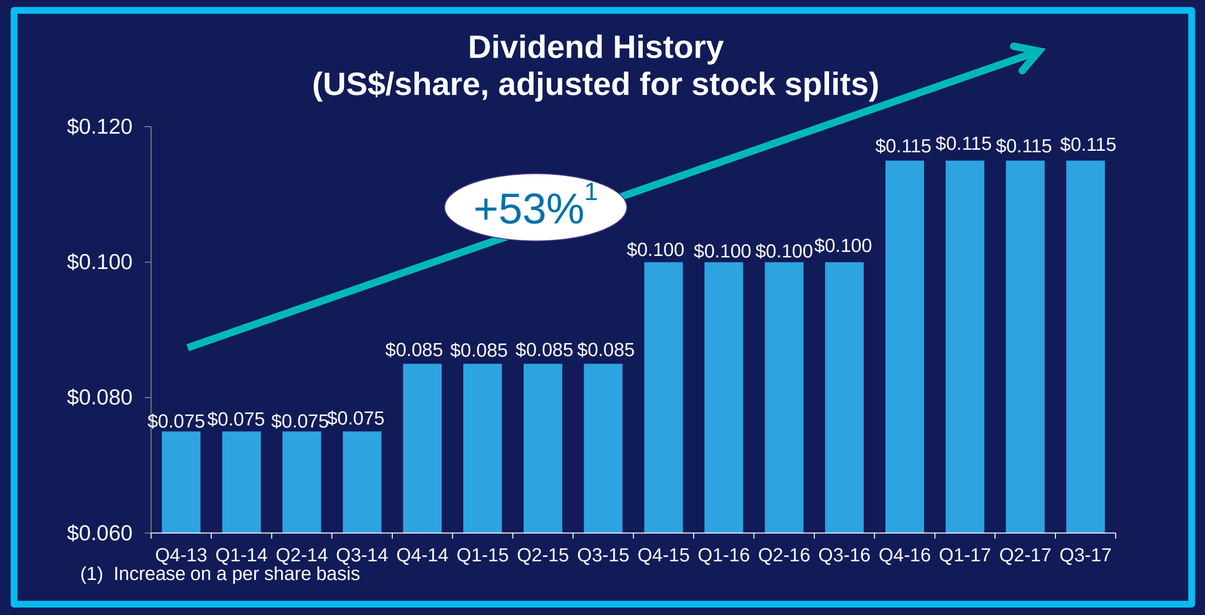
Capital Allocation

- Maintain financial flexibility – strong balance sheet, access to capital, preserve ratings, reasonable cost
- CAPEX spending of $71M on LTM(1) basis
- Drive continuous working capital improvement
- Dividend per share has increased by ~53% since 2013(2)
- On May 5, 2017, Board declared a 15% increase to quarterly dividend to $0.132 per share
- Take a balanced approach in capital allocation while considering all stakeholders





(1) Trailing twelve months as of March 31, 2017
(2) Increase on a per share basis

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James McGourlay

SVP Global Customer Services

The Information Company™

NASDAQ: OTEX | TSX: OTEX

Global Customer Services

Global Customer Services (GCS) Mission: “Deliver world class technical expertise to ensure our customers are successful in their use of OpenText solutions and services.”

GCS goals

- Drive growth in ARR and margin expansion
- How?
  - Increased adoption
  - Accelerated time to revenue
  - Improved customer experience

A Team of 2,400 EIM experts

- Technical Support
- Recurring Revenue team
- Cloud onboarding
- Customer Experience team

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OpenText Best Practices

OpenText operating principles for annual recurring revenue:

Pricing, packaging & contracting	Renewal process	Customer success	Organizational enablers	Analytics
• Support and maintenance packages designed to address customer pain points • Premium pricing based on business value • Clear contracting terms & conditions allowing for process-based renewals	• Clearly defined through playbooks and standard operating procedures • Measurement and analysis of performance throughout a period allows for in-period correction	• Customer Success Team focused on customer lifecycle – onboarding, adoption, account management • Elite Platinum Program for strategic accounts	• Close collaboration between post-sales functions • Voice of the Customer Program / feedback loop	• Enhanced customer intelligence reporting capabilities • Proprietary analytics used to predict at-risk customers

