



OpenText Buys Guidance Software

September 14, 2017

NASDAQ: **OTEX** | TSX: **OTEX**

Safe Harbor Statement

Certain statements in this presentation, including statements regarding OpenText's plans, objectives, expectations and intentions relating to the acquisition, the acquisition's expected contribution to OpenText's results, financing of the acquisition, as well as the expected timing and benefits of the acquisition and preservation of credit ratings, may contain words considered forward-looking statements or information under applicable securities laws. These statements are based on OpenText's current expectations, estimates, forecasts and projections about the operating environment, economies and markets in which the company operates. These statements are subject to important assumptions, risks and uncertainties that are difficult to predict, and the actual outcome may be materially different. OpenText's assumptions, although considered reasonable by the company at the date of this press release, may prove to be inaccurate and consequently its actual results could differ materially from the expectations set out herein. For additional information with respect to risks and other factors, which could occur, see OpenText's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other securities filings with the SEC and other securities regulators. Unless otherwise required by applicable securities laws, OpenText disclaims any intention or obligations to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

About Guidance Software



- Founded in 1997
- Headquartered in Pasadena, California
- Operating locations across the US, UK and France
- Approximately 350 employees

Guidance Software helps organizations manage and control digital risk across:

- Digital investigations (including eDiscovery)
- Forensic security
- Data risk management

Guidance EnCase® is the gold standard for digital investigative solutions:

- EnCase eDiscovery
- EnCase Forensic
- EnCase Endpoint Investigator
- EnCase Endpoint Security

Transaction Overview

- On July 26, 2017, OpenText announced a tender offer for all outstanding shares of common stock of Guidance Software
- Acquisition price of US\$7.10 per share for a total equity value of approximately \$240 million, less Guidance Software's cash, for an enterprise value of approximately \$222 million
- Transaction closed on September 14, 2017
- OpenText funded the transaction with cash on hand and borrowings from existing short term debt facilities
- Acquisition is expected to be on the OpenText Adjusted Operating Margin (AOM) model within the first 12 months from closing

Strategic Rationale

- Guidance Software aligns with OpenText's Enterprise Information Management (EIM) market thesis
- The EnCase platform is considered to be the industry gold standard in forensic security, that includes digital discovery solutions and endpoint information security
- Broadens the OpenText eDiscovery portfolio through industry leading digital investigation, forensic security, and data risk management solutions
- Extends OpenText's customer base into law enforcement, government agencies, and corporations in highly regulated verticals such as finance and healthcare
- Cross-sell opportunities for both OpenText and Guidance Software customers
- Supported by a large ecosystem of certified EnCase engineers

What OpenText Purchased – Key Products



EnCase eDiscovery

Provides **corporations** and **law firms** a range of essential eDiscovery capabilities including **legal hold, pre-collection analytics**, and the industry gold standard for **preservation** and **forensic collection**.

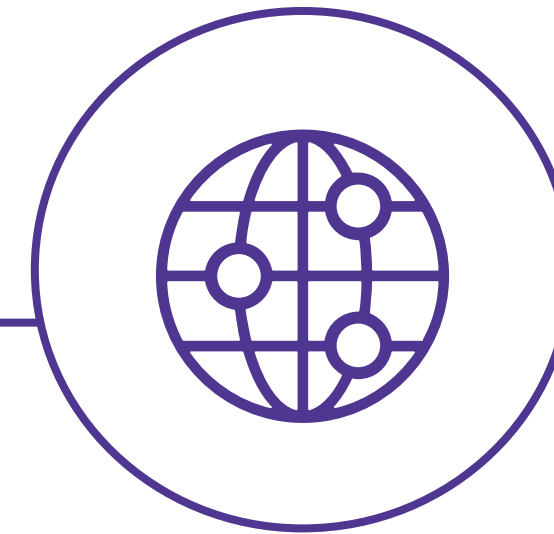
Highly synergistic with **OpenText Axcelerate** (acquired from Recommind)



EnCase Forensic

Enables **law enforcement** and **forensic service providers** to **search, identify, collect, decrypt, process**, and **analyze** digital evidence from computers and a wide range of mobile devices with forensic integrity.

Over 5,000 forensic practitioners have secured **EnCase certifications**



EnCase Endpoint Investigator

Enables **corporations** and **government agencies** to conduct thorough **digital investigations** for HR issues, compliance violations, regulatory inquiries, IP theft, and more – discreetly and without business interruption.

Expands on the capabilities of **EnCase Forensic** to support thousands of enterprises



EnCase Endpoint Security

Provides **enterprises** 360° visibility into endpoints to **detect, validate**, and **automate response** to potential data security threats – both known and unknown – faster and more completely than would otherwise be possible.

EnCase products lead the industry with 35 million endpoints deployed

Marquee Customers in Key Verticals

EnCase technology has been deployed on an estimated 35 million endpoints reaching 78 of the Fortune 100 companies¹

Top 10 U.S. Health Insurers



Top 15 U.S. Federal Agencies



28 of Top 30 U.S. Banks



9 of Top 10 Global Consumer Goods Companies



12 of the Top 15 U.S. Universities



15 of the Top 20 U.S. Power Distributors



Customer Case Studies⁽¹⁾



Proctor & Gamble

SITUATION

- Before bringing eDiscovery in-house, P&G had to rely on multiple outside vendors

SOLUTION

- EnCase for eDiscovery

RESULTS

- Reduced eDiscovery spend by 50% in first 8 weeks
- Reduced a 4 to 6 week case startup to 2 days