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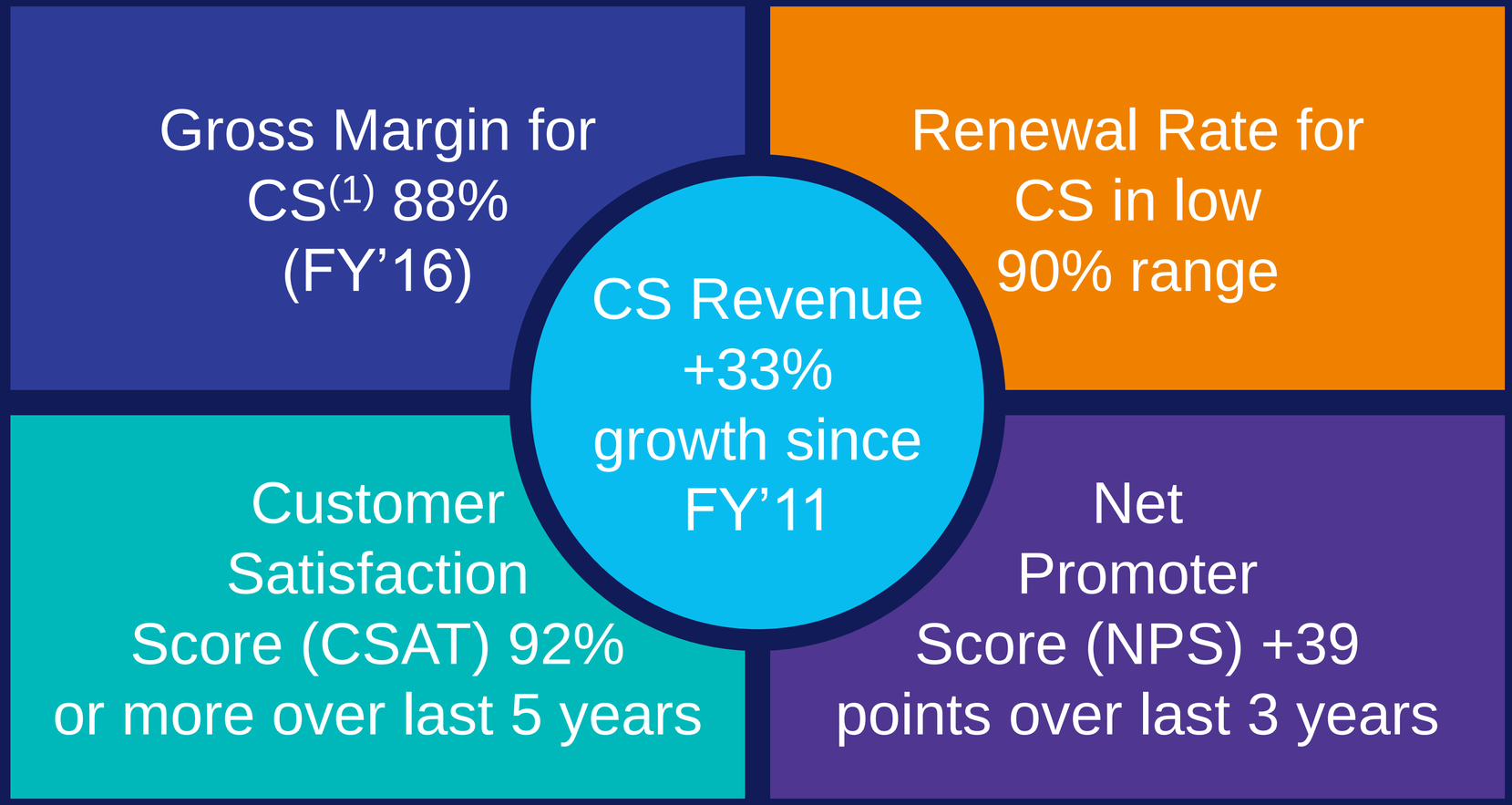
OpenText Key Performance Indicators (KPI's)



(1) CS – Customer Support

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Summary

1. Continued ARR expansion and margin improvement
2. Focus on improving and refining OpenText Recurring Revenue best practices
3. Five KPIs drive CS performance
4. Long-term initiatives through:
   - Further deployment of Analytics
   - Extending from renewal to sales
   - Strong financial performance