Office of The Attorney General in Bogotá, Columbia

SITUATION

- Needed to ensure all forensic laboratories performed in accordance to parameters for handling digital evidence

SOLUTION

- EnCase Forensic

RESULTS

- Locate information in areas of hard drives normally inaccessible
- Trained staff on EnCase resulting in increased performance and accuracy



Novelis

SITUATION

- Escalating service provider costs for eDiscovery
- Internal policies required data for departing employees to be preserved

SOLUTION

- EnCase for eDiscovery

RESULTS

- Novelis now in compliance with internal policy
- In 9 months of using EnCase, Novelis saved more than \$1.5M in fees

Industry Recognition



Gartner®

- Gartner ranks Guidance Software #1 in total Endpoint Detection and Response (EDR) endpoints deployed⁽¹⁾



SC
MAGAZINE

- The only endpoint detection and response solution with a 5 Star Review from SC Magazine⁽²⁾

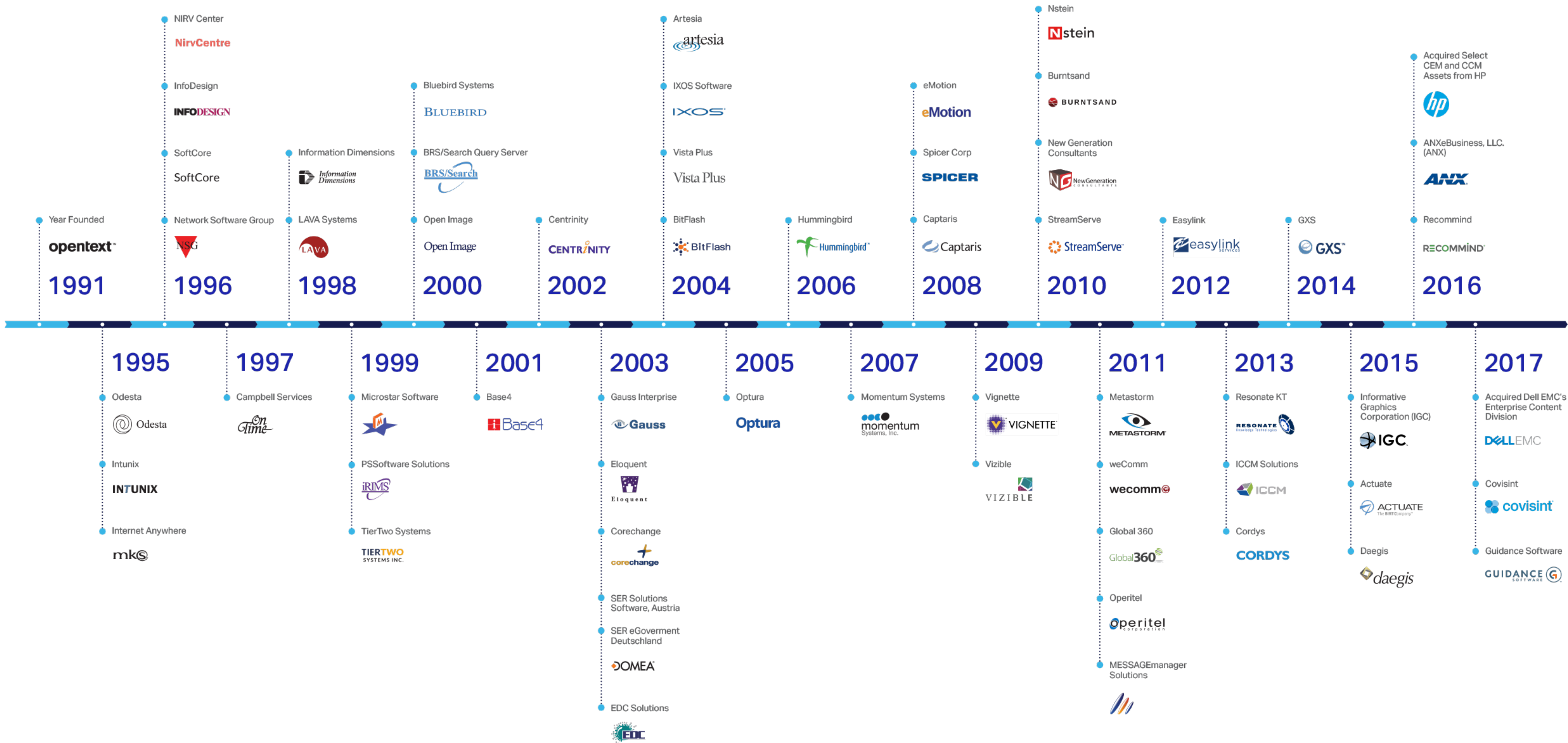
Preliminary Financial Overview

- Trailing twelve months revenue of \$108.6M at June 30, 2017⁽¹⁾
- Guidance expected to contribute insignificant revenue to OpenText's Q1 FY'18
- In the first twelve months after closing, OpenText expects the Purchase Price Allocation (PPA) impact combined with normal integration-based revenue disruptions to impact Guidance revenue by up to \$30M
- Acquisition is expected to be on the OpenText AOM model within the first 12 months from closing
- Additional details will be provided with OpenText's first quarter Fiscal year 2018 earnings materials

About OpenText

- Global leader in EIM software and cloud services
- FY'17 Total Revenue of approx. \$2.3 billion, 41% of sales outside Americas
- 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 (ARR) base⁽¹⁾
- Committed to expanding AOM⁽²⁾
- Strong, experienced management team

History of Integration⁽¹⁾



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