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Muhi Majzoub

EVP, Engineering & IT

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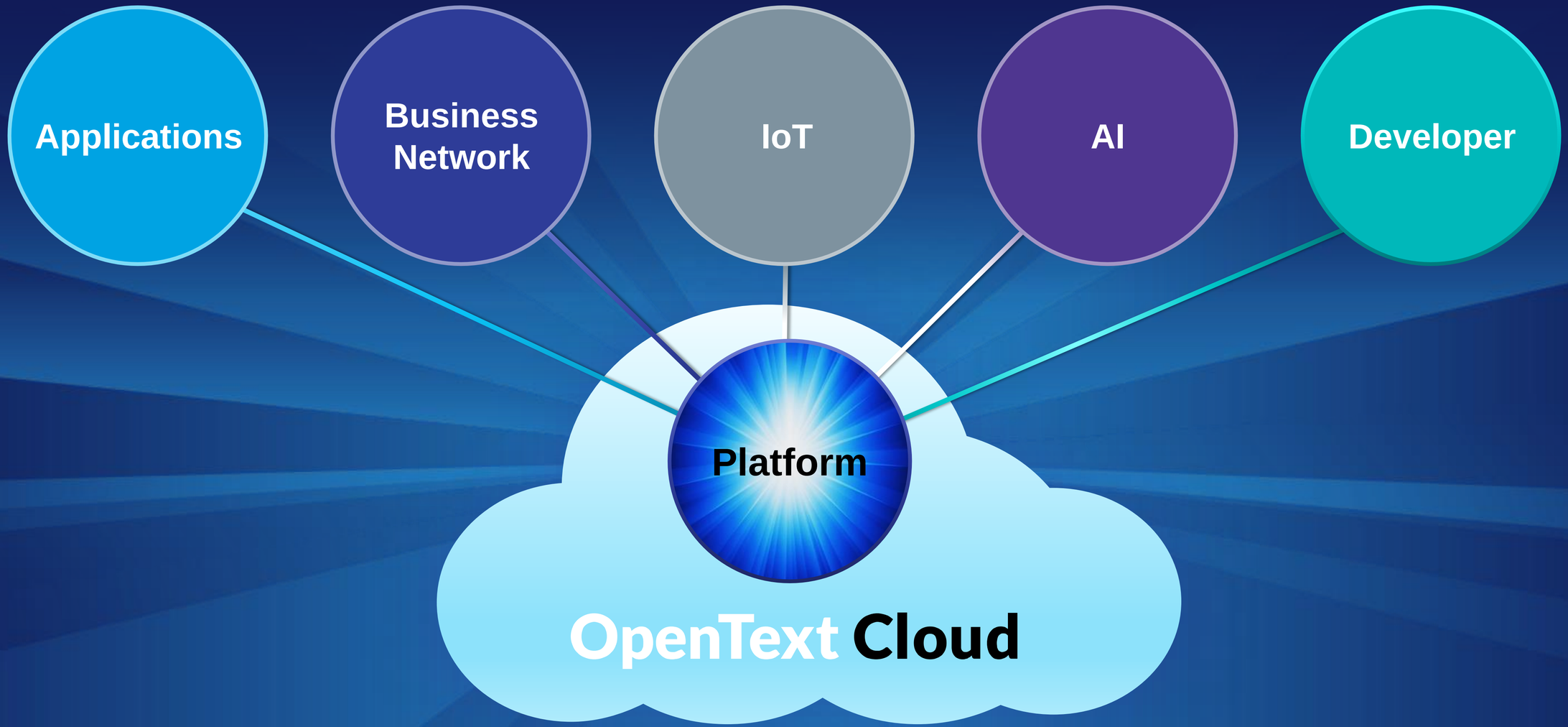
Connect with your information in a whole new way



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OpenText Information Applications

Humans run in herds … they organize around the largest collections of corporate information

95% of all Corporate Information is in these classes



- Employees
- Customers
- Suppliers
- Assets
- Contracts
- Cases
- eMail

Release 16

- People Center
- CEM
- Active Applications
- Engineering & Construction
- Capital Markets
- Case & Contract Center
- Business Center
- … And a lot more

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OpenText Information Platform

Enabling Digitalization … The Brilliant Basics



- Store, manage and secure
- Scan, capture and translate
- Metadata, facets, and search
- Discovery
- Information Lifecycle Management
- Connectors, Connectors, Connectors

Release 16

- Content Suite, Documentum
- Capture Center / Captiva
- InfoFusion
- InfoArchive
- Recommind
- Extended ECM
- TeamSite, exStream
- … and a lot more

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OpenText Information Network

$7 Trillion in Annual Commerce
Any Document, Any Format, Anytime, Anywhere

Connectivity Made Easy	Enable Trading in 7 days	Deep Analytics	Global & Secure



- 25 Billion B2B Transactions per year
- Connect to over 600k trading partners
- The most connection types in the world (EDI, ACH, X12, EDIFACT, FAX, Email, iDocs, cXML, etc)

Release 16

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OpenText Internet of Things (IoT)

Listen to the world at IoT scale



Ingest billions of messages a day through open protocols

Trigger actions through rules and automated processes



Simple, easy to use applications to manage devices

Drive insight through Analytics and AI

MAGELLAN
BY OPENTEXT™

Improve business outcomes

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Information Lakes | AI

1

COLLECTION
Pipeline System
(Connectors – Feed the Lake)

2

APPLICATIONS
Human | Machine
(Feed the Lake)

3

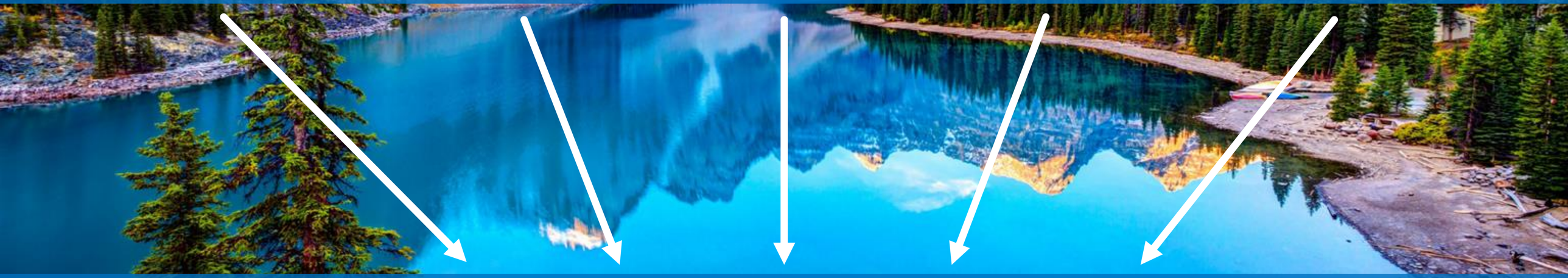
ALGORITHMS
(Fish the Lake)

4

DEEP LEARNING
(Explore the Lake)

5

INSIGHT
(Lets go swimming!!!)



EIM Information | SQL, Hadoop, Spark, GraphX

OpenText Artificial Intelligence (AI)

Information + Algorithms = Insights

MAGELLAN
BY OPENTEXT™

- Magellan = Actuate + Apache Spark + Nstein
- Run standalone or Pre-integrated to OpenText EIM
- Pre-packaged algorithms (via MLIB)
- Write your own algorithms (via R and other languages)
- Pre-certified x86 hardware configurations
- Built on Open Standards

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Information Developer (https://developer.opentext.com)

Developers make all things POSSIBLE !!!
Remove the friction in creating Enterprise Applications

Build Apps in only 7 Days	Low Code	Micro Services	Write Once Run Everywhere



- Pre-Packaged data models (Employees, Asset, Suppliers etc…)
- Multi-tenant SaaS applications by default
- 500 RESTful services (EIM as a service)
- The Business Network as an API
- People Center, eDocs Info Center and Content Server Mobile 100% written in AppWorks

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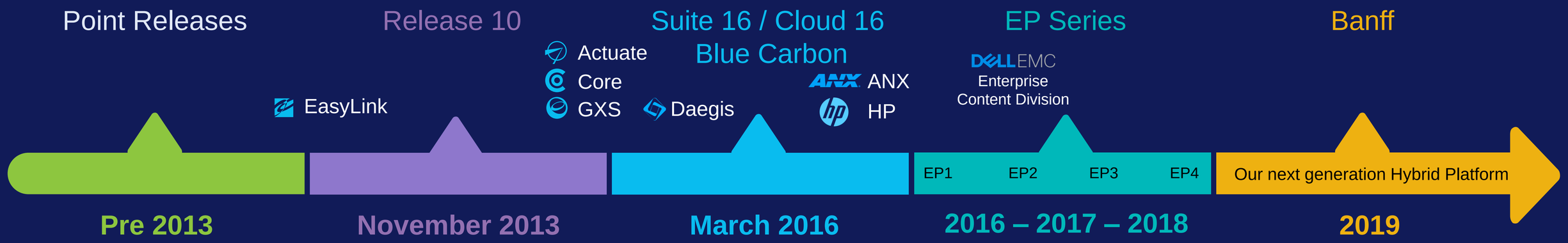
Continuous Innovation



We are Committed to

- Innovation
- Winning in EIM
- #1 in each pillar
- Growth through acquisitions

What is Key

- Functional completeness
- Integration
- Architecture matters
- Hybrid: Seamless movement between On Premises and Cloud

EIM investment (R&D & Acquisitions)

In the past 5 years(1):

- $973M in R&D spend
- $4.7B in M&A

(1) Represents the last 5 years, leading up to March 31, 2017

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Building Value for Our Customers

- Business process acceleration with Release 16 and OpenText Cloud
- Connect global suppliers through our B2B Business Network
- Incorporate machines through IoT
- Generate better insights and stronger business decisions with Magellan AI
- Rapidly deploy revenue generating applications with AppWorks
- Scalable and secure information platform



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Appendix A

Use of Non-GAAP Financial Measures

In addition to reporting financial results in accordance with U.S. GAAP, the Company provides certain financial measures that are not in accordance with U.S. GAAP (Non-GAAP).These Non-GAAP financial measures have certain limitations in that they do not have a standardized meaning and thus the Company's definition may be different from similar Non-GAAP financial measures used by other companies and/or analysts and may differ from period to period. Thus it may be more difficult to compare the Company's financial performance to that of other companies. However, the Company's management compensates for these limitations by providing the relevant disclosure of the items excluded in the calculation of these Non-GAAP financial measures both in its reconciliation to the U.S. GAAP financial measures and its consolidated financial statements, all of which should be considered when evaluating the Company's results.

The Company uses these Non-GAAP financial measures to supplement the information provided in its consolidated financial statements, which are presented in accordance with U.S. GAAP. The presentation of Non-GAAP financial measures are not meant to be a substitute for financial measures presented in accordance with U.S. GAAP, but rather should be evaluated in conjunction with and as a supplement to such U.S. GAAP measures. OpenText strongly encourages investors to review its financial information in its entirety and not to rely on a single financial measure. The Company therefore believes that despite these limitations, it is appropriate to supplement the disclosure of the U.S. GAAP measures with certain Non-GAAP measures defined below.

Non-GAAP-based net income and Non-GAAP-based EPS are calculated as net income or earnings per share on a diluted basis, after giving effect to the amortization of acquired intangible assets, other income (expense), share-based compensation, and Special charges (recoveries), all net of tax and any tax benefits/expense items unrelated to current period income, as further described in the tables below. Non-GAAP-based gross profit is the arithmetical sum of GAAP-based gross profit and the amortization of acquired technology-based intangible assets and share-based compensation within cost of sales. Non-GAAP-based gross margin is calculated as Non-GAAP-based gross profit expressed as a percentage of total revenue. Non-GAAP-based income from operations is calculated as income from operations, excluding the amortization of acquired intangible assets, Special charges (recoveries), and share-based compensation expense. Non-GAAP-based operating margin is calculated as Non-GAAP-based income from operations expressed as a percentage of total revenue.

The Company's management believes that the presentation of the above defined Non-GAAP financial measures provides useful information to investors because they portray the financial results of the Company before the impact of certain non-operational charges. The use of the term “non-operational charge” is defined for this purpose as an expense that does not impact the ongoing operating decisions taken by the Company's management and is based upon the way the Company's management evaluates the performance of the Company's business for use in the Company's internal reports. In the course of such evaluation and for the purpose of making operating decisions, the Company's management excludes certain items from its analysis, including amortization of acquired intangible assets, Special charges (recoveries), share-based compensation, other income (expense), and the taxation impact of these items. These items are excluded based upon the manner in which management evaluates the business of the Company and are not excluded in the sense that they may be used under U.S. GAAP.

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

See historical filings, including the Company’s Annual Reports on Form 10-K, for reconciliations of certain Non-GAAP measures to GAAP measures. The following charts provide (unaudited) reconciliations of U.S. GAAP-based financial measures to Non-U.S. GAAP-based financial measures for the following periods presented:

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Reconciliation of Selected Non-GAAP Measures | Q3 F17

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

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Reconciliation of Selected Non-GAAP Measures | Q3 F17

FOOTNOTES	
1	Adjustment relates to the exclusion of share based compensation expense from our Non-GAAP-based operating expenses as this expense is excluded from our internal analysis of operating results.
2	Adjustment relates to the exclusion of amortization expense from our Non-GAAP-based operating expenses as the timing and frequency of amortization expense is dependent on our acquisitions and is hence excluded from our internal analysis of operating results.
3	GAAP-based and Non-GAAP-based gross profit stated in dollars and gross margin stated as a percentage of total revenue.
4	Adjustment relates to the exclusion of Special charges (recoveries) from our Non-GAAP-based operating expenses as Special charges (recoveries) are generally incurred in the periods relevant to an acquisition and include one-time, non-recurring charges or recoveries that are not indicative or related to continuing operations, and are therefore excluded from our internal analysis of operating results.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars and operating margin stated as a percentage of total revenue.
6	Adjustment relates to the exclusion of Other income (expense) from our Non-GAAP-based operating expenses as Other income (expense) relates primarily to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results. Other income (expense) also includes our share of income (losses) from our holdings in non-marketable securities investments as a limited partner. We do not actively trade equity securities in these privately held companies nor do we plan our ongoing operations based around any anticipated fundings or distributions from these investments. We exclude gains and losses on these investments as we do not believe they are reflective of our ongoing business and operating results.
7	Adjustment relates to differences between the GAAP-based tax provision rate of approximately 38% and a Non-GAAP-based tax rate of approximately 15%; these rate differences are due to the income tax effects of expenses that are excluded for the purpose of calculating Non-GAAP-based adjusted net income. Such excluded expenses include amortization, share-based compensation, Special charges (recoveries) and other income (expense), net. Also excluded are tax benefits/expense items unrelated to current period income such as changes in reserves for tax uncertainties and valuation allowance reserves, and “book to return” adjustments for tax return filings and tax assessments. Included is the amount of net tax benefits arising from the internal reorganization assumed to be allocable to the current period based on the forecasted utilization period. In arriving at our Non-GAAP-based tax rate of approximately 15%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense.
8	Reconciliation of GAAP-based net income to Non-GAAP-based net income:

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

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Reconciliation of Selected Non-GAAP Measures | Fiscal 2017 YTD

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

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Reconciliation of Selected Non-GAAP Measures | Fiscal 2017 YTD

FOOTNOTES	
1	Adjustment relates to the exclusion of share based compensation expense from our Non-GAAP-based operating expenses as this expense is excluded from our internal analysis of operating results.
2	Adjustment relates to the exclusion of amortization expense from our Non-GAAP-based operating expenses as the timing and frequency of amortization expense is dependent on our acquisitions and is hence excluded from our internal analysis of operating results.
3	GAAP-based and Non-GAAP-based gross profit stated in dollars and gross margin stated as a percentage of total revenue.
4	Adjustment relates to the exclusion of Special charges (recoveries) from our Non-GAAP-based operating expenses as Special charges (recoveries) are generally incurred in the periods relevant to an acquisition and include one-time, non-recurring charges or recoveries that are not indicative or related to continuing operations, and are therefore excluded from our internal analysis of operating results.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars and operating margin stated as a percentage of total revenue.
6	Adjustment relates to the exclusion of Other income (expense) from our Non-GAAP-based operating expenses as Other income (expense) relates primarily to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results. Other income (expense) also includes our share of income (losses) from our holdings in non-marketable securities investments as a limited partner. We do not actively trade equity securities in these privately held companies nor do we plan our ongoing operations based around any anticipated fundings or distributions from these investments. We exclude gains and losses on these investments as we do not believe they are reflective of our ongoing business and operating results.
7	Adjustment relates to differences between the GAAP-based tax recovery rate of approximately 496% and a Non-GAAP-based tax rate of approximately 15%; these rate differences are due to the income tax effects of expenses that are excluded for the purpose of calculating Non-GAAP-based adjusted net income. Such excluded expenses include amortization, share-based compensation, Special charges (recoveries) and other income (expense), net. Also excluded are tax benefits/expense items unrelated to current period income such as changes in reserves for tax uncertainties and valuation allowance reserves, and “book to return” adjustments for tax return filings and tax assessments. Included is the amount of net tax benefits arising from the internal reorganization assumed to be allocable to the current period based on the forecasted utilization period. In arriving at our Non-GAAP-based tax rate of approximately 15%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense.
8	Reconciliation of GAAP-based net income to Non-GAAP-based net income:

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

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Reconciliation of Selected Non-GAAP Measures | Q2 F17

(in '000s USD)	Three Months Ended December 31, 2016					
	GAAP	GAAP % of Total Revenue	Adjustments	FN	Non- GAAP	Non-GAAP % of Total Revenue
COST OF REVENUES						
Cloud services and subscriptions	$ 73,150		$ (211)	(1)	$ 72,939	
Customer support	27,349		(270)	(1)	27,079	
Professional service and other	40,295		(468)	(1)	39,827	
Amortization of acquired technology-based intangible assets	24,848		(24,848)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	374,676	69.0%	25,797	(3)	400,473	73.8%
Operating expenses						
Research and development	64,721		(1,995)	(1)	62,726	
Sales and marketing	102,651		(2,329)	(1)	100,322	
General and administrative	39,914		(2,299)	(1)	37,615	
Amortization of acquired customer-based intangible assets	33,815		(33,815)	(2)	—	
Special charges (recoveries)	11,117		(11,117)	(4)	—	
GAAP-based income from operations and operating margin (%) / Non-GAAP-based income from operations and operating margin (%)	107,157	19.7%	77,352	(5)	184,509	34.0%
Other income (expense), net	(3,558)		3,558	(6)	—	
Provision for (recovery of) income taxes	30,822		(7,319)	(7)	23,503	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	45,022		88,229	(8)	133,251	
GAAP-based earnings per share / Non GAAP-based earnings per share-diluted, attributable to OpenText	$ 0.18		$ 0.36	(8)	$ 0.54	

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Reconciliation of Selected Non-GAAP Measures | Q2 F17

FOOTNOTES	
1	Adjustment relates to the exclusion of share based compensation expense from our Non-GAAP-based operating expenses as this expense is excluded from our internal analysis of operating results.
2	Adjustment relates to the exclusion of amortization expense from our Non-GAAP-based operating expenses as the timing and frequency of amortization expense is dependent on our acquisitions and is hence excluded from our internal analysis of operating results.
3	GAAP-based and Non-GAAP-based gross profit stated in dollars and gross margin stated as a percentage of total revenue.
4	Adjustment relates to the exclusion of Special charges (recoveries) from our Non-GAAP-based operating expenses as Special charges (recoveries) are generally incurred in the periods relevant to an acquisition and include one-time non-recurring charges or recoveries that are not indicative or related to continuing operations, and are therefore excluded from our internal analysis of operating results.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars and operating margin stated as a percentage of total revenue.
6	Adjustment relates to the exclusion of Other income (expense) from our Non-GAAP-based operating expenses as Other income (expense) relates primarily to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results. Other income (expense) also includes our share of income (losses) from our holdings in non-marketable securities investments as a limited partner. We do not actively trade equity securities in these privately held companies nor do we plan our ongoing operations based around any anticipated fundings or distributions from these investments. We exclude gains and losses on these investments as we do not believe they are reflective of our ongoing business and operating results.
7	Adjustment relates to differences between the GAAP-based tax provision rate of approximately 41% and a Non-GAAP-based tax rate of approximately 15%; these rate differences are due to the income tax effects of expenses that are excluded for the purpose of calculating Non-GAAP-based adjusted net income. Such excluded expenses include amortization, share-based compensation, Special charges (recoveries) and other income (expense), net. Also excluded are tax benefits/expense items unrelated to current period income such as changes in reserves for tax uncertainties and valuation allowance reserves, and “book to return” adjustments for tax return filings and tax assessments. Included is the amount of net tax benefits arising from the internal reorganization assumed to be allocable to the current period based on the forecasted utilization period. In arriving at our Non-GAAP-based tax rate of approximately 15%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense.
8	Reconciliation of GAAP-based net income to Non-GAAP-based net income:

	Three Months Ended December 31, 2016	
		Per share diluted
GAAP-based net income, attributable to OpenText	$ 45,022	$ 0.18
Add:		
Amortization	58,663	0.24
Share-based compensation	7,572	0.03
Special charges (recoveries)	11,117	0.04
Other (income) expense, net	3,558	0.01
GAAP-based provision for (recovery of) income taxes	30,822	0.12
Non-GAAP based provision for income taxes	(23,503)	(0.08)
Non-GAAP-based net income, attributable to OpenText	$ 133,251	$ 0.54

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Reconciliation of Selected Non-GAAP Measures | Q3 F16

(in '000s USD)	Three Months Ended March 31, 2016					
	GAAP	GAAP % of Total Revenue	Adjustments	FN	Non- GAAP	Non-GAAP % of Total Revenue
COST OF REVENUES						
Cloud services and subscriptions	$ 61,298		$ (202)	(1)	$ 61,096	
Customer support	22,427		(215)	(1)	22,212	
Professional service and other	37,599		(247)	(1)	37,352	
Amortization of acquired technology-based intangible assets	17,630		(17,630)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	299,109	67.9%	18,294	(3)	317,403	72.0%
Operating expenses						
Research and development	48,160		(500)	(1)	47,660	
Sales and marketing	84,600		(3,213)	(1)	81,387	
General and administrative	37,731		(1,589)	(1)	36,142	
Amortization of acquired customer-based intangible assets	27,966		(27,966)	(2)	—	
Special charges (recoveries)	(1,671)		1,671	(4)	—	
GAAP-based income from operations and operating margin (%) / Non-GAAP-based income from operations and operating margin (%)	88,569	20.1%	49,891	(5)	138,460	31.4%
Other income (expense), net	2,120		(2,120)	(6)	—	
Provision for (recovery of) income taxes	5,353		19,100	(7)	24,453	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	69,115		28,671	(8)	97,786	
GAAP-based earnings per share / Non GAAP-based earnings per share-diluted, attributable to OpenText	$ 0.28		$ 0.12	(8)	$ 0.40	

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Reconciliation of Selected Non-GAAP Measures | Q3 F16

FOOTNOTES	
1	Adjustment relates to the exclusion of share based compensation expense from our Non-GAAP-based operating expenses as this expense is excluded from our internal analysis of operating results.
2	Adjustment relates to the exclusion of amortization expense from our Non-GAAP-based operating expenses as the timing and frequency of amortization expense is dependent on our acquisitions and is hence excluded from our internal analysis of operating results.
3	GAAP-based and Non-GAAP-based gross profit stated in dollars and gross margin stated as a percentage of total revenue.
4	Adjustment relates to the exclusion of Special charges (recoveries) from our Non-GAAP-based operating expenses as Special charges (recoveries) are generally incurred in the periods relevant to an acquisition and include one-time non-recurring charges or recoveries that are not indicative or related to continuing operations, and are therefore excluded from our internal analysis of operating results.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars and operating margin stated as a percentage of total revenue.
6	Adjustment relates to the exclusion of Other income (expense) from our Non-GAAP-based operating expenses as Other income (expense) relates primarily to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results.
7	Adjustment relates to differences between the GAAP-based tax provision rate of approximately 7% and a Non-GAAP-based tax rate of approximately 20%; these rate differences are due to the income tax effects of expenses that are excluded for the purpose of calculating Non-GAAP-based adjusted net income. Such excluded expenses include amortization, share-based compensation, Special charges (recoveries) and other income (expense), net. Also excluded are tax expense items unrelated to current period income such as changes in reserves for tax uncertainties and valuation allowance reserves and “book to return” adjustments for tax return filings and tax assessments. In arriving at our Non-GAAP-based tax rate of approximately 20%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense.
8	Reconciliation of GAAP-based net income to Non-GAAP-based net income:

	Three Months Ended March 31, 2016	
		Per Share Diluted
GAAP-based net income, attributable to OpenText	$ 69,115	$ 0.28
Add:		
Amortization	45,596	0.19
Share-based compensation	5,966	0.03
Special charges (recoveries)	(1,671)	(0.01)
Other (income) expense, net	(2,120)	(0.01)
GAAP-based provision for (recovery of) income taxes	5,353	0.02
Non-GAAP based provision for income taxes	(24,453)	(0.10)
Non-GAAP-based net income, attributable to OpenText	$ 97,786	$ 0.40

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Reconciliation of Selected Non-GAAP Measures | Fiscal 2016 YTD

(in '000s USD)	Nine Months Ended March 31, 2016					
	GAAP	GAAP % of Total Revenue	Adjustments	FN	Non- GAAP	Non-GAAP % of Total Revenue
COST OF REVENUES						
Cloud services and subscriptions	$ 179,132		$ (641)	(1)	$ 178,491	
Customer support	64,624		(631)	(1)	63,993	
Professional service and other	114,038		(1,086)	(1)	112,952	
Amortization of acquired technology-based intangible assets	56,244		(56,244)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	919,197	68.6%	58,602	(3)	977,799	72.9%
Operating expenses						
Research and development	140,310		(1,988)	(1)	138,322	
Sales and marketing	248,420		(9,043)	(1)	239,377	
General and administrative	107,067		(5,691)	(1)	101,376	
Amortization of acquired customer-based intangible assets	83,564		(83,564)	(2)	—	
Special charges (recoveries)	24,754		(24,754)	(4)	—	
GAAP-based income from operations and operating margin (%) / Non-GAAP-based income from operations and operating margin (%)	275,084	20.5%	183,642	(5)	458,726	34.2%
Other income (expense), net	(1,832)		1,832	(6)	—	
Provision for (recovery of) income taxes	20,629		60,149	(7)	80,778	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	198,087		125,325	(8)	323,412	
GAAP-based earnings per share / Non GAAP-based earnings per share-diluted, attributable to OpenText	$ 0.81		$ 0.51	(8)	$ 1.32	

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Reconciliation of Selected Non-GAAP Measures | Fiscal 2016 YTD

FOOTNOTES	
1	Adjustment relates to the exclusion of share based compensation expense from our Non-GAAP-based operating expenses as this expense is excluded from our internal analysis of operating results.
2	Adjustment relates to the exclusion of amortization expense from our Non-GAAP-based operating expenses as the timing and frequency of amortization expense is dependent on our acquisitions and is hence excluded from our internal analysis of operating results.
3	GAAP-based and Non-GAAP-based gross profit stated in dollars and gross margin stated as a percentage of total revenue.
4	Adjustment relates to the exclusion of Special charges (recoveries) from our Non-GAAP-based operating expenses as Special charges (recoveries) are generally incurred in the periods relevant to an acquisition and include one-time non-recurring charges or recoveries that are not indicative or related to continuing operations, and are therefore excluded from our internal analysis of operating results.
5	GAAP-based and Non-GAAP-based income from operations stated in dollars and operating margin stated as a percentage of total revenue.
6	Adjustment relates to the exclusion of Other income (expense) from our Non-GAAP-based operating expenses as Other income (expense) relates primarily to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results.
7	Adjustment relates to differences between the GAAP-based tax provision rate of approximately 9% and a Non-GAAP-based tax rate of 20%; these rate differences are due to the income tax effects of expenses that are excluded for the purpose of calculating Non-GAAP-based adjusted net income. Such excluded expenses include amortization, share-based compensation, Special charges (recoveries) and other income (expense), net. Also excluded are tax expense items unrelated to current period income such as changes in reserves for tax uncertainties and valuation allowance reserves and “book to return” adjustments for tax return filings and tax assessments. In arriving at our Non-GAAP-based tax rate of 20%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense.
8	Reconciliation of GAAP-based net income to Non-GAAP-based net income:

	Nine Months Ended March 31, 2016	
		Per Share Diluted
GAAP-based net income, attributable to OpenText	$ 198,087	$ 0.81
Add:		
Amortization	139,808	0.57
Share-based compensation	19,080	0.08
Special charges (recoveries)	24,754	0.10
Other (income) expense, net	1,832	0.01
GAAP-based provision for (recovery of) income taxes	20,629	0.08
Non-GAAP based provision for income taxes	(80,778)	(0.33)
Non-GAAP-based net income, attributable to OpenText	$ 323,412	$ 1.32

